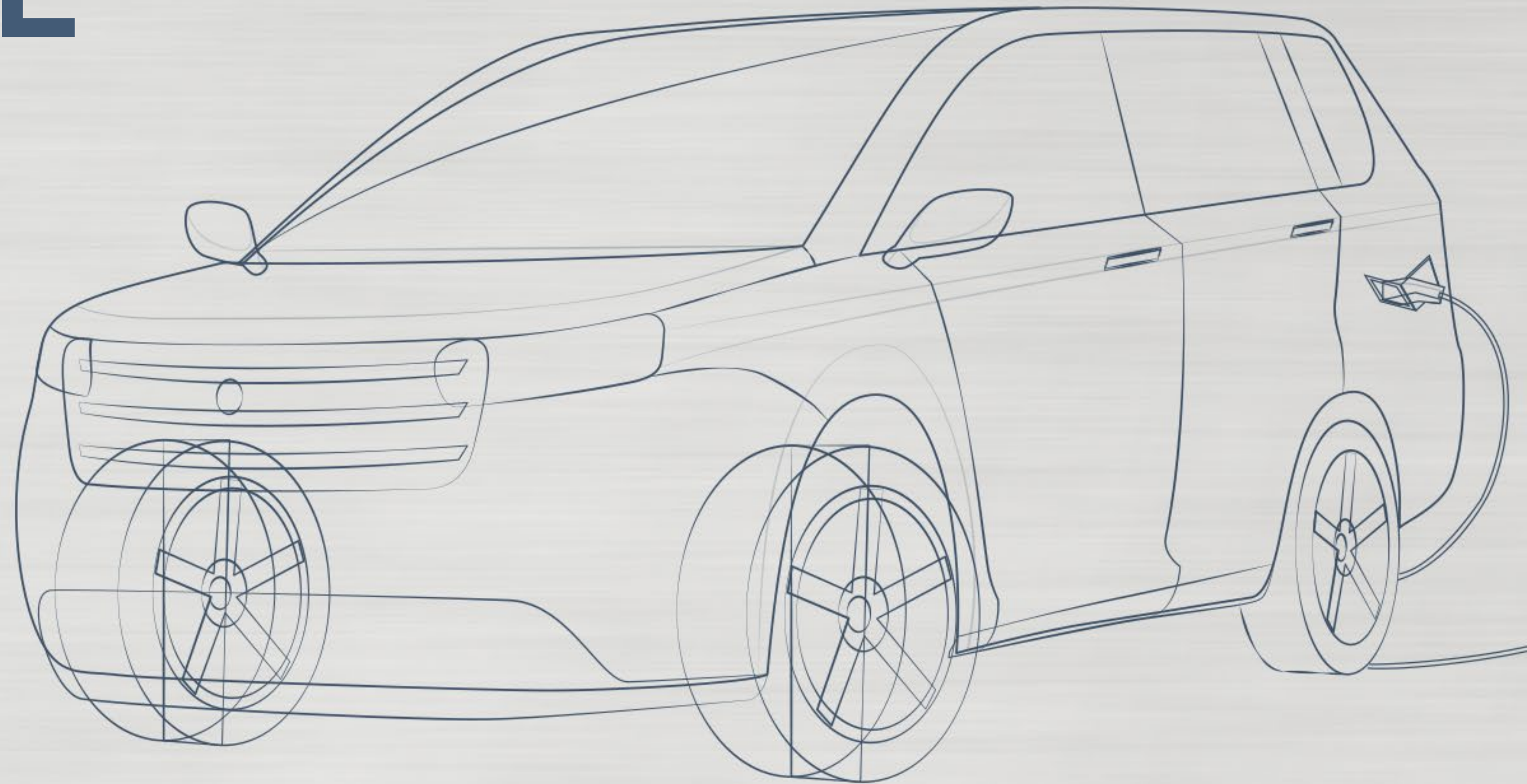


AUTOMOTIVE EXPERIENCE

Introduction to
Addleshaw Goddard's
Automotive Sector



a **ADDLESHAW**
g **GODDARD**

MORE IMAGINATION **MORE IMPACT**

50:50
THE EQUALITY PROJECT

INTRODUCTION

We are delighted to provide you with an introduction to Addleshaw Goddard's legal support capabilities within the automotive sector.

We have worked on a broad range of international advisory work and projects within the automotive sector – including in particular the transition to electric vehicles – for OEMs and top tier suppliers. As such we have built deep insight into the industry and we are confident that we can provide you with advice on many of the challenges and opportunities which many automotive firms are likely to face.

Whether it's:

- development, manufacturing and joint ventures for EVs, EV charging and batteries;
- increased functionality of artificial intelligence and smart vehicle technology;
- the decarbonisation and ESG agenda;
- developing robust data agreements and cyber-security policies; or
- advice in relation to strategic alliances with other automotive manufacturers,

There is a high likelihood we have done some of the thinking before, and would be keen to see how we can help support you.

Should you have any questions relating to our services and experience please do not hesitate to contact us.

TIER 1 LEADING ADVICE

Legal advisors to the transport sector
by legal 500 2020-21

40+ FTSE 100 CLIENTS

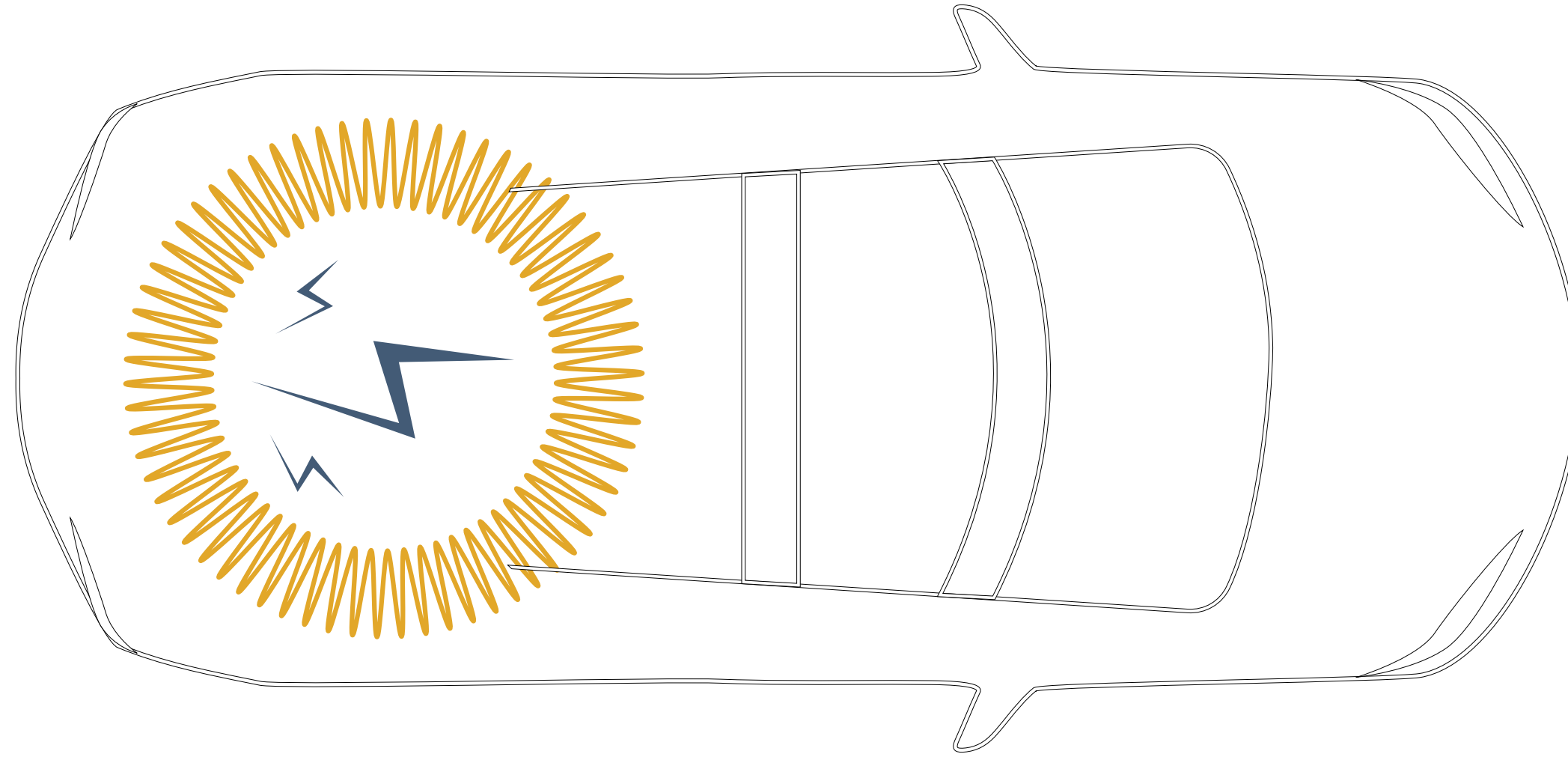
Including Diageo, DfT, GSK, Sainsbury's,
Barclays and Standard Life

4TH MOST INNOVATIVE LAW FIRM IN EUROPE




As ranked by the Financial Times
in 2023

1 LONDON CITY FIRM OF THE YEAR

The Lawyer Awards 2022



 Click on the squares to reveal more

 <p>AREAS OF INDUSTRY FOCUS</p>	 <p>EXPERIENCE HIGHLIGHTS</p>	 <p>ABOUT AG</p>
---	---	--

AREAS OF INDUSTRY FOCUS

The global automotive sector is transitioning to a new world of electric – some have been quick to seize the advantage and others have lagged behind their competitors. We have been at the forefront of this, advising VW on the development and supply of its modular platform to Ford – one of the most high profile and significant electric vehicle manufacturing and supply transactions in the market in recent years.

The dawn of electric brings with it huge shifts in approach, strategy, changes to manufacturing capability and supply chains and is very much a brave new world for OEMs.

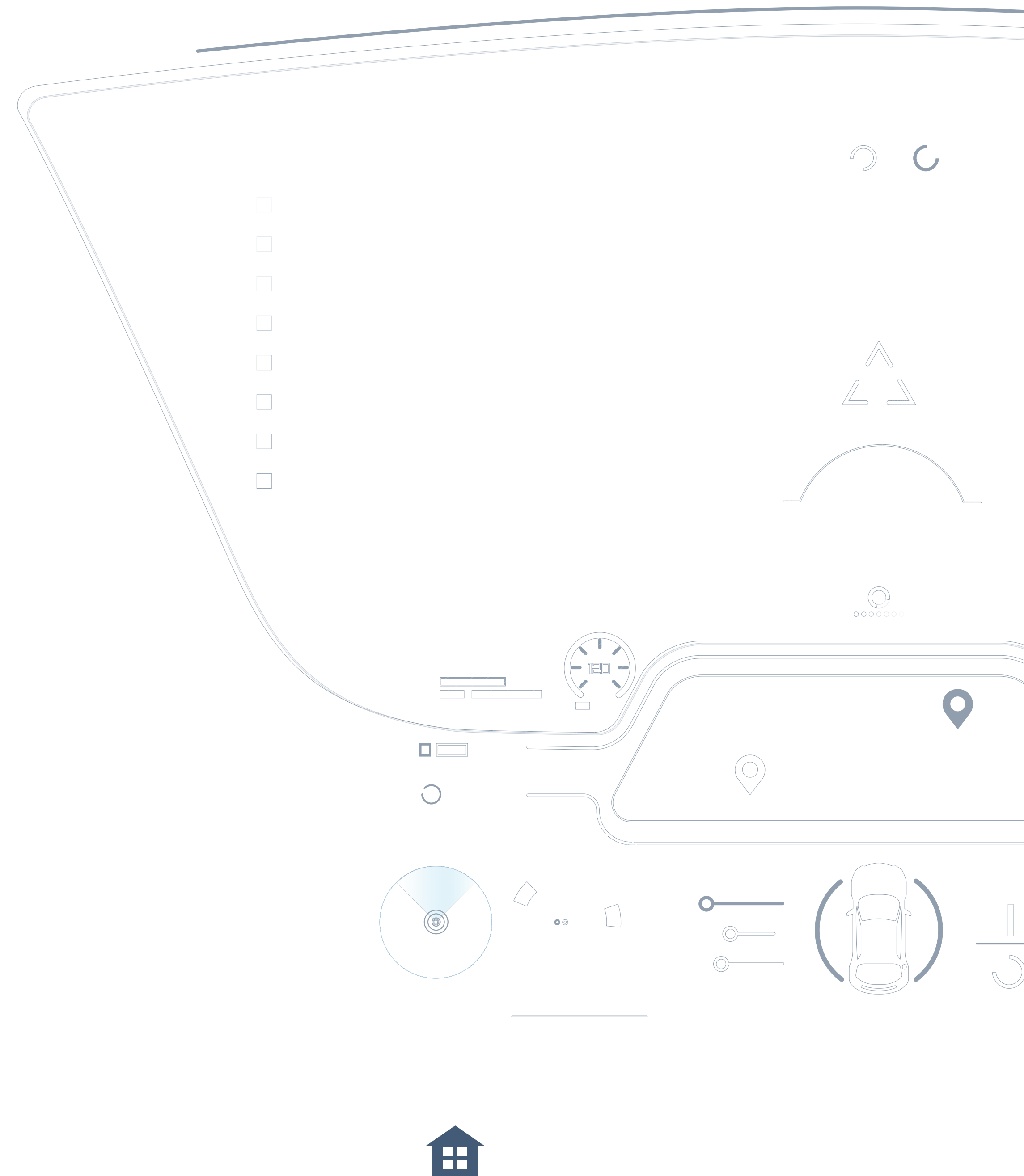
We address a few of the topics facing the automotive industry here:

ARTIFICIAL INTELLIGENCE, CONNECTIVITY AND SMART VEHICLE TECHNOLOGY

As well as being electrified, vehicles are becoming increasingly connected – to the user and to each other. Leading OEM's have recognised the need to become technology companies in order to stay ahead of the competition from tech companies trying to take a slice of the mobility market.

Development of features (e.g. voice command controls, un/locking of vehicles via mobile phones, automatic charging bay booking, individual driver profiles, setting the seat position and favourite radio station of individual drivers) increasingly requires SIM cards and data exchanges between vehicle and user via OEM cloud infrastructure.

It is important for OEMs to be mindful of the notoriously burdensome telecoms regulations and design features and enabling infrastructure in a way which avoids their application.



AREAS OF INDUSTRY FOCUS

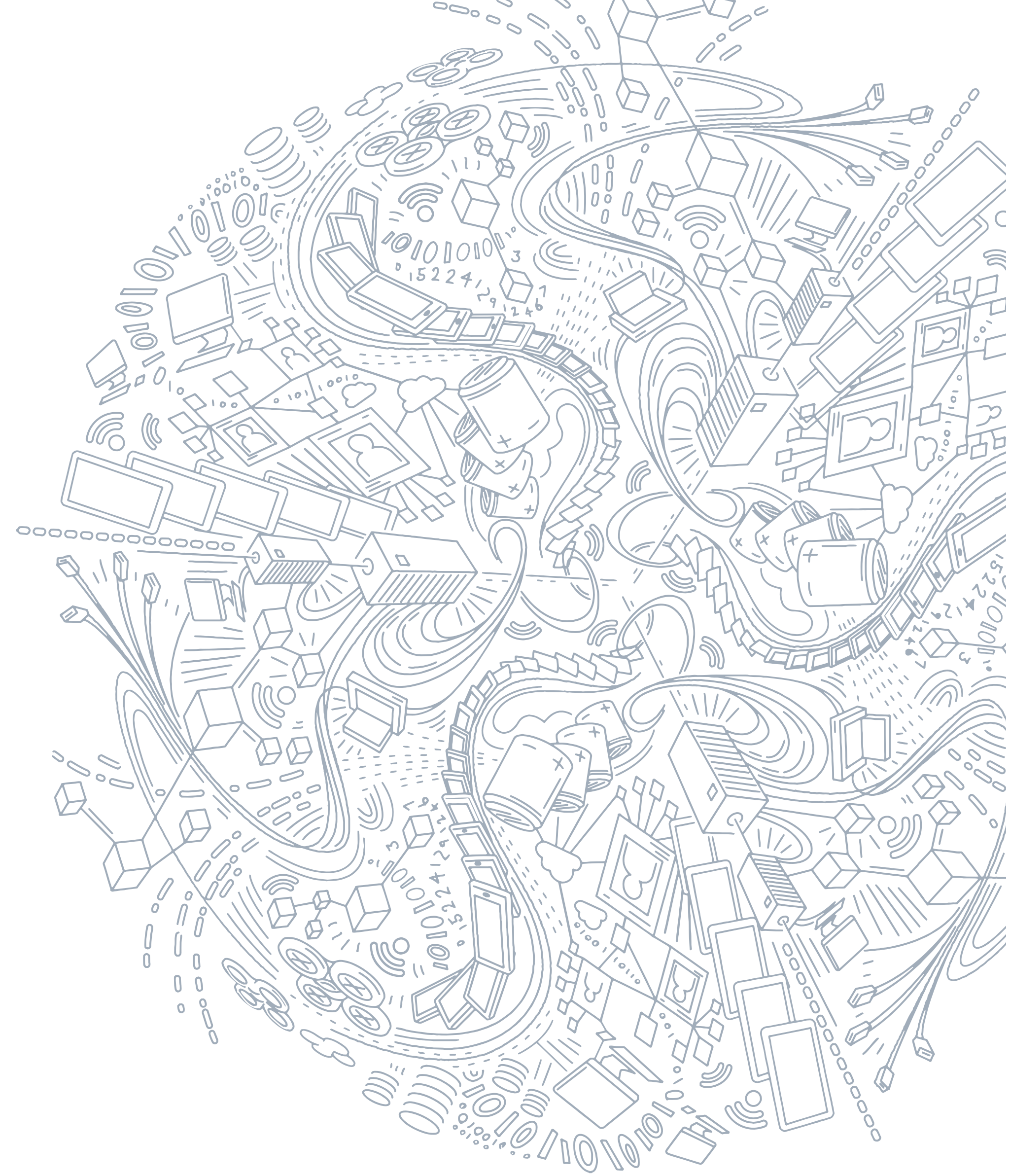
DATA AND CYBER SECURITY

With such increasing proliferation of new features and services, automotive manufacturers have access to an enormous amount of data to support product planning, automobile development, quality improvement, logistics and customer services. This data is an incredibly valuable resource that is subject to a complex legal regime, making it essential for adequate data processing/sharing arrangements to be implemented.

DEVELOPMENT IN AUTONOMOUS VEHICLE TECHNOLOGY

We work closely with the Institute of Transport at the University of Leeds, and support with their research into autonomous vehicles, and in particular the legal considerations.

We know ITS are always keen to work with automotive OEMs, and we would happily make an introduction if this would be of interest to you and your R&D team.



AREAS OF INDUSTRY FOCUS

ENVIRONMENT, HEALTH & SAFETY (EHS)

Ensuring highly compliant operations across the business' production, transportation and distribution activities and within the supply chain is an increasing imperative not only for meeting legal obligations, avoiding regulator intervention and associated costs. It is also critical for demonstrating to internal and external stakeholders the commitment to the highest standards of business responsibility, with benefits in brand value and future product investment decisions. We have supported automotive OEMs of all sizes on such matters as described in the experience section.

ALLIANCING

Development of new electric vehicles is costly, with the need to achieve, we are seeing collaborations between competitors outside of corporate groups e.g. VW-Ford Motor Company, and Lotus-Renault (both of which we advise on).

Such alliances involve a complex assessment of anti-trust/competition law, and a myriad of agreements covering everything from quality to cost recovery, but the benefits of launching new vehicles can far outweigh the complexities.

CARBON POOLING

With fleet-wide emissions allowances continuing to fall, the attractiveness of CO2 pooling arrangements is increasing in order to avoid the 95 Euro penalty payable per gram of CO2 over the 147g CO2/km allowance for light commercial vehicles. Manufacturers of electric vehicles can currently find themselves in the attractive position of being able to sell at a premium their spare allowance to other OEMs (within or outside of their corporate group). We have supported OEMs on such carbon-pooling arrangements, and would be happy to have a conversation with you about how you may benefit.



AREAS OF INDUSTRY FOCUS

SUSTAINABLE POWER GENERATION

With greater focus being placed on the green credentials of electric vehicles, it is now more important than ever to be able to promote the fact that the power used in the manufacturing process for EVs and their batteries comes from renewable sources. We are seeing automotive OEMs and EV battery manufacturers designing manufacturing facilities to encompass renewable generation such as solar, hydro and off-shore wind capability or entering into arrangements for the supply of renewable power from local generators. Not only do we have significant experience in all forms of renewable energy generation, but we have advised automotive OEMs such as Bentley Motors on innovative solutions including solar car-ports to power their manufacturing facilities and deliver power to EV chargepoints.

CHARGING INFRASTRUCTURE

We are a market leader in the electric vehicle charging space in the UK. Our team (which also advises on the automotive side of electric vehicles and so understands the industry context) has deep experience gained from working with multiple stakeholders.

That includes chargepoint operators such as bp pulse, Engie, Liberty Charge, Ingenie; procuring authorities including those for Manchester and West Yorkshire (the largest county in the UK), supply chain - e.g. SSE on the London's 'Source' EVC procurement, chargepoint manufacturers, energy suppliers on delivery of charging products; car parks and landlords on arrangements for installation and operation of EVCs at their sites (e.g. major UK shopping centres, a Europe-wide portfolio of commercial warehouses); funders, investors, battery manufacturers and developers of gigafactories across Europe, the UK Government Charging Infrastructure Investment Fund (CIIF) as well as vehicle OEMs on proprietary charging solutions and joint ventures with product providers and customers.

Our advice touches on all aspects of charging and our advice has set some of the industry standard approaches and has helped local Government and OEMs develop strategies around deployment of charging facilities with the aim of encouraging EV uptake by promoting confidence in charging capacity at key locations around UK and Europe in particular.



EXPERIENCE HIGHLIGHTS

CASE STUDY – VOLKSWAGEN AG – STRATEGIC ALLIANCE

THE TRANSACTION

Advising VW on their strategic alliance with Ford Motor Company, which involved Ford developing, manufacturing and supplying VW with two vehicles (the compact pick-up and the 1 ton van) and VW developing, manufacturing and supplying the city van and the modular electric vehicles platform (MEB).

Each of these projects involved the negotiation of an overall agreement governing the relationship of the parties, and then for each vehicle:

- a development agreement;
- a manufacture and supply agreement;
- an aftersales and service parts agreement; and
- an online mobile connectivity agreement.

The compact pick-up, 1-ton van and the city van were vehicles developed by each 'lead party' largely based on an existing model. The lead party would

then manufacture vehicles substantially the same for both parties (differentiated by a limited set of factors and, importantly, the badge) over a seven to ten year period depending on the model.

As for the MEB platform, VW had already developed and commenced serial production of VW's electric vehicles using the platform (e.g. the ID.3). VW will supply the MEB platform over the course of an initial six year period. Ford will assemble the MEB platform supplied by VW and add its own vehicle 'top-hat'. Ford intend to use the MEB platform in more than 600,000 zero-emission electric vehicles during the life of the agreement.

THE ROLE OF AG

We advised VW on all of the agreements identified above as well as the overarching agreement. Our involvement in the project continues to this day.



This is an industrial alliance like none other – it involves 2 very large companies, with long standing tradition, working together in a series of co-operations involving large amounts of money, a large number of different products and countries all over the world.

Maler James, Group Corporate & Regulatory,
M&A and Foreign Holdings, Volkswagen Ag



EXPERIENCE HIGHLIGHTS

CASE STUDY – VOLKSWAGEN CHARGING – STRATEGIC COLLABORATION

THE TRANSACTION

In 2021, we supported Volkswagen A.G. and VW Charging GmbH (trading as 'Elli') in their strategic collaboration with BP to supply VW's battery-buffered ultra-fast electric vehicle charge-points to BP and Aral re-fuelling stations across Europe.

Extensive ultra-fast charging networks are seen by both companies as essential to accelerate the adoption of electric vehicles. This project brought together two leading global players in e-mobility to develop a network of ultra-fast chargers at convenient and high-quality locations.

BP and Aral retail sites were considered by VW as ideal locations to offer a superior charging experience for EV drivers as they are conveniently-located, safe, and have a retail offering.

Ultra-fast charging units, with a power output greater than 150kW, can charge a vehicle with the appropriate battery technology for a range of around 160km in just over 10 minutes – broadly as fast as refuelling at the pump. As such BP considered these to be the best available product to match their quality offering.

The partnership will give EV drivers greater confidence in being able to access nearby, reliable, quality charging

options. BP estimates approximately 90% of people in the UK and Germany live within a 20-minute drive of a BP or Aral site.

As well as the supply of EV charge points, VW will integrate the BP/Aral charging network loyalty scheme into the Sat Navs and MSPs of VW, SEAT, and Skoda vehicles making finding and paying for charging fast and simple. The network would also be available for other EV customers as part of the BP pulse network (Aral pulse in Germany), improving access to ultra-fast charging for EV drivers more widely.

THE ROLE OF AG

The AG team designed and negotiated a bespoke agreement dealing with the aspects described above. Despite its complexity, the deal was completed in an ambitious timeframe lasting only a few months. The project showcases the strength of our energy and mobility project lawyers working closely with matter specialists in intellectual property and data in particular, as well as our ability to collaborate across our international office network with teams in the UK and Germany working side by side to deliver this high value strategic transaction for our client.



Ultra-fast charging is the key enabler for e-mobility and therefore a main pillar for Volkswagen's transformation. Together with strong partners like BP we take this important matter into our hands and will build up to 18,000 new chargers in Europe. That is about 1/3 of the estimated ultra-fast charging demand in 2025.

Thomas Schmall, Member of the Board of Volkswagen Group and CEO of Volkswagen Group Components



EXPERIENCE HIGHLIGHTS

CASE STUDY – BP PULSE - ALL CHARGING ARRANGEMENTS

THE TRANSACTION

We are advising bp pulse on charging arrangements across the UK, throughout Europe and globally.

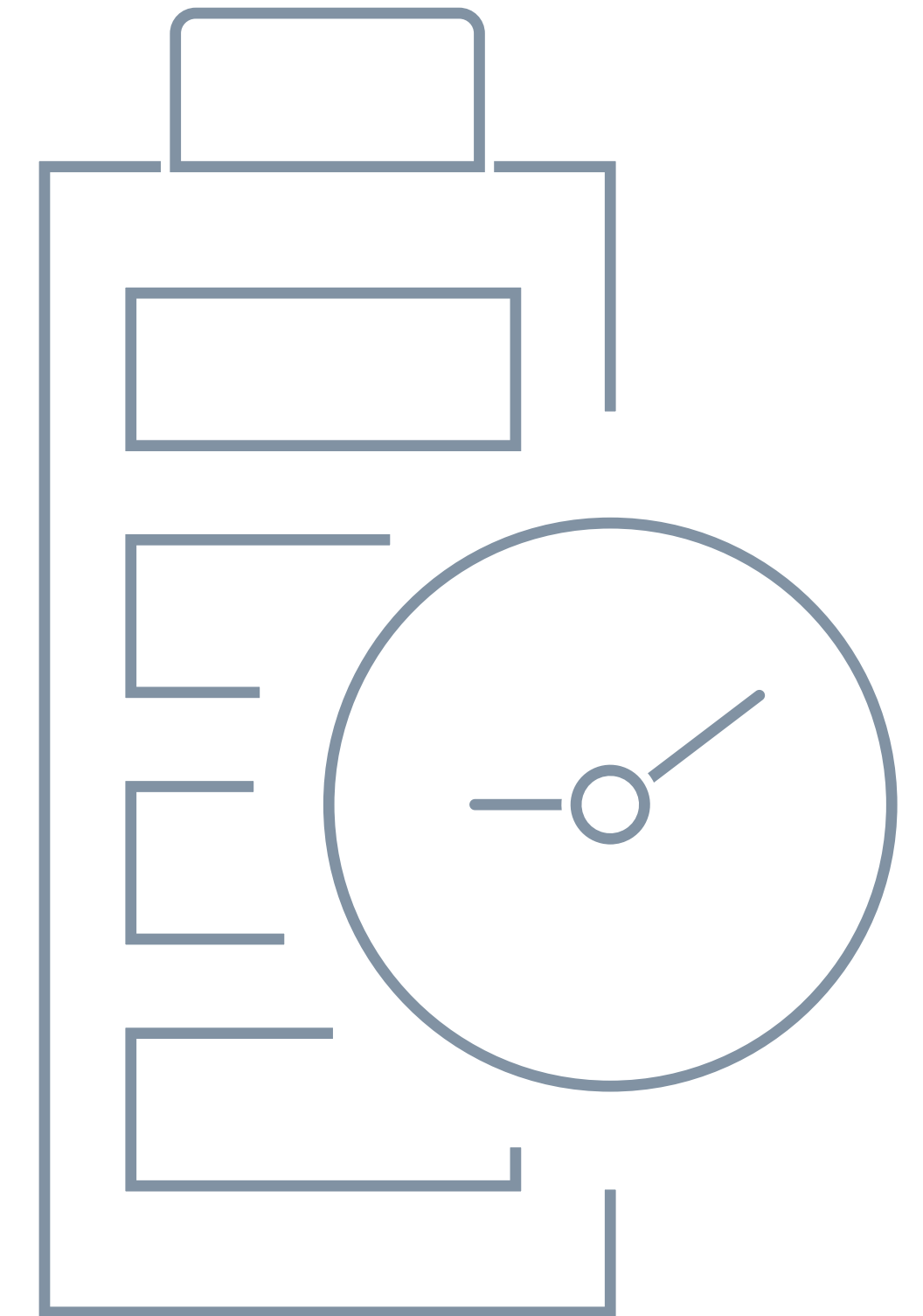
bp pulse is one of the leading chargepoint operators in Europe and has a growing market share across the world following its acquisition of the Chargemaster business. We have supported the bp Chargemaster business, recently rebranded bp pulse on a wide variety of matters over the last 4 years including:

- Global supply chain arrangements for the provision of charging equipment and services
- Commercial arrangements with petrol forecourt ‘dealers’ for the installation and operation of chargepoints
- ‘Fleet’ arrangements with major fleet operators and ‘host’ landlords for the development of strategic charging facilities for the corporate fleet operators
- “Hosting” agreements with chargepoint customers for the procurement, installation, operation over charging infrastructure at customer sites
- All property arrangements for charging infrastructure

- Electricity capacity, connections and associated regulatory advice
- M&A advice on acquisitions by bp pulse
- Development of bp pulse’s user interface and payments platform

THE ROLE OF AG

We have been heavily involved in most aspects of the development of the pulse business. Helping them to structure their approach to their legal documents and assisting with their commercial proposition. Our role has been truly multi-disciplined, advising on bespoke EV charging matters requiring deep industry and regulatory insight including regulatory knowledge of the electricity connections regime and also their key commercial documentation with all users. But we’ve also advised on the key arrangements which underpin the pulse offering calling on our automotive supply chain experience, our expertise in electronic payment platforms and relying at all times on our ability to deliver quality, industry specific advice on global projects.



EXPERIENCE HIGHLIGHTS



Click on the squares to reveal more

AUTOMOTIVE

INTERNATIONAL
MANUFACTURING

EV CHARGING
INFRASTRUCTURE



ABOUT AG

STRENGTH IN DEPTH THAT YOU CAN CALL ON FOR WHATEVER LIES AHEAD.

8/TOP 10

REPEAT ADVISERS TO 8 OF THE TOP 10 UK MID-CAP PRIVATE EQUITY INVESTORS

£7BN+

AGGREGATE VALUE OF PRIVATE EQUITY DEALS ACTED ON LAST YEAR



200+ JURISDICTIONS
IN WHICH WE HAVE ADVISED CLIENTS IN THE LAST 3 YEARS

2500+
CLIENTS ACTED FOR LAST YEAR, INCLUDING 480 CONSUMER BRANDS AND RETAILERS, 738 FINANCIAL SERVICES COMPANIES AND FUNDS, 200 ENERGY CLIENTS AND OVER 150 HEALTHCARE INDUSTRY CLIENTS

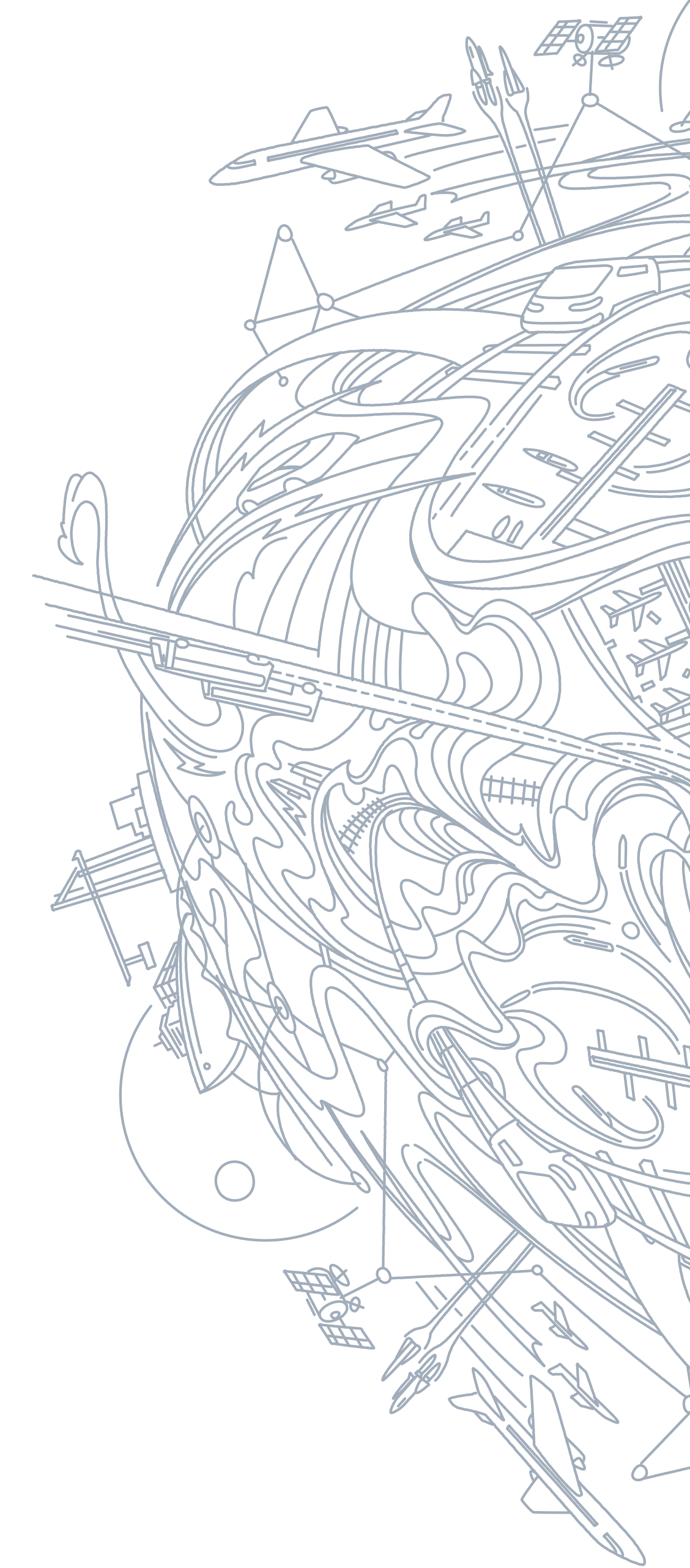


1500+
LAWYERS IN 17 OFFICES AROUND THE WORLD



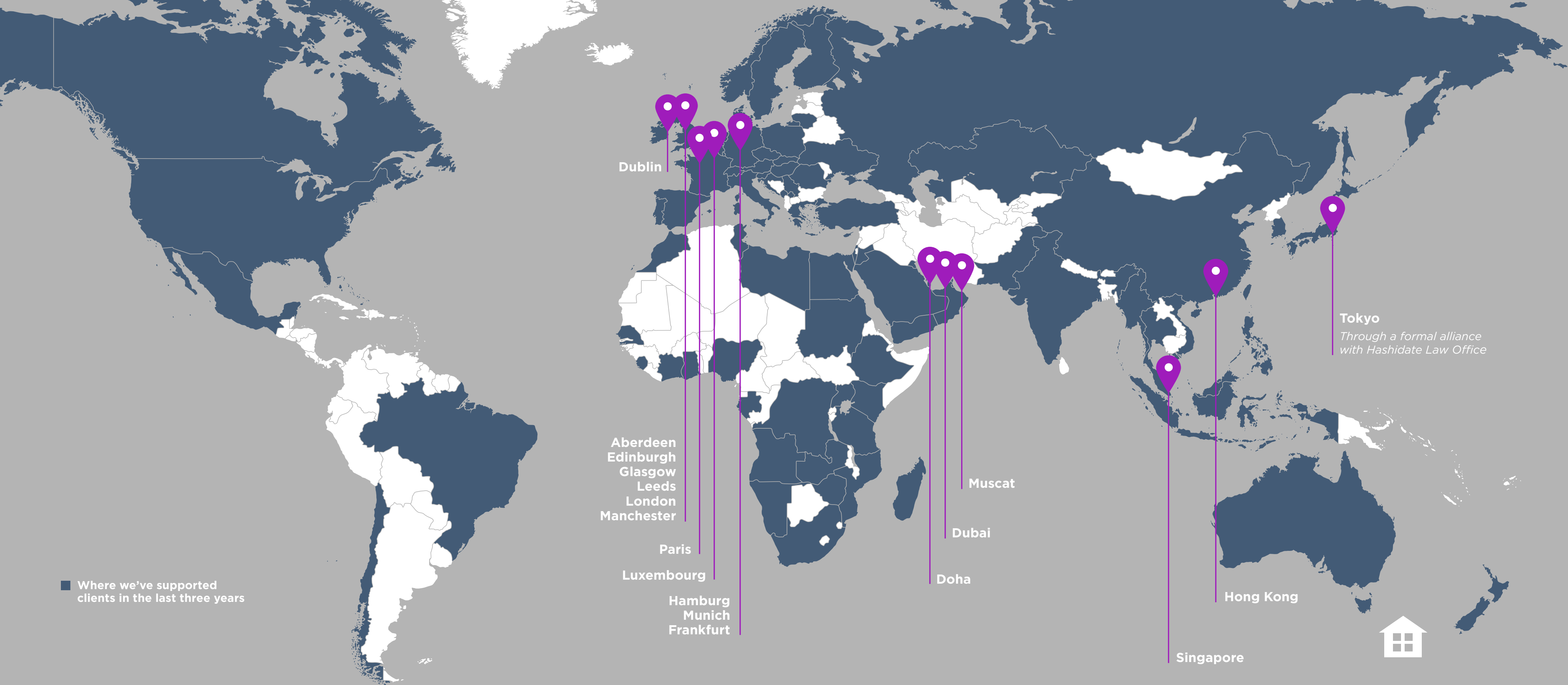
96 COUNTRIES
IN WHICH WE HAVE HELPED CLIENTS IN THE LAST 3 YEARS

25 YEARS
AVERAGE LENGTH OF OUR FTSE100 RELATIONSHIPS



WHERE TO FIND US

We have 17 offices worldwide, which we link together with a network of like-minded global partners. Where we don't have offices, we work with firms well known to us to deliver an international capability. These firms are selected by us and are best-in-class firms in their chosen jurisdiction – offering you the best quality advice wherever it is needed.



ADVISED
CLIENTS IN
96
COUNTRIES
IN THE LAST
FEW YEARS

MORE IMAGINATION MORE IMPACT

addleshawgoddard.com

© Addleshaw Goddard LLP. This document is for general information only and is correct as at the publication date. It is not legal advice, and Addleshaw Goddard assumes no duty of care or liability to any party in respect of its content. Addleshaw Goddard is an international legal practice carried on by Addleshaw Goddard LLP and its affiliated undertakings – please refer to the Legal Notices section of our website for country-specific regulatory information.

For further information, including about how we process your personal data, please consult our website www.addleshawgoddard.com or www.aglaw.com.