UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

x **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2023

OR

o **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____ to _____

Commission file number 001-40216

Aurora Innovation, Inc.

(Exact name of registrant as specified in its charter)

Delaware	**98-1562265**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
1654 Smallman St., Pittsburgh, Pennsylvania	**15222**
(Address of Principal Executive Offices)	(Zip Code)

(888) 583-9506

Registrant's telephone number, including area code

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class A common stock, par value $0.00001 per share	AUR	The Nasdaq Stock Market LLC
Redeemable warrants, each whole warrant exercisable for one share of Class A common stock at an exercise price of $11.50	AUROW	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports); and (2) has been subject to such filing requirements for the past 90 days. Yes x No o

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes x No o

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	o	Accelerated filer	x
Non-accelerated filer	o	Smaller reporting company	o
		Emerging growth company	x

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. o

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes o No x

The registrant had outstanding 1,084,288,336 shares of Class A common stock and400,782,939 shares of Class B common stock as of July 26, 2023.

Table of Contents

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q (this "Quarterly Report") contains forward-looking statements within the meaning of the federal securities laws, which statements involve substantial risks and uncertainties. Forward-looking statements generally relate to future events or our future financial or operating performance. In some cases, you can identify forward-looking statements because they contain words such as "may," "might," "possible," "will," "should," "expect," "plan," "anticipate," "could," "intend," "target," "project," "contemplate," "believe," "estimate," "predict," "potential" or "continue" or the negative of these words or other similar terms or expressions that concern our expectations, strategy, plans or intentions. Forward-looking statements contained in this Quarterly Report include statements about:

- our ability to commercialize the Aurora Driver safely, quickly, and broadly on the timeline we expect;
- the market for autonomous vehicles and our market position;
- our ability to compete effectively with existing and new competitors;
- the ability to maintain the listing of our Class A Common Stock and warrants on Nasdaq;
- our ability to raise financing in the future;
- anticipated trends, growth rates, and challenges in our business and in the markets in which we operate;
- our ability to effectively manage our growth and future expenses;
- the sufficiency of our cash and cash equivalents to meet our operating requirements;
- our success in retaining or recruiting, or changes required in, our officers, key employees or directors;
- the impact of the regulatory environment and complexities with compliance related to such environment;
- our ability to successfully collaborate with business partners;
- our ability to obtain, maintain, protect and enforce our intellectual property;
- economic and industry trends or trend analysis;
- the impact of infectious diseases, health epidemics and pandemics (including the ongoing COVID-19 pandemic), natural disasters, war (including Russia's actions in Ukraine), acts of terrorism or responses to these events; and
- other factors detailed under the section entitled "Risk Factors."

We caution you that the foregoing list does not contain all of the forward-looking statements made in this Quarterly Report.

You should not rely upon forward-looking statements as predictions of future events. We have based the forward-looking statements contained in this Quarterly Report primarily on our current expectations and projections about future events and trends that we believe may affect our business, operating results, financial condition and prospects. The outcome of the events described in these forward-looking statements is subject to risks, uncertainties and other factors, including those described in the section titled "Risk Factors" and elsewhere in this Quarterly Report. Moreover, we operate in a very competitive and rapidly changing environment. New risks and uncertainties emerge from time to time and it is not possible for us to predict all risks and uncertainties that could have an impact on the forward-looking statements contained in this Quarterly Report. We cannot assure you that the results, events and circumstances reflected in the forward-looking statements will be achieved or occur, and actual results, events or circumstances could differ materially from those described in the forward-looking statements.

Neither we nor any other person assumes responsibility for the accuracy and completeness of any of these forward-looking statements. Moreover, the forward-looking statements made in this Quarterly Report relate only to events as of the date on which the statements are made. We undertake no obligation to update any forward-looking statements made in this Quarterly Report to reflect events or circumstances after the date of this Quarterly Report or to reflect new information or the occurrence of unanticipated events, except as required by law. You should not place undue reliance on our forward-looking statements. Our forward-looking statements do not reflect the potential impact of any future acquisitions, mergers, dispositions, joint ventures or investments we may make.

Part I - Financial Information

Item 1. Financial Statements.

Aurora Innovation, Inc.
Condensed Consolidated Balance Sheets (unaudited)
(in millions)

	June 30, 2023	December 31, 2022
Assets		
Current assets:		
Cash and cash equivalents	$ 165	$ 262
Short-term investments	620	839
Other current assets	11	17
Total current assets	796	1,118
Property and equipment, net	91	91
Operating lease right-of-use assets	136	138
Acquisition related intangible assets	618	618
Other assets	38	36
Total assets	$ 1,679	$ 2,001
Liabilities and Stockholders' Equity		
Current liabilities:		
Operating lease liabilities, current	$ 15	$ 13
Other current liabilities	70	70
Total current liabilities	85	83
Operating lease liabilities, long-term	119	123
Derivative liabilities	16	4
Other liabilities	9	7
Total liabilities	229	217
Commitments and contingencies		
Stockholders' equity:		
Common stock - $0.00001 par value, 51,000 shares authorized, 1,184 and 1,166 shares issued and outstanding, respectively	—	—
Additional paid-in capital	4,679	4,600
Accumulated other comprehensive loss	(1)	(2)
Accumulated deficit	(3,228)	(2,814)
Total stockholders' equity	1,450	1,784
Total liabilities and stockholders' equity	$ 1,679	$ 2,001

See accompanying notes to the condensed consolidated financial statements (unaudited)

Aurora Innovation, Inc.
Condensed Consolidated Statements of Operations (unaudited)
(in millions, except per share data)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Collaboration revenue	$ —	$ 21	$ —	$ 63
Operating expenses:				
Research and development	187	184	364	338
Selling, general and administrative	30	34	61	65
Goodwill impairment	—	1,000	—	1,000
Total operating expenses	217	1,218	425	1,403
Loss from operations	(217)	(1,197)	(425)	(1,340)
Other income (expense):				
Change in fair value of derivative liabilities	(10)	40	(12)	106
Other income, net	9	3	23	3
Loss before income taxes	(218)	(1,154)	(414)	(1,231)
Income tax expense	—	—	—	—
Net loss	$ (218)	$ (1,154)	$ (414)	$ (1,231)
Basic and diluted net loss per share	$ (0.18)	$ (1.02)	$ (0.35)	$ (1.09)
Basic and diluted weighted-average shares outstanding	1,179	1,131	1,175	1,129

See accompanying notes to the condensed consolidated financial statements (unaudited)

Aurora Innovation, Inc.
Condensed Consolidated Statements of Comprehensive Loss (unaudited)
(in millions)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Net loss	$ (218)	$ (1,154)	$ (414)	$ (1,231)
Other comprehensive income (loss):				
Unrealized gain (loss) on investments	—	(3)	1	(4)
Other comprehensive income (loss)	—	(3)	1	(4)
Comprehensive loss	$ (218)	$ (1,157)	$ (413)	$ (1,235)

See accompanying notes to the condensed consolidated financial statements (unaudited)

Aurora Innovation, Inc.
Condensed Consolidated Statements of Stockholders' Equity (unaudited)
(in millions)

	Common stock		Additional paid-in capital	Accumulated other comprehensive loss	Accumulated deficit	Total stockholders' equity
	Shares	Amount				
Balance as of March 31, 2022	1,128	$ —	$ 4,464	$ (1)	$ (1,168)	$ 3,295
Equity issued under incentive compensation plans	19	—	5	—	—	5
Stock-based compensation	—	—	47	—	—	47
Comprehensive loss	—	—	—	(3)	(1,154)	(1,157)
Balance as of June 30, 2022	1,147	$ —	$ 4,516	$ (4)	$ (2,322)	$ 2,190
Balance as of March 31, 2023	1,175	$ —	$ 4,640	$ (1)	$ (3,010)	$ 1,629
Equity issued under incentive compensation plans	9	—	(4)	—	—	(4)
Stock-based compensation	—	—	43	—	—	43
Comprehensive loss	—	—	—	—	(218)	(218)
Balance as of June 30, 2023	1,184	$ —	$ 4,679	$ (1)	$ (3,228)	$ 1,450

See accompanying notes to the condensed consolidated financial statements (unaudited)

Aurora Innovation, Inc.
Condensed Consolidated Statements of Stockholders' Equity (unaudited)
(in millions)

	Common stock		Additional paid-in capital	Accumulated other comprehensive loss	Accumulated deficit	Total stockholders' equity
	Shares	Amount				
Balance as of December 31, 2021	1,123	$ —	$ 4,433	$ —	$ (1,091)	$ 3,342
Equity issued under incentive compensation plans	24	—	7	—	—	7
Stock-based compensation	—	—	76	—	—	76
Comprehensive loss	—	—	—	(4)	(1,231)	(1,235)
Balance as of June 30, 2022	1,147	$ —	$ 4,516	$ (4)	$ (2,322)	$ 2,190
Balance as of December 31, 2022	1,166	$ —	$ 4,600	$ (2)	$ (2,814)	$ 1,784
Equity issued under incentive compensation plans	18	—	(3)	—	—	(3)
Stock-based compensation	—	—	82	—	—	82
Comprehensive loss	—	—	—	1	(414)	(413)
Balance as of June 30, 2023	1,184	$ —	$ 4,679	$ (1)	$ (3,228)	$ 1,450

See accompanying notes to the condensed consolidated financial statements (unaudited)

Aurora Innovation, Inc.
Condensed Consolidated Statements of Cash Flows (unaudited)
(in millions)

	Six Months Ended June 30,	
	2023	2022
Cash flows from operating activities		
Net loss	$ (414)	$ (1,231)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	10	11
Reduction in the carrying amount of right-of-use assets	14	14
Stock-based compensation	82	76
Goodwill impairment	—	1,000
Change in fair value of derivative liabilities	12	(106)
Non-cash interest income	(14)	—
Other operating activities	—	1
Changes in operating assets and liabilities:		
Other current and non-current assets	8	49
Operating lease liabilities	(14)	(12)
Other current and non-current liabilities	(2)	(27)
Net cash used in operating activities	(318)	(225)
Cash flows from investing activities		
Purchases of property and equipment	(6)	(9)
Purchases of short-term investments	(425)	(966)
Maturities of short-term investments	659	133
Net cash provided by (used in) investing activities	228	(842)
Cash flows from financing activities		
Proceeds from issuance of common stock	2	9
Other financing activities	(7)	(2)
Net cash (used in) provided by financing activities	(5)	7
Net decrease in cash, cash equivalents, and restricted cash	(95)	(1,060)
Cash, cash equivalents, and restricted cash at beginning of the period	277	1,626
Cash, cash equivalents, and restricted cash at end of the period	$ 182	$ 566

See accompanying notes to the condensed consolidated financial statements (unaudited)

Aurora Innovation, Inc.
Notes to the Condensed Consolidated Financial Statements (unaudited)

Note 1. Overview of the Organization

Aurora Innovation, Inc. (the "Company" or "Aurora") is headquartered in Pittsburgh, Pennsylvania and its mission is to deliver the benefits of self-driving technology safely, quickly, and broadly. The Company is developing the Aurora Driver, an advanced and scalable suite of self-driving hardware, software and data services designed as a platform to adapt and interoperate amongst vehicle types and applications.

Note 2. Summary of Significant Accounting Policies

Basis of Presentation

The unaudited condensed consolidated financial statements include the accounts of the Company and its controlled subsidiaries. Intercompany balances and transactions between the Company and its controlled subsidiaries have been eliminated.

The preparation of these unaudited condensed consolidated financial statements in conformity with U.S. generally accepted accounting principles ("GAAP") requires management to make estimates and assumptions that affect the amounts reported. Actual results could differ from those estimates.

The information included herein should be read in conjunction with the Annual Report on Form 10-K for the year ended December 31, 2022. The condensed consolidated balance sheet as of December 31, 2022 included herein was derived from the audited financial statements as of that date but does not contain all of the footnote disclosures from the annual financial statements.

The unaudited condensed consolidated financial statements reflect, in the opinion of the Company, all adjustments of a normal, recurring nature necessary for a fair statement of our financial position, results of operations, and cash flows for the periods presented but are not necessarily indicative of the expected results for the full fiscal year or any future period.

Risks and Uncertainties

The Company's operations are principally funded by available liquidity from cash, cash equivalents and short-term investments. Management expects to continue to incur operating losses and that the Company will need to opportunistically raise additional capital to support the continued development and commercialization of the Aurora Driver. With the additional capital raised subsequent to the second quarter of 2023 from the Public Offering and Private Placement (see Note 12 – Subsequent Events), management believes that cash on hand and short-term investments will be sufficient to meet its working capital and capital expenditure requirements for a period of at least twelve months from the date of these financial statements.

Financial instruments that potentially subject the Company to concentration of credit risk consist primarily of cash, cash equivalents and short-term investments. The Company primarily maintains its cash and cash equivalents at U.S. commercial banks, while its short-term investments primarily consist of U.S. Treasury securities. Cash and cash equivalents deposited with domestic commercial banks generally exceed the Federal Deposit Insurance Corporation insurable limit, though the Company has not experienced any credit losses on its deposits.

The Company plans to rely on a single supplier, Continental Automotive Technologies GmbH, for the production, provision and full lifecycle support of its future generation of the Aurora Driver hardware system which will be integrated with OEM platform vehicles. In instances where the supplier fails to perform its obligations, the Company may be unable to find alternative suppliers to satisfactorily deliver its products, if at all.

Note 3. Cash, Cash Equivalents and Short-Term Investments

Cash, cash equivalents and restricted cash were as follows (in millions):

	As of	
	June 30, 2023	December 31, 2022
Cash and cash equivalents	$ 165	$ 262
Restricted cash, long-term [(a)]	17	15
Total cash, cash equivalents and restricted cash	$ 182	$ 277

[(a)] Included in Other assets on the consolidated balance sheets

The components of cash, cash equivalents and short-term investments measured at fair value on a recurring basis were as follows (in millions):

		As of	
	Fair value level	June 30, 2023	December 31, 2022
Cash and cash equivalents:			
Bank deposits	Level 1	$ 1	$ 1
Money market funds	Level 1	69	204
U.S. Treasury securities	Level 2	95	57
Total cash and cash equivalents		$ 165	$ 262
Short-term investments:			
U.S. Treasury securities	Level 2	$ 620	$ 839
Total short-term investments		$ 620	$ 839

The amortized cost, unrealized gains and losses, and fair value of available-for-sale debt securities were as follows (in millions):

	As of June 30, 2023		
	Amortized cost	Unrealized losses	Fair value
U.S. Treasury securities	$ 621	$ (1)	$ 620

	As of December 31, 2022		
	Amortized cost	Unrealized losses	Fair value
U.S. Treasury securities	$ 841	$ (2)	$ 839

Note 4. Collaboration Revenue

During the six months ended June 30, 2022, the Company received payments of $95 million under the collaboration project plan with Toyota and recognized collaboration revenue of $21 million and $63 million during the three and six months ended June 30, 2022, respectively.

As of December 31, 2022, the Company had recognized all revenue associated with cash payments received under the collaboration project plan with Toyota and, in turn, no revenue was recognized during the three and six months ended June 30, 2023.

Note 5. Stockholders' Equity

Preferred Stock

The Company is authorized to issue 1,000 million shares of preferred stock with a par value of $0.00001 per share. There were no shares of preferred stock issued and outstanding at June 30, 2023 and December 31, 2022.

Common Stock

The Company is authorized to issue 51,000 million shares of common stock with a par value of $0.00001 per share; of which 50,000 million shares are designated Class A common stock and 1,000 million shares are designated Class B common stock. Class A common stock holders are entitled to one vote for each share and Class B common stock holders are entitled to ten votes for each share. Class A and Class B have identical liquidation and dividend rights. Class B shares are convertible into Class A upon election by the holder or upon transfer (except for certain permitted transfers).

The Company had 777 million and 754 million shares of Class A common stock issued and outstanding at June 30, 2023 and December 31, 2022, respectively. The Company had 407 million and 412 million shares of Class B common stock issued and outstanding at June 30, 2023 and December 31, 2022, respectively.

Note 6. Equity Incentive Plans

The Company has outstanding awards granted under four equity compensation plans: the 2021 Equity Incentive Plan (the "Plan"), the Aurora Innovation, Inc. 2017 Equity Incentive Plan (the "2017 Plan"), the Blackmore Sensors & Analytics, Inc. 2016 Equity Incentive Plan (the "Blackmore Plan"), and the OURS Technology Inc 2016 Stock Incentive Plan (the "OURS Plan"). The Company assumed awards under the 2017 Plan, the Blackmore Plan and the OURS Plan to the extent such employees continued as employees of the Company.

Under the Plan, equity-based compensation in the form of restricted stock units ("RSUs"), restricted stock awards, incentive stock options, nonqualified stock options, stock appreciation rights, and performance units may be granted to employees, officers, directors, consultants, and others. As of June 30, 2023, there were 212 million shares available for grant under the Plan.

Stock-based Compensation Expense

Stock-based compensation is allocated on a departmental basis, based on the classification of the option holder or grant recipient. No income tax benefits have been recognized in the statement of operations for stock-based compensation arrangements and no stock-based compensation has been capitalized as of June 30, 2023.

Total stock-based compensation expense by function was as follows (in millions):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Research and development	$ 37	$ 42	$ 71	$ 68
Selling, general, and administrative	6	5	11	8
Total	$ 43	$ 47	$ 82	$ 76

Restricted Stock Units

RSUs granted under the 2017 Plan generally are subject to two vesting requirements: (1) a time-based vesting requirement, and (2) a liquidity event. Generally, the time-based vesting requirement is quarterly over four years starting on the vesting commencement date, with a one-year cliff. The liquidity event vesting requirement was satisfied prior to the periods presented.

RSUs granted under the Plan generally are subject to a time-based vesting requirement. Generally, the time-based vesting requirement is quarterly over one to four years starting on the vesting commencement date, with a one-year cliff vesting for new hire awards.

RSU activity under the Plan and the 2017 Plan was as follows (in millions, except per share amounts):

	Number of shares	Weighted-average grant date fair value
Unvested at December 31, 2022	103	$ 3.70
Granted	48	1.43
Vested	(19)	3.74
Forfeited	(9)	3.29
Unvested at June 30, 2023	123	$ 2.85

The unrecognized stock-based compensation related to unvested RSUs was $280 million at June 30, 2023 and will be recognized over a weighted average period of 2.4 years. The fair value of RSUs as of their respective vesting dates was $24 million for the six months ended June 30, 2023.

Stock Options

The exercise price of stock options granted under the Plan and the 2017 Plan may not be less than 100% of the fair value of the Company's common stock on the date of the grant. Stock options generally vest over one to four years starting on the vesting commencement date and expire, if not exercised, 10 years from the date of grant or, if earlier, three months after the option holder ceases to be a service provider of the Company. Stock options outstanding under the Blackmore Plan and the OURS Plan are not material.

No stock options were granted during the six months ended June 30, 2022. Stock options granted under the Plan and the 2017 Plan during the six months ended June 30, 2023 were as follows:

	Six Months Ended June 30, 2023
Stock options granted (in millions)	46
Weighted average grant date fair value	$ 0.79
Weighted average grant date fair value assumptions:	
Expected term	5.8 years
Risk-free interest rates	4.3 %
Expected volatility	55.0 %

Stock option activity under the Plan and the 2017 Plan was as follows (in millions, except per share amounts):

	Number of shares	Weighted average exercise price	Weighted average remaining contractual term (in years)	Aggregate intrinsic value
Outstanding at December 31, 2022	63	$ 1.76		
Granted	46	1.44		
Exercised	(3)	0.58		
Forfeited	(3)	2.29		
Expired	(2)	2.79		
Outstanding at June 30, 2023	101	$ 1.62	7.8	$ 127
Exercisable at June 30, 2023	46	$ 1.47	6.0	$ 67

The unrecognized stock-based compensation related to unvested stock options was $42 million as of June 30, 2023 and will be recognized over a weighted average period of 2.3 years. The intrinsic value of stock options exercised was $4 million for the six months ended June 30, 2023.

Note 7. Derivative Liabilities

The components of derivative liabilities measured at fair value on a recurring basis were as follows (in millions):

	Fair value level	As of June 30, 2023	As of December 31, 2022
Public warrants	Level 1	$ 6	$ 2
Private placement warrants	Level 2	4	1
Common stock warrants		10	3
Earnout share liabilities	Level 3	6	1
Total derivative liabilities		$ 16	$ 4

The public and private placement warrants are measured at fair value on a recurring basis. The public warrants were valued based on the closing price of the publicly traded instrument. The private placement warrants were valued using observable inputs for similar publicly traded instruments. Public warrants outstanding were 12 million as of June 30, 2023 and December 31, 2022. Private placement warrants outstanding were 9 million as of June 30, 2023 and December 31, 2022.

The earnout share liabilities are measured at fair value on a recurring basis utilizing a Monte Carlo simulation analysis. The expected volatility is determined based on the historical equity volatility of comparable companies over a period that matches the expected term of the instrument. The risk-free interest rate is based on relevant U.S. treasury rates for a period that matches the expected term of the instrument. Earnout shares outstanding were 5 million as of June 30, 2023 and December 31, 2022.

The components of change in fair value of derivative liabilities were as follows (in millions):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Common stock warrants	$ (6)	$ 23	$ (7)	$ 58
Earnout share liabilities	(4)	17	(5)	48
Change in fair value of derivative liabilities	$ (10)	$ 40	$ (12)	$ 106

Note 8. Leases

The Company leases its office facilities, data center, and warehouses under non-cancelable operating lease agreements that expire through 2042, including renewal options that are reasonably certain to be exercised.

Rent expense under operating leases was $7 million and $7 million in the three months ended June 30, 2023 and 2022, respectively, and $14 million and $14 million in six months ended June 30, 2023 and 2022, respectively. As of June 30, 2023, the Company's operating leases had a weighted average remaining lease term of 8.3 years and a weighted average discount rate of 6.8%.

Future lease payments for leases that have not yet commenced were $32 million as of June 30, 2023. Lease commencement will occur once the lessor substantially completes construction to make the underlying asset available for use.

Note 9. Balance Sheet Details

Property and Equipment, Net

The components of property and equipment, net were as follows (in millions):

	As of	
	June 30, 2023	December 31, 2022
Land	$ 14	$ 14
Buildings and Leasehold improvements	75	70
Equipment	24	24
Vehicles	11	7
Other	15	15
	139	130
Less accumulated depreciation and amortization	(48)	(39)
Total property and equipment, net	$ 91	$ 91

Other Current Liabilities

The components of other current liabilities were as follows (in millions):

	As of	
	June 30, 2023	December 31, 2022
Accrued compensation	$ 38	$ 52
Other accrued expenses	32	18
Total accrued expenses and other current liabilities	$ 70	$ 70

Note 10. Earnings Per Share

The Company computes earnings per share of common stock using the two-class method required for participating securities. The participating securities did not impact the computation of earnings per share in the periods presented as no dividends were declared and the participating securities are not contractually obligated to share in losses.

The Company has two classes of common stock with identical liquidation and dividend rights, Class A and Class B. The net loss is allocated in a proportionate basis to each class of common stock and results in the same net loss per share.

The following table presents the potential common stock outstanding excluded from the computation of diluted loss per share because including them would have had an antidilutive effect (in millions):

	As of	
	June 30, 2023	June 30, 2022
RSUs	123	96
Stock options	102	64
Public warrants	12	12
Private placement warrants	9	9
Earnout shares liability	5	5
Total	251	186

Note 11. Commitments and Contingencies

From time to time the Company may be party to various claims in the normal course of business. Legal fees and other costs associated with such actions are expensed as incurred. The Company assesses the need to record a liability for litigation and loss contingencies. Reserve estimates are recorded when and if it is determined that a loss related to certain matters is both probable and reasonably estimable. No material loss contingencies were recorded in the three and six months ended June 30, 2023 and 2022.

Note 12. Subsequent Events

Private Placement

On July 21, 2023, the Company completed a private placement (the "Private Placement"), in which the Company sold approximately222 million shares of Class A common stock at a price of $2.70 per share, for proceeds to the Company of $584 million, net of transaction costs.

In connection with the Private Placement, the Company entered into a registration rights agreement, dated July 18, 2023 ("Private Placement Registration Rights Agreement"), with certain existing institutional and strategic investors, entities affiliated with two of its directors, and new institutional investors. Pursuant to the Private Placement Registration Rights Agreement, on July 21, 2023, the Company filed a registration statement with the Securities and Exchange Commission for the registration for resale of the securities sold in the Private Placement.

Public Offering

On July 21, 2023, the Company completed a public offering (the "Public Offering") of approximately73 million shares of Class A common stock at a price of $3.00 per share, for proceeds of $212 million, net of transaction costs. Following the Public Offering, the Company issued an additional11 million shares of Class A common stock in connection with the exercise of the underwriters' over-allotment option, for proceeds of $32 million, net of transaction costs.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

The following discussion and analysis of the financial condition and results of operations should be read together with the condensed consolidated financial statements (unaudited) included elsewhere in this Quarterly Report. This discussion contains forward-looking statements based upon current expectations that involve risks and uncertainties. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of several factors, including those set forth in "Part II, Item 1A. Risk Factors" and under the heading "Cautionary Note Regarding Forward-Looking Statements" included elsewhere in this Quarterly Report.

Unless otherwise indicated or the context otherwise requires, references to "Aurora," "we," "us," "our" and other similar terms in this section refer to Aurora Innovation, Inc. and its consolidated subsidiaries. Percentage amounts have not in all cases been calculated on the basis of such rounded figures, but on the basis of such amounts prior to rounding. For this reason, percentage amounts may vary from those obtained by performing the same calculations using the figures in our unaudited consolidated financial statements included elsewhere in this Quarterly Report. Certain other amounts that appear in this Quarterly Report may not sum due to rounding.

Corporate History and Background

On November 3, 2021 (the "Closing Date"), Aurora Innovation, Inc. (f/k/a Reinvent Technology Partners Y and referred to herein as the "Company"), consummated a business combination with Aurora Innovation Holdings, Inc., a Delaware corporation (f/k/a Aurora Innovation, Inc. and referred to herein as "Legacy Aurora"), and RTPY Merger Sub Inc., a Delaware corporation and a direct wholly owned subsidiary of the Company ("Merger Sub"), pursuant to an Agreement and Plan of Merger dated July 14, 2021 (the "Merger Agreement" and the transactions contemplated thereby, the "Merger"), by and among the Company, Legacy Aurora and Merger Sub. Pursuant to the terms of the Merger Agreement, a business combination between the Company and Legacy Aurora was effected through the merger of Merger Sub with and into Legacy Aurora, with Legacy Aurora continuing as the surviving company and as a wholly-owned subsidiary of the Company. On the Closing Date, the Company changed its name from Reinvent Technology Partners Y to Aurora Innovation, Inc.

Aurora's Business

Aurora is developing the Aurora Driver based on what we believe to be the most advanced and scalable suite of self-driving hardware, software, and data services in the world to fundamentally transform the global transportation market. The Aurora Driver is designed as a platform to adapt and interoperate amongst vehicle types and applications. To date, it has been successfully integrated into numerous different vehicle platforms: from passenger vehicles to light commercial vehicles to Class 8 trucks. By creating one driver system for multiple vehicle types and use cases, Aurora's capabilities in one market reinforce and strengthen its competitive advantages in others. For example, highway driving capabilities developed for trucking will carry to highway segments driven by passenger vehicles in ride hailing applications. We believe this approach will enable us to target and transform multiple massive markets, including trucking, passenger mobility, and local goods delivery market.

We expect that the Aurora Driver will ultimately be commercialized in a Driver as a Service ("DaaS") business model, in which we will supply self-driving technology. We do not intend to own nor operate a large number of vehicles ourselves. Throughout commercialization, we expect to earn revenue on a fee per mile basis. We intend to partner with OEMs, fleet operators, and other third parties to commercialize and support Aurora-powered vehicles. We expect that these strategic partners will support activities such as vehicle manufacturing, financing and leasing, service and maintenance, parts replacement, facility ownership and operation, and other commercial and operational services as needed. We expect this DaaS model to enable an asset-light and high margin revenue stream for Aurora, while allowing us to scale more rapidly through partnerships. During the start of commercialization, though, we expect to briefly operate our own logistics and mobility services, where we own and operate a small fleet of vehicles equipped with our Aurora Driver. This level of control is useful during early commercialization as we will define operational processes and playbooks for our partners.

We plan to first launch Aurora Horizon, our driverless trucking subscription service, as we believe that is where we can make the largest impact the fastest, given the massive industry demand, attractive unit economics, and the ability to deploy on high volume highway-focused routes. Future success will be dependent on our ability to execute against our product roadmap to launch Aurora Horizon. From there, we plan to leverage the extensibility of the Aurora Driver to deploy and scale into the passenger mobility market with Aurora Connect, our driverless ride hailing subscription service, and in the longer-term the local goods delivery market.

Recent Developments

Private Placement

On July 21, 2023, we completed a private placement (the "Private Placement"), in which we sold approximately 222 million shares of Class A common stock at a price of $2.70 per share, for proceeds of $584 million, net of transaction costs.

In connection with the Private Placement, we entered into a registration rights agreement, dated July 18, 2023 ("Private Placement Registration Rights Agreement"), with certain existing institutional and strategic investors, entities affiliated with two of our directors, and new institutional investors. Pursuant to the Private Placement Registration Rights Agreement, on July 21, 2023, we filed a registration statement with the Securities and Exchange Commission (the "SEC") for the registration for resale of the securities sold in the Private Placement.

Public Offering

On July 21, 2023, we completed a public offering (the "Public Offering") of approximately 73 million shares of Class A common stock at a price of $3.00 per share, for proceeds of $212 million, net of transaction costs. Following the Public Offering, we issued an additional 11 million shares of our Class A common stock in connection with the exercise of the underwriters' over-allotment option, for proceeds of $32 million, net of transaction costs.

Continental Strategic Partnership Agreement

On April 26, 2023, we entered into a Strategic Partnership Agreement with Continental Automotive Technologies GmbH and its wholly owned subsidiary, Continental Autonomous Mobility Germany GmbH (collectively, "Continental"), pursuant to which Continental will, among other things, act as our "Hardware-as-a-Service" partner for the production, provision, and full lifecycle support of Aurora's future generation of its Aurora Driver hardware system (the "AD Kits"). The Strategic Partnership Agreement provides that we will pay Continental on a per-mile basis for vehicles operated by the Aurora Driver using the future generation of our Aurora Driver hardware system. The term of the Strategic Partnership Agreement began on April 26, 2023 and continues until December 31, 2030. Pursuant to the Strategic Partnership Agreement, Aurora and Continental are each subject to defined and limited exclusivity periods, subject to various exclusions and early termination triggers.

Results of Operations

Comparison of the Three Months Ended June 30, 2023 to the Three Months Ended June 30, 2022

The following table sets forth a summary of our consolidated results of operations for the periods indicated, and the changes between periods.

	Three Months Ended June 30,			
	2023	2022	$ Change	% Change
(in millions, except for percentages)				
Collaboration revenue	$ —	$ 21	$ (21)	n/m[1]
Operating expenses:				
Research and development	187	184	3	2 %
Selling, general and administrative	30	34	(4)	(12) %
Goodwill impairment	—	1,000	(1,000)	n/m[1]
Total operating expenses	217	1,218	(1,001)	(82) %
Loss from operations	(217)	(1,197)	980	(82) %
Other income (expense):				
Change in fair value of derivative liabilities	(10)	40	(50)	(125) %
Other income, net	9	3	6	n/m[1]
Loss before income taxes	(218)	(1,154)	936	(81) %
Income tax expense	—	—	—	n/m[1]
Net loss	$ (218)	$ (1,154)	$ 936	(81) %

[1] Not meaningful.

Collaboration revenue

Collaboration revenue was $21 million in the three months ended June 30, 2022 under the collaboration project plan with Toyota Motor Corporation.

As of December 31, 2022, the Company had recognized all revenue associated with cash payments received under the collaboration project plan and, in turn, no revenue was recognized during the three months ended June 30, 2023.

Operating expenses

Research and development increased by $3 million, or 2%, to $187 million in the three months ended June 30, 2023 from $184 million in the three months ended June 30, 2022, primarily driven by an increase in personnel costs, partially offset by a decline in stock-based compensation.Research and development included non-cash stock-based compensation of $37 million and $42 million in the three months ended June 30, 2023 and 2022, respectively.

Selling, general and administrative decreased by $4 million, or 12%, to $30 million in the three months ended June 30, 2023 from $34 million in the three months ended June 30, 2022. Selling, general and administrative included non-cash stock-based compensation of $6 million and $5 million in thethree months ended June 30, 2023 and 2022, respectively.

Other income (expense)

The change in fair value of derivative liabilities was a loss of $10 million and a gain of $40 million in the three months ended June 30, 2023 and 2022, respectively, primarily due to the change in the market price for the underlying instrument during each period.

Other income, net was $9 million and $3 million in the three months ended June 30, 2023 and 2022, respectively, primarily due to income from cash equivalents and short-term investments.

Comparison of the Six Months Ended June 30, 2023 to the Six Months Ended June 30, 2022

(in millions, except for percentages)	Six Months Ended June 30, 2023	2022	$ Change	% Change
Collaboration revenue	$ —	$ 63	$ (63)	n/m[1]
Operating expenses:				
Research and development	364	338	26	8 %
Selling, general and administrative	61	65	(4)	(6) %
Goodwill impairment	—	1,000	(1,000)	n/m[1]
Total operating expenses	425	1,403	(978)	(70) %
Loss from operations	(425)	(1,340)	915	(68) %
Other income (expense):				
Change in fair value of derivative liabilities	(12)	106	(118)	(111) %
Other income, net	23	3	20	n/m[1]
Loss before income taxes	(414)	(1,231)	817	(66) %
Income tax expense	—	—	—	n/m[1]
Net loss	$ (414)	$ (1,231)	$ 817	(66) %

[1] Not meaningful.

Collaboration revenue

Collaboration revenue was $63 million in the six months ended June 30, 2022 under the collaboration project plan with Toyota Motor Corporation.

As of December 31, 2022, the Company had recognized all revenue associated with cash payments received under the collaboration project plan and, in turn, no revenue was recognized during the six months ended June 30, 2023.

Operating expenses

Research and development increased by $26 million, or 8%, to $364 million in the six months ended June 30, 2023 from $338 million in the six months ended June 30, 2022, primarily driven by an increase in personnel and software development costs, partially offset by a decrease in hardware developments costs. Research and development included non-cash stock-based compensation of $71 million and $68 million in the six months ended June 30, 2023 and 2022, respectively.

Selling, general and administrative decreased by $4 million, or 6%, to $61 million in the six months ended June 30, 2023 from $65 million in the six months ended June 30, 2022. Selling, general and administrative included non-cash stock-based compensation of $11 million and $8 million in the six months ended June 30, 2023 and 2022, respectively.

The Company recognized goodwill impairment of $1,000 million during the six months ended June 30, 2022 as a result of goodwill impairment assessments performed due to significant declines in the market price of the Company's Class A common stock and its market capitalization. No goodwill impairment was recorded during the six months ended June 30, 2023.

Other income (expense)

The change in fair value of derivative liabilities resulted in a loss of $12 million and a gain of $106 million in the six months ended June 30, 2023 and 2022, respectively, primarily due to the change in the market price for the underlying instrument.

Other income, net was $23 million in the six months ended June 30, 2023, compared to $3 million in the six months ended June 30, 2022, primarily due to an increase in interest income earned on short-term investments.

Liquidity and Capital Resources

As of June 30, 2023, our principal sources of liquidity were $165 million of cash and cash equivalents and $620 million of short-term investments, exclusive of restricted cash of $17 million. Cash and cash equivalents primarily consist of money market funds and U.S. Treasury securities. Short-term investments consist of U.S. Treasury securities.

We have incurred negative cash flows from operating activities and significant losses from operations in the past. We expect to continue to incur operating losses and that we will need to opportunistically raise additional capital to support the continued development and commercialization of the Aurora Driver. Subsequent to the second quarter of 2023, we raised $853 million in equity capital from the Public Offering and the Private Placement, receiving net proceeds of $828 million after transaction costs. We expect our total liquidity will be sufficient to meet our working capital and capital expenditure requirements for a period of at least twelve months from the date of this Quarterly Report.

Worldwide economic conditions remain uncertain, particularly increased inflation. The general economic and capital market conditions both in the U.S. and worldwide, have been volatile in the past. The capital and credit markets may not be available to support future capital raising activity on favorable terms. If economic conditions decline, our future cost of equity or debt capital and access to the capital markets could be adversely affected.

Cash Flows

Cash flows for the periods were as follows (in millions):

	Six Months Ended June 30,	
	2023	2022
Net cash used in operating activities	$ (318)	$ (225)
Net cash provided by (used in) investing activities	228	(842)
Net cash (used in) provided by financing activities	(5)	7
Net decrease	(95)	(1,060)
Cash, cash equivalents, and restricted cash at beginning of the period	277	1,626
Cash, cash equivalents, and restricted cash at end of the period	$ 182	$ 566

Cash Flows Used in Operating Activities

Net cash used in operating activities was $318 million for the six months ended June 30, 2023, an increase of $93 million from $225 million for the six months ended June 30, 2022. During the six months ended June 30, 2022, we received payments of $95 million under the collaboration project plan with Toyota. Net cash used in operating activities for the six months ended June 30, 2023 was not impacted by this cash activity.

Cash Flows Provided by (Used in) Investing Activities

Net cash provided by investing activities was $228 million for the six months ended June 30, 2023, primarily due to cash received from net maturities of short-term investments. Net cash used by investing activities was $842 million for the six months ended June 30, 2022, primarily due to the purchase of short-term investments.

Cash Flows (Used in) Provided by Financing Activities

Net cash (used in) provided by financing activities was not significant in the six months ended June 30, 2023 and 2022.

Contractual Obligations, Commitments and Contingencies

Aurora may be party to various claims within the normal course of business. Legal fees and other costs associated with such actions are expensed as incurred. We assess the need to record a liability for litigation and other loss contingencies, with reserve estimates recorded if we determine that a loss related to the matter is both probable and reasonably estimable. No material losses were recorded in the three and six months ended June 30, 2023 and 2022.

Critical Accounting Estimates

Our condensed consolidated financial statements have been prepared in accordance with U.S. generally accepted accounting principles, or U.S. GAAP. Preparation of the financial statements requires our management to make judgments, estimates and assumptions that impact the reported amount of revenue and expenses, assets and liabilities and the disclosure of contingent assets and liabilities. We consider an accounting judgment, estimate or assumption to be critical when (1) the estimate or assumption is complex in nature or requires a high degree of judgment and (2) the use of different judgments, estimates and assumptions could have a material impact on our consolidated financial statements. Our significant accounting policies are described in Note 2 to our unaudited condensed consolidated financial statements included elsewhere in this Quarterly Report and in the notes to the consolidated financial statements included in Part II, Item 8 of the Annual Report on Form 10-K for the year-ended December 31, 2022. There have been no material changes to our critical accounting estimates since our Annual Report.

Emerging Growth Company Status

Section 102(b)(1) of the JOBS Act exempts emerging growth companies from being required to comply with new or revised financial accounting standards until private companies are required to comply with the new or revised financial accounting standards. The JOBS Act provides that a company can elect not to take advantage of the extended transition period and comply with the requirements that apply to non-emerging growth companies, and any such election to not take advantage of the extended transition period is irrevocable. We are an "emerging growth company" as defined in Section 2(a) of the Securities Act of 1933, as amended, and have elected to take advantage of the benefits of this extended transition period. This may make it difficult to compare our financial results with the financial results of other public companies that are either not emerging growth companies or emerging growth companies that have chosen not to take advantage of the extended transition period. We expect to lose our "emerging growth company" status as of December 31, 2023.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

We are exposed to a variety of market and other risks, including the effects of changes in interest rates, and inflation, as well as risks to the availability of funding sources, hazard events, and specific asset risks.

Interest Rate Risk

Our results of operations are directly exposed to changes in interest rates, among other macroeconomic conditions. Interest rate risk is highly sensitive to many factors, including governmental monetary and tax policies, domestic and international economic and political considerations, and other factors beyond our control.

We do not believe that an increase or decrease in interest rates of 100-basis points would have a material effect on our business, financial condition or results of operations.

Inflation Risk

We do not believe that inflation has had a material effect on our business, financial condition or results of operations, other than its impact on the general economy. Nonetheless, if our costs were to become subject to inflationary pressures, we may not be able to fully offset such higher costs through price increases. Our inability or failure to do so could harm our business, financial condition and results of operations.

Item 4. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures

Disclosure controls and procedures are controls and other procedures that are designed to ensure that information required to be disclosed in our reports filed or submitted under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed in company reports filed or submitted under the Exchange Act is accumulated and communicated to management, including our chief executive officer and chief financial officer, to allow timely decisions regarding required disclosure.

Our management evaluated, with the participation of our chief executive officer and chief financial officer (our "Certifying Officers"), the effectiveness of our disclosure controls and procedures as of June 30, 2023, pursuant to Rule 13a-15(b) under the Exchange Act. Based upon that evaluation, our Certifying Officers concluded that our disclosure controls and procedures were effective as of June 30, 2023.

Changes in Internal Control over Financial Reporting

There was no change in our internal control over financial reporting that occurred during the fiscal quarter ended June 30, 2023 covered by this Quarterly Report on Form 10-Q that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

Part II - Other Information

Item 1. Legal Proceedings.

We are from time to time subject to various claims, lawsuits and other legal and administrative proceedings arising in the ordinary course of business. However, we do not consider any such claims, lawsuits or proceedings that are currently pending, individually or in the aggregate, to be material to our business or likely or result in a material adverse effect on our future operating results, financial condition or cash flows.

Item 1A. Risk Factors.

Investing in our securities involves a high degree of risk. You should carefully consider the following risks, together with all of the other information contained in this Quarterly Report on Form 10-Q, before making an investment decision. Our business, financial condition, results of operations or prospects could be materially and adversely affected by any of these risks or uncertainties, as well as by risks or uncertainties not currently known to us, or that we do not currently believe are material. In that case, the trading price of our common stock could decline, and you may lose all or part of your investment. Unless the context otherwise requires, all references in this section to the "Company," "Aurora," "we," "us," or "our" refer to the business of Aurora Innovation Holdings, Inc. and its subsidiaries prior to the consummation of the Merger, and to Aurora Innovation, Inc. and its subsidiaries after the completion of the Merger.

The following summary risk factors and other information included in this Quarterly Report should be carefully considered. The summary risks and uncertainties described below are not the only ones we face. Additional risks and uncertainties not currently known to us or that we currently deem less significant may also affect our business operations or financial results. If any of the following risks actually occur, our stock price, business, operating results and financial condition could be materially adversely affected. For more information, see below for more detailed descriptions of each risk factor.

- Self-driving technology is an emerging technology, and we face significant technical challenges to commercialize our technology.
- We are an early stage company with a history of losses, and we expect to incur significant expenses and continuing losses for the foreseeable future.
- Our limited operating history makes it difficult to evaluate our future prospects and the risks and challenges we may encounter.
- Our progress and performance metrics are subject to inherent challenges in measurement, and real or perceived inaccuracies in such metrics and metrics and values that are below expectations could materially and adversely affect our business, prospects, financial condition and results.
- We operate in a highly competitive market and some market participants have substantially greater resources. If one or more of our competitors broadly commercialize their self-driving technology before we do, develop superior technology, or are perceived to have better technology, our business prospects and financial performance would be adversely affected.
- Our services and technology may not be accepted and adopted by the market at the pace we expect or at all.
- We may require significantly more additional capital investment to run our business than previously expected.
- It is possible that Aurora's self-driving unit economics do not materialize as expected.
- We are highly dependent on the services of our senior management team, without which we may not be able to successfully implement our business strategy.
- Our future capital needs may require us to sell additional equity or debt securities that may dilute our stockholders.
- We may experience difficulties in managing our growth and expanding our operations.
- Our operating and financial results projections that were previously provided rely in large part upon assumptions and analyses developed by us. If these assumptions or analyses prove to be incorrect, our actual results of operations may be materially different from our projections and our estimates of certain financial metrics may prove inaccurate.
- We could fail to successfully select, execute or integrate past and future acquisitions.

- Interruption or failure of Amazon Web Services or other information technology and communications systems that we rely upon could materially and adversely affect our business, financial condition and results of operations.
- We are subject to cybersecurity risks to operational systems, security systems, infrastructure, integrated software and partners and end-customers data processed by us or third-party vendors or suppliers.
- Unauthorized control or manipulation of systems in autonomous vehicles may cause them to operate improperly or not at all, or compromise their safety and data security.
- Failures, or perceived failures, to comply with privacy, data protection, and information security requirements in the variety of jurisdictions in which we operate, or may operate, may adversely impact our business.
- Our future insurance coverage may not be adequate to protect us from all business risks or may be prohibitively expensive.
- Our warrants are accounted for as liabilities and the changes in value of our warrants could have a material effect on our financial results.
- If we are unable to develop and maintain an effective system of internal control over financial reporting, we may not be able to accurately report our financial results in a timely manner, which may adversely affect investor confidence in us and materially and adversely affect our business and operating results.
- Unanticipated changes in effective tax rates, adverse outcomes resulting from examination of our income, changes in tax laws or regulations, changes in our ability to utilize our net operating loss, or other tax-related changes could materially and adversely affect our business, prospects, financial condition and results of operations.
- Our success is contingent on our ability to successfully maintain, manage, execute and expand on our existing partnerships and obtain new partnerships.
- We are dependent on our suppliers, some of which are single or limited source suppliers, and these suppliers may not produce and deliver necessary and industrialized components at prices and volumes and on terms acceptable to us.
- Burdensome regulations, inconsistent regulations, or a failure to receive regulatory approvals of our technology could have a material adverse effect on our business, financial condition and results of operation.
- We may become involved in legal and regulatory proceedings and commercial or contractual disputes.
- We may be subject to product liability that could result in significant direct or indirect costs.
- We may not be able to adequately protect or enforce our intellectual property rights, in which case our business and competitive position could be harmed.
- We may need to defend ourselves against intellectual property rights infringement claims, which may be time-consuming and could cause us to incur substantial costs.
- We could lose the ability to use certain intellectual property rights and technology or materials that we rely upon if the underlying license agreements are terminated or not renewed.
- Our software contains third-party open-source software components, and failure to comply with the terms of the underlying open-source software licenses could restrict our ability to sell our products or give rise to disclosure obligations of proprietary software.
- The market price of our common stock may be volatile and could decline significantly.
- Our dual class structure has the effect of concentrating voting power with our founders, which limits an investor’s ability to influence the outcome of important transactions, including a change in control.

Risks Related to Our Technology, Business Model and Industry

Self-driving technology is an emerging technology, and we face significant technical challenges to commercialize our technology. If we cannot successfully overcome those challenges or do so on a timely basis, our ability to grow our business will be negatively impacted.

Solving self-driving is one of the most difficult engineering challenges of our generation. The industry can be characterized by a significant number of technical and commercial challenges, including an expectation for better-than-a-human driving performance, large funding requirements, long vehicle development lead times, specialized skills and expertise requirements of personnel, inconsistent and evolving regulatory frameworks, a need to build public trust and brand image, and real world operation of an entirely new technology. If we are not able to overcome these challenges, our business, prospects, financial condition, and results of operations will be negatively impacted and our ability to create a viable business may not materialize at all.

Although we believe that our self-driving systems and supporting technology are promising, we cannot assure you that our technology will succeed commercially. The successful development of our self-driving systems and related technology involves many challenges and uncertainties, including:

- achieving sufficiently safe self-driving system performance as determined by us, government & regulatory agencies, our partners, customers, and the general public;
- finalizing self-driving system design, specification, and vehicle integration;
- successfully completing system testing, validation, and safety approvals;
- obtaining additional approvals, licenses or certifications from regulatory agencies, if required, and maintaining current approvals, licenses or certifications;
- receiving performance by third parties that supports our R&D and commercial activities;
- preserving core intellectual property rights, while obtaining intellectual property rights, technology or materials from third parties that may be critical to our R&D activities; and
- continuing to fund and maintain our current technology development activities.

We are an early stage company with a history of losses, and we expect to incur significant expenses and continuing losses for the foreseeable future.

We have incurred net losses on an annual basis since our inception. During the six months ended June 30, 2023 and 2022, we incurred net losses of $414 million and $1,231 million, respectively. We believe that we will continue to incur operating and net losses each quarter until at least the time we begin commercial operation of our self-driving technology, which may take longer than we currently expect or may never occur. Even if we successfully develop and sell our self-driving solutions, there can be no assurance that they will be commercially successful. We expect the rate at which we will incur losses to be substantially higher in future periods as we continue to scale our development and commercialize products. Because we will incur the costs and expenses from these efforts before we receive incremental revenues with respect thereto, our losses in future periods will be significant. In addition, we may find that these efforts are more expensive than we currently anticipate or that these efforts may not result in revenues, which would further increase our losses.

Our limited operating history makes it difficult to evaluate our future prospects and the risks and challenges we may encounter.

We began operations in 2017 and have been focused on developing self-driving technology ever since. This relatively limited operating history makes it difficult to evaluate our future prospects and the risks and challenges we may encounter. Risks and challenges we have faced or expect to face include our ability to:

- design, develop, test, and validate our self-driving technology for commercial applications;
- produce and deliver our technology at an acceptable level of safety and performance;
- properly price our products and services;
- plan for and manage capital expenditures for our current and future products;
- hire, integrate and retain talented people at all levels of our organization;

- forecast our revenue, budget for and manage our expenses;
- attract new partners and retain existing partners;
- navigate an evolving and complex regulatory environment;
- manage our supply chain and supplier relationships related to our current and future products;
- anticipate and respond to macroeconomic changes and changes in the markets in which we operate;
- maintain and enhance the value of our reputation and brand;
- effectively manage our growth and business operations, including the impacts of unforeseen market changes on our business;
- develop and protect intellectual property rights; and
- successfully develop new solutions, features, and applications to enhance the experience of partners and end-customers.

If we fail to address the risks and difficulties that we face, including those associated with the challenges listed above, as well as those described elsewhere in this "Risk Factors" section, our business, financial condition and results of operations could be adversely affected. Further, because we have limited historical financial data and operate in a rapidly evolving market, any predictions about our future revenue and expenses may not be as accurate as they would be if we had a longer operating history or operated in a more predictable market. We have encountered in the past, and will encounter in the future, risks and uncertainties frequently experienced by growing companies with limited operating histories in rapidly changing industries. If our assumptions regarding these risks and uncertainties, which we use to plan and operate our business, are incorrect or change, or if we do not address these risks successfully, our results of operations could differ materially from our expectations and our business, financial condition and results of operations could be adversely affected.

It is possible that our technology will have more limited performance or may take us longer to complete than is currently projected. This would adversely impact our addressable markets, commercial competitiveness, and business prospects.

Our products and self-driving system are technical and complex, and commercial application requires that we meet very high standards for technology performance and system safety. We may be unable to timely release new products that meet our intended commercial use cases, and we may therefore experience more limited monetization of our technology. These risks are particularly relevant for factors such as our self-driving system's operational domain (i.e., the conditions under which our system is designed to operate), which includes variables such as traversable road networks, speeds, and weather patterns. It is possible that there may be additional limitations in our operating capabilities depending upon a number of factors, including, for example, vehicle type (e.g. car, truck) and actor density (e.g. pedestrians, cyclists). If that is the case, we may be more restricted in our addressable market opportunities.

Commercial deployment has taken longer in the self-driving industry than anticipated, and it may take us more time to complete our own technology development and commercialization than is currently projected. The achievement of broadly applicable self-driving technology will require further technology improvements including, for example, handling non-compliant or unexpected actor behavior and inclement weather conditions. These improvements may take us longer than expected which would increase our capital requirements for technology development, delay our timeline to commercialization, and reduce the potential financial returns that may be expected from the business.

We plan to publicly disclose certain progress and performance metrics, including the Autonomy Readiness Measure and the Autonomy Performance Indicator. These metrics are subject to inherent challenges in measurement; real or perceived inaccuracies in such metrics and metrics values that are below expectations could materially and adversely affect our business, prospects, financial condition and results of operations.

We plan to publicly disclose a measure of our progress toward the commercial launch of Aurora Horizon (the "Autonomy Readiness Measure"). The Autonomy Readiness Measure is the weighted function of completeness of our Safety Case (which is an internally-derived, claims-based approach that provides a generalized structured argument to addressing safety items implicated by developing and operating self-driving technology on public roads). There are inherent challenges in calculating the Autonomy Readiness Measure, including the fact that management judgment is used when applying weighting to individual pieces of evidence that support the claims that we are making in our Safety Case (e.g., based on complexity, effort required to complete, scope of the Company's commercial launch route, etc.) as well as when evaluating the percentage complete of a particular piece of evidence. If individual pieces of evidence supporting the claims of our Safety Case turn out to be more complex, more challenging to complete, insufficiently comprehensive or conclusive, or more time or capital intensive than we originally anticipated, adjustments will be required to be made to our calculations of the Autonomy Readiness Measure. If our Autonomy Readiness Measure is not an accurate representation of our progress toward commercial launch, or if investors perceive this measure not to be accurate, or if we discover material inaccuracies in the Safety Case or our calculations of the Autonomy Readiness Measure, our reputation may be significantly harmed, the timing of commercial launch of Aurora Horizon could be delayed, and our stock price could decline, any of which could materially and adversely affect our business, prospects, financial condition and results of operations.

We also plan to publicly disclose supplemental information regarding the on-road performance of the Aurora Driver (the "Autonomy Performance Indicator"). There are inherent challenges in calculating this metric. For example, one of the components of this indicator is commercially representative miles driven where the vehicle received human assistance via a vehicle operator intervention or other on-site support, but where it is determined, through internal analysis including simulation, that the support received was not required by the Aurora Driver. There is management judgment involved in using internal analysis to determine whether or not such human assistance was necessary, and third parties may reasonably disagree with positions taken by the Company on such determinations. Further, it is possible that we could conclude that human assistance was not necessary even where the Aurora Driver did not perform correctly and/or in a way that we intended. Additionally, we do not expect the Autonomy Performance Indicator to increase linearly as we approach commercial launch, nor do we anticipate that this indicator will be 100% even at launch, because certain situations (e.g., flat tires) will always require on-site support. If the Autonomy Performance Indicator is not a sufficient or accurate representation of the Aurora Driver's on-road performance, if investors do not perceive it to be accurate, or it does not convey the level of performance anticipated, our reputation may be significantly harmed, our stock price could decline, and it could materially and adversely affect our business, prospects, financial condition and results of operations.

In addition, our internal systems and tools have a number of limitations, and our methodologies for tracking the Autonomy Readiness Measure and the Autonomy Performance Indicator may change over time, which could result in unanticipated changes to the metrics or estimates that we publicly disclose. If the internal systems and tools we use to track these metrics are not an accurate indicator of our performance or contain other technical errors, the data we report may not be accurate. While these numbers are based on what we believe to be reasonable estimates of our metrics for the applicable period of measurement, there are inherent challenges in measuring our progress toward commercial launch.

We operate in a highly competitive market and some market participants have substantially greater resources. If one or more of our competitors broadly commercialize their self-driving technology before we do, develop superior technology, or are perceived to have better technology, our business prospects and financial performance would be adversely affected.

The market for self-driving technology is highly competitive and can be characterized by rapid technological change. Our future success will depend on our ability to develop and commercialize in a sufficiently timely manner in order to maintain competitiveness. Several companies, including, but not limited to, Waymo, GM Cruise, TuSimple, Tesla, Zoox/Amazon, Apple, Motional, Pony.ai, and Intel Mobileye are investing heavily in building this technology. These companies compete with us directly by offering self-driving technology for the same or similar use cases. If our competitors, including those previously mentioned, broadly commercialize their technology before we do, develop superior technology, or are perceived to have better technology, they may capture market opportunities and establish relationships with customers and partners that might otherwise have been available to us.

Material commercialization of self-driving technology first involves pilot deployments, which we and other competitors are currently performing. Competitors may initiate similar deployments in various different use cases and/or geographies earlier than we will. Several of these competitors have substantially greater financial, marketing, R&D, and other resources. In the event that one or many of these competitors broadly commercializes their technology before we do, our business prospects and financial performance would be adversely impacted.

Our services and technology may not be accepted and adopted by the market at the pace we expect or at all.

Self-driving technology is still nascent and is neither generally understood nor universally accepted. We are at risk of adverse publicity that stems from any public incident involving self-driving vehicles (whether involving Aurora or a competitor), which could result in decreased end-customer demand for our technology. Part of our commercialization plan includes public awareness and education campaigns, but this guarantees neither public nor customer acceptance of our services. If we cannot gain sufficient trust in our technology, we will be unable to commercialize as intended. We may also experience adverse publicity that argues self-driving technology is replacing human jobs and disrupting the economy. Such media attention could cause current and future partners to terminate their business with us, which would significantly impact our ability to make future sales.

Further, as the market for self-driving cars develops, the differences in the approaches of Aurora and others will become more widely known to suppliers, insurers, regulators and others. Until these distinctions are known and appreciated, the actions of a single market participant may be imputed to the self-driving industry as a whole. As such, as a result of an action or inaction by a third-party, it is possible that suppliers, insurers, regulators and others may refuse or cease to interact with or conduct business with the self-driving industry as a whole, including Aurora.

If the market does not accept and adopt our services and technology at the pace we expect or at all, it could materially and adversely affect our business, prospects, financial condition and results of operations.

We expect that our business model will become less capital intensive as we transition our business to our Driver as a Service model and if that transition is delayed or does not occur, we will require significant additional capital investment to run our business.

Our business plan envisions a two-phase process for ownership and operation of Aurora-powered self-driving vehicles. Early in our commercialization, we intend to own or lease and operate a limited fleet and will invest in self-driving system hardware, base vehicles, and commercial facilities (such as freight terminals). We believe this firsthand experience will help us to harden our operational processes, service level agreements, and enable a more effective transition to working with external partners on operational activities. After this initial period of Aurora ownership and operation, we expect to transition to a Driver as a Service business model. Under this model, one or more third-party partners would own and operate Aurora-powered vehicles and would also manage activities such as financing, maintenance, cleaning, and fleet facilities.

Since it is more capital-intensive for us to own or lease and operate our own fleet of vehicles, any delay in the transition to the Driver as a Service model will require additional investments of capital and could mean we may not be able to reach scale as quickly as projected in prior filings. In addition, it is possible that we may be required to fund and operate commercial facilities as part of our product offering, as opposed to partnering with third parties. Although we believe, based on partner discussions, that such a transition will be possible in our intended timeframes, there is no guarantee that third parties will be able or willing to own and operate Aurora-powered vehicles as soon or ramp as quickly as expected at desirable commercial terms. Similarly, we expect to partner with other third parties who will own and operate terminal facilities, but we may determine that we will need to own or operate more of these facilities ourselves. Such difficulties could have adverse impacts on our business, prospects, financial condition, and growth potential. As such, this model may present unpredictable challenges associated with third-party dependency which could materially and adversely affect our business, financial condition and results of operations.

It is possible that Aurora's self-driving unit economics do not materialize as expected, in particular as we transition to our Driver as a Service model. This could significantly hinder our ability to generate a commercially viable product and adversely affect our business prospects.

Our business model is premised on our future expectations and assumptions regarding unit economics of the Aurora Driver and our transition, including the timing thereof, to our Driver as a Service model. There are uncertainties in these assumptions and we may not be able to achieve the unit economics we expect for many reasons, including but not limited to:

- costs of the self-driving system hardware;
- other fixed and variable costs associated with self-driving vehicle operation;
- useful life;
- vehicle utilization; and
- product pricing.

To manage self-driving hardware costs, we must engineer cost-effective designs for our sensors, computers, and vehicles, achieve adequate scale, and freeze hardware specifications while enabling continued software improvements. In addition, we must continuously push initiatives to optimize supporting cost components such as vehicle and self-driving system maintenance, cloud storage, telecom data feed, facilities, cleaning, operations personnel costs, and useful life. This will require significant coordination with our third-party fleet partners and adequate cost management may not materialize as expected or at all, which would have material adverse effects on our business prospects.

Self-driving technology is a new product and the appropriate price points are still being determined. Additionally, increased competition may result in pricing pressure and reduced margins and may impede our ability to increase the revenue of our technology or cause us to lose market share, any of which could materially and adversely affect our business, financial condition and results of operations. Unfavorable changes in any of these or other unit economics-related factors, many of which are beyond our control, could materially and adversely affect our business, prospects, financial condition and results of operations.

We are highly dependent on the services of our senior management team and, specifically, our Chief Executive Officer, and if we are not successful in retaining our senior management team and, in particular, our Chief Executive Officer, and in attracting or retaining other highly qualified personnel, we may not be able to successfully implement our business strategy.

Our success depends, in significant part, on the continued services of our senior management team, which has extensive experience in the self-driving industry. The loss of any one or more members of our senior management team, for any reason, including resignation or retirement, could impair our ability to execute our business strategy and could materially and adversely affect our business, financial condition and results of operations. In particular, we are highly dependent on Chris Urmson, our Founder and Chief Executive Officer, who remains deeply involved in all aspects of our business, including product development. If Mr. Urmson ceased to be involved with Aurora, this would adversely affect our business because his loss could make it more difficult to, among other things, compete with other market participants, manage our R&D activities and retain existing partners or cultivate new ones. Negative public perception of, or negative news related to, Mr. Urmson may adversely affect our brand, relationship with partners or standing in the industry.

Our success similarly hinges on the ability to attract, motivate, develop and retain a sufficient number of other highly skilled personnel, including software, hardware, systems engineering, automotive, safety, operations, design, finance, marketing, and support personnel. Competition for qualified highly skilled personnel can be strong, and we can provide no assurance that we will be successful in attracting or retaining such personnel now or in the future. Employees may be more likely to leave us if the shares of our capital stock they own or the shares of our capital stock underlying their equity incentive awards have significantly reduced in value or the vested shares of our capital stock they own or vested shares of our capital stock underlying their equity incentive awards have significantly appreciated. The significant reduction in the value of our common stock may require us to grant additional or larger individual equity incentive awards in order to prevent employee departures and to attract new personnel. The issuance of additional shares upon settlement or exercise of those awards would result in dilution to the holders of our common stock and increase the number of shares eligible for resale in the public market, and may have a negative impact on our stock price.

Many of our employees may receive significant proceeds from sales of our equity in the public markets once their applicable vesting restrictions are satisfied, which may reduce their motivation to continue to work for us. Further, any inability to recruit, develop and retain qualified employees may result in high employee turnover and may force us to pay significantly higher wages, which may harm our profitability.

Additionally, we do not carry key man insurance for any of our management executives, and the loss of any key employee or our inability to recruit, develop and retain these individuals as needed, could materially and adversely affect our business, financial condition and results of operations.

Risks Related to Our Business Operations

Our business plans require a significant amount of capital. In addition, our future capital needs may require us to sell additional equity or debt securities that may dilute our stockholders.

The fact that we have a limited operating history means we have limited historical data on the demand for our products and services. As a result, our future capital requirements are uncertain and actual capital requirements may be different from those we currently anticipate. We expect to continue investing in research and development to improve our self-driving technology. Beyond the net proceeds raised in the Public Offering and the Private Placement, we expect we will need to seek equity or debt financing to fund a portion of our future expenditures. Such financing might not be available to us in a timely manner, on terms that are acceptable, or at all.

Our ability to obtain the necessary financing to carry out our business plan is subject to a number of factors, including general market conditions and investor acceptance of our business model. Additional funding may be more difficult to obtain, or may be more expensive, as a result of increases in inflation and interest rates in the U.S. economy generally. These factors may make the timing, amount, terms and conditions of such financing unattractive or unavailable to us. In addition, actual events involving limited liquidity, defaults, non-performance or other adverse developments that affect financial institutions or the financial services industry generally, or concerns or rumors about any events of these kinds or other similar risks, have in the past and may in the future lead to market-wide liquidity problems.

If we are unable to raise sufficient funds or access our existing funds, we will have to significantly reduce our spending, delay or cancel our planned activities, or substantially change our corporate structure, which could have an adverse impact on our business and financial prospects.

Our estimates of our cash needs may prove inaccurate in which case we may need to raise capital sooner or change our operating plans and timelines.

We are spending significant amounts to develop our business and have estimated how much cash we will need on a quarterly basis until we raise additional funds or achieve cash flow positive. These estimates are based on our current operating plan and are subject to significant uncertainties and contingencies, many of which are beyond our control. Our estimates regarding our cash expenditures may prove inaccurate, causing the actual amount to differ from our estimates. In particular, we will continue to incur operating and net losses each quarter until at least the time we begin commercial operation of our self-driving technology, which may take longer than we currently expect or may never occur. We may also find that our business operations are more expensive than we currently anticipate or that these efforts may not result in revenues, which would further increase our cash needs and losses. If our cash expenditures are higher than expected, we may need to raise capital sooner than expected or change our operating plans and timelines. There can be no assurance that we will be able to raise additional capital on acceptable terms or at all.

We may experience difficulties in managing our growth and expanding our operations.

We expect to experience significant growth in the scope and nature of our operations. Our ability to manage our operations and future growth will require us to continue to improve our operational, financial and management controls, compliance programs and systems automation. We are currently in the process of strengthening our compliance programs, including in relation to export controls, privacy and cybersecurity and anti-corruption. We will also need to reduce our reliance on manual operations in the areas of billing and reporting and make certain other improvements to support our complex arrangements and the rules governing revenue and expense recognition for our future operations. We may not be able to implement improvements in an efficient or timely manner and may discover deficiencies in existing controls, programs, systems and procedures, which could have an adverse effect on the accuracy of our reporting, business relationships, reputation and financial results.

Our operating and financial results projections that were previously provided rely in large part upon assumptions and analyses developed by us. If these assumptions or analyses prove to be incorrect, our actual results of operations may be materially different from projections that we previously filed and our estimates of certain financial metrics may prove inaccurate.

We use various estimates in formulating our business plans. We base our estimates upon a number of assumptions that are inherently subject to significant business and economic uncertainties and contingencies, many of which are beyond our control. Our estimates therefore may prove inaccurate, causing the actual amount to differ from our estimates. These factors include, without limitation:

- assumptions around vehicle miles traveled ("VMT");
- the degree of utilization achieved by our self-driving technology;
- the price our customers are willing to pay;
- the timing and breadth of our technology's operating domain and product models;
- operational costs of our self-driving technology and their useful life;
- growth in core development and operating expenses;
- which elements of service are delivered by Aurora versus our partners, and associated impact on expenses and capital requirements;
- the extent to which our technology is successfully and efficiently operationalized by our fleet partners, and our market penetration more broadly;
- the timing of when our partners and end-customers adopt our technology on a commercial basis which could be delayed for regulatory, safety or reliability issues unrelated to our technology;
- the timing of future self-driving system hardware generations and vehicle platforms;
- competitive pricing pressures, including from established and future competitors;
- whether we can obtain sufficient capital to continue investing in core technology development and sustain and grow our business;
- the overall strength and stability of domestic and international markets, including, but not limited to trucking, passenger mobility, and local goods delivery; and
- other risk factors set forth in this Quarterly Report.

In particular, our total addressable market and opportunity estimates, growth forecasts, pricing, cost, and customer demand that have previously been provided are subject to significant uncertainty and are based on assumptions and estimates that may prove inaccurate. Previously announced projections, forecasts and estimates relating to the expected size and growth of the markets for self-driving technology may prove similarly imprecise. We are pursuing prospects in multiple markets that are undergoing rapid changes, including in technological and regulatory areas, and it is difficult to predict the timing and size of the opportunities.

Unfavorable changes in any of the above or other factors, including around the total addressable market and market opportunity, most of which are beyond our control, could materially and adversely affect our business, prospects, financial condition and results of operations.

As part of growing our business, we have in the past and may in the future make acquisitions. If we fail to successfully select, execute or integrate our acquisitions, it could materially and adversely affect our business, financial condition and results of operations, and our stock price could decline.

From time to time, we may undertake acquisitions to add new products and technologies, acquire talent, form new strategic partnerships, or enter into new markets or geographies. In addition to possible stockholder approval, we may need approvals and licenses from relevant government authorities for such future acquisitions and to comply with any applicable laws and regulations, which could result in increased delay and costs, and may disrupt our business strategy if such approvals are ultimately denied. Furthermore, acquisitions and the subsequent integration of new assets, businesses, key personnel, partners and end-customers, vendors and suppliers require significant attention from our management and could result in a diversion of resources from our existing business, which in turn could have an adverse effect on our operations. Additionally, acquired assets or businesses may not generate the financial results we expect. Key personnel or large numbers of employees who join Aurora through acquisitions may decide to leave Aurora to work for other businesses or competitors of Aurora, thereby diminishing the value of our acquisitions. Acquisitions could result in the use of substantial amounts of cash, potentially dilutive issuances of equity securities, the occurrence of significant goodwill impairments, amortization expenses for other intangible assets and exposure to potential unknown liabilities of the acquired business. Additionally, the acquisition and integration processes create a risk that management and employees of Aurora become distracted. Finally, the costs of identifying and consummating acquisitions may be significant. Failure to successfully identify, complete, manage and integrate acquisitions could materially and adversely affect our business, prospects, financial condition and results of operations, and could cause our stock price to decline.

Our business is subject to the risks of earthquakes, fire, floods and other natural catastrophic events, global pandemics, and interruptions by man-made problems, such as terrorism. Material disruptions of our business or information systems resulting from these events could materially and adversely affect our business, financial condition and results of operations.

A significant natural disaster, such as an earthquake, fire, flood, hurricane or significant power outage or other similar events, such as infectious disease outbreaks or pandemic events, could materially and adversely affect our business, financial condition and results of operations. We note we have several offices located in the San Francisco Bay Area, a region known for seismic activity. In addition, natural disasters, acts of terrorism or war, including the ongoing geopolitical tensions related to Russia's actions in Ukraine, could cause disruptions in our remaining operations, our or our partners' businesses, our suppliers' or the economy as a whole. We also rely on information technology systems to communicate among our workforce and with third parties. Any disruption to our communications, whether caused by a natural disaster or by man-made problems, such as power disruptions, could adversely affect our business. We do not have a formal disaster recovery plan or policy in place and do not currently require that our partners have such plans or policies in place. To the extent that any such disruptions result in development or commercialization delays or impede our partners' and suppliers' ability to timely deliver product components, or the deployment of our products, this could materially and adversely affect our business, financial condition and results of operations.

The spread of COVID-19 caused us to modify our business practices (including reducing employee travel, recommending that all non-essential personnel work from home and cancellation or reduction of physical participation in activities, meetings, events and conferences), and, though we now permit employee travel and have adopted a flexible return to office policy, we may take further actions as may be required by government authorities or that we determine are in the best interests of our employees, partners and end-customers, suppliers, and business partners. The COVID-19 pandemic could limit the ability of our partners, suppliers, and business partners to perform, including our ability to conduct on-road and track operations for development testing.

Any recovery from the COVID-19 pandemic and related economic impact may be slowed or reversed by a variety of factors, such as, new variants to the virus that may cause an increase in the number or severity of COVID-19 infections. In addition, even after the COVID-19 pandemic has subsided, we may continue to experience adverse impacts to our business as a result of its global economic impact. Further, many of the factors discussed under Risk Factors in this Quarterly Report are, and we anticipate will continue to be further, heightened or exacerbated by the impact of the COVID-19 pandemic.

Aurora has implemented a voluntary return to office policy for its employees. However, even after the COVID-19 pandemic has subsided, we may continue to experience an adverse impact to our business as a result of its global economic impact, including any recession that has occurred or may occur in the future. We do not yet know the full extent of COVID-19's impact on our business, our operations, or the global economy as a whole. However, the effects could materially and adversely affect our business, financial condition and results of operations, and we will continue to monitor the situation closely.

Interruption or failure of Amazon Web Services or other information technology and communications systems that we rely upon could materially and adversely affect our business, financial condition and results of operations.

We currently rely on Amazon Web Services ("AWS") to host our technology and support our technology development. The availability and effectiveness of our services depend on the continued operation of AWS, information technology, and communications systems. Our systems will be vulnerable to damage, interruption or any other compromise as the result of, among others, physical theft, fire, terrorist attacks, natural disasters, power loss, war, telecommunications failures, viruses, ransomware, and other malicious code, denial or degradation of service attacks, social engineering schemes, insider theft or misuse or other attempts to harm our systems. We utilize reputable third-party service providers or vendors for a substantial portion of our data and source code, and these providers could also be vulnerable to harms similar to those that could damage our systems, including sabotage and intentional acts of vandalism causing potential disruptions. It may become increasingly difficult to maintain and improve our performance, especially during peak usage times, as we expand the usage of our platform. Some of our systems will not be fully redundant, and our disaster recovery planning cannot account for all eventualities. Any problems with our third-party cloud hosting providers could result in lengthy interruptions in our business.

We are subject to cybersecurity risks to operational systems, security systems, infrastructure, integrated software and partners and end-customers data processed by us or third-party vendors or suppliers and any material failure, weakness, interruption, cyber event, incident or breach of security could prevent us from effectively operating our business.

We are at risk for interruptions, outages and breaches of, and cyber events and other incidents impacting: operational systems, including business, financial, accounting, product development, data processing or production processes, owned by us or our third-party vendors or suppliers; facility security systems, owned by us or our third-party vendors or suppliers; in-product technology owned by us or our third-party vendors or suppliers; our integrated software; or confidential, proprietary, and other data, including partners' or end-customers' or driver data, that we process or our third-party vendors or suppliers process on our behalf. Such cyber incidents could materially disrupt operational systems; result in loss of trade secrets or other proprietary or competitively sensitive information, technology or materials; compromise certain information of partners, end-customers, employees, suppliers, drivers or others, and lead to the loss or unavailability of, unauthorized access or damage to, or inappropriate access to, or use, disclosure or otherwise processing of, confidential information and other data we maintain or otherwise process or that is maintained or otherwise processed on our behalf; jeopardize the security of our facilities; or affect the performance of in-product technology. A cyber incident could be caused by disasters, insiders (through inadvertence or with malicious intent) or malicious third parties (including nation-states or nation-state supported actors) using sophisticated, targeted methods to circumvent firewalls, encryption and other security defenses, including hacking, distributed denial of service attacks, fraud, trickery or other forms of deception. The techniques used by cyber attackers change frequently and may be difficult to detect for long periods of time, and we may face difficulties and delays in identifying, responding to, and otherwise addressing security breaches and incidents. Since the COVID-19 pandemic, more of our and our service providers' personnel are working remotely, which increases the risks of security breaches and cyberattacks. Although we maintain and continue to develop information technology measures designed to protect us against intellectual property, technology, and materials theft, data breaches and other cyber incidents, including a formal incident response plan, such measures will require updates and improvements, and we cannot guarantee that such measures will be adequate to detect, prevent or mitigate cyber incidents. The implementation, maintenance, segregation and improvement of these systems requires significant management time, support and cost. Moreover, there are inherent risks associated with developing, improving, expanding and updating current systems, including the disruption of our data management, procurement, production execution, finance, supply chain and sales and service processes. These risks may affect our ability to manage our data and inventory, procure parts or supplies or produce, sell, deliver and service our solutions, adequately protect our intellectual property rights and proprietary or competitively sensitive information, technology or materials, or achieve and maintain compliance with, or realize available benefits under, applicable laws, regulations and contracts. Further, we utilize reputable third-party service providers or vendors for a substantial portion of our data and source code. We cannot be sure that the systems upon which we rely, including those of our third-party vendors or suppliers, will be effectively implemented, maintained or expanded as planned. If we do not successfully implement, maintain or expand these systems as planned, our operations may be disrupted, our ability to accurately and timely report our financial results could be impaired, and deficiencies may arise in our internal control over financial reporting, which may impact our ability to certify our financial results. Moreover, our intellectual property rights and proprietary or competitively sensitive information, technology or materials could be compromised or misappropriated, and our reputation may be adversely affected. If these systems do not operate as we expect them to, we may be required to expend significant resources to make corrections or find alternative sources for performing these functions.

A significant cyber incident could impact production capability, harm our reputation, cause us to breach our contracts with other parties or subject us to regulatory inquiries, investigations, and other proceedings, or claims, demands, or other litigation, and otherwise create material costs and liabilities, any of which could materially and adversely affect our business, financial condition and results of operations. In addition, our insurance coverage for cyber-attacks may not be sufficient to cover all the losses we may experience as a result of a cyber incident, and any cyber incident may result in an increase in our costs for insurance or insurance not being available to us on economically feasible terms, or at all. Insurers may also deny us coverage as to any future claim. Any of these results could materially and adversely affect our business, financial condition and results of operations.

Unauthorized control or manipulation of systems in autonomous vehicles may cause them to operate improperly or not at all, or compromise their safety and data security, which could result in loss of confidence in us and our products and harm our business.

There have been reports of traditional, non-autonomous vehicles being "hacked" to grant access to and operation of those vehicles to unauthorized persons. Aurora-powered vehicles contain complex IT systems and are designed with built-in data connectivity. We are implementing security measures intended to prevent unauthorized access to the information technology networks and systems installed in our vehicles. However, hackers or unauthorized third parties may attempt to gain unauthorized access to modify, alter, and use such networks and systems to gain control of, or to change, our vehicles' functionality, user interface and performance characteristics, or to access data stored in or generated by our products. As techniques used to obtain unauthorized access to or sabotage systems change frequently and may not be known until launched against us or our third-party service providers, there can be no assurance that we will be able to anticipate, or implement adequate measures to protect against, these attacks. Any such security incidents could result in unexpected control of or changes to the vehicles' functionality and safe operation and any such incidents, or the reporting or perception that they have occurred, could result in legal claims or proceedings, regulatory inquiries, investigations, and other proceedings, and negative publicity and harm to our reputation, which would negatively affect our brand and harm our business, prospects, financial condition, and operating results. Additionally, any similar incidents suffered by our competitors or other companies in the self-driving vehicle ecosystem, or the reporting or perception of them having occurred, may also result in negative publicity and concerns about the security of self-driving technology, which could negatively affect our brand and harm our business, prospects, financial condition, and operating results.

Failures, or perceived failures, to comply with privacy, data protection, and information security requirements in the variety of jurisdictions in which we operate, or may operate, may adversely impact our business, and such legal requirements are evolving, uncertain and may require improvements in, or changes to, our policies and operations.

Our current and potential future operations and sales subject us to laws and regulations addressing privacy and the collection, use, storage, disclosure, transfer and protection of a variety of types of data. For example, the European Commission has adopted the General Data Protection Regulation and California enacted the California Consumer Privacy Act of 2018, as amended by the California Privacy Rights Act of 2020, which went into effect January 1, 2023, both of which provide for potentially material penalties for non-compliance. Numerous other jurisdictions have proposed or enacted legislation addressing these matters, including state laws similar to the California Consumer Privacy Act that have taken, or will take, effect in 2023. These regimes may, among other things, impose data security requirements, disclosure requirements, and restrictions on data collection, uses, and sharing that may impact our operations and the development of our business. These laws and regulations are evolving rapidly, with new laws and regulations proposed and enacted frequently in various jurisdictions. While, generally, we do not have access to, collect, store, process, or share information collected by our solutions unless our partners choose to proactively provide such information to us, our products may evolve both to address potential partner requirements or to add new features and functionality that may change our obligations under existing or future laws, regulations, contractual obligations or other actual or asserted obligations to which we are or may become subject, including industry standards. Therefore, the full impact of these regimes on our business is rapidly evolving across jurisdictions and remains uncertain at this time.

We may also be affected by cyber-attacks and other means of gaining unauthorized access to our technology, systems, and data. For instance, cyber criminals, insiders or unauthorized third parties may target us or third parties with which we have business relationships to obtain data, or in a manner that disrupts our operations or compromises our products or the systems into which our products are integrated.

We are assessing the continually evolving privacy and data security regimes and measures we believe are appropriate in response. Since these regimes are evolving, uncertain and complex, especially for a global business like ours, we may need to update or enhance our compliance measures as our products, markets and end-customer demands further develop, and these updates or enhancements may require implementation costs, including costs to modify our practices with respect to data storage, data use, and other aspects of data processing, and we may face allegations that laws, regulations, or other actual or asserted obligations are consistent with our practices or the features of our solutions. In addition, we may not be able to monitor and react to all developments in a timely manner. The compliance measures we do adopt may prove ineffective. Any failure, or perceived failure, by us to comply with current and future regulatory, partner or end-customer-driven privacy, data protection, and information security obligations that apply, or are argued to apply, to us, or to prevent or mitigate security breaches or incidents, cyber-attacks, or improper access to, use of, or disclosure of data, or any security issues or cyber-attacks affecting us, could result in significant liability, costs (including the costs of mitigation and recovery), and a material loss of revenue resulting from the adverse impact on our reputation and brand, loss or unavailability of or an inability to use or process proprietary information and data, disruption to our business and relationships, and diminished ability to retain or attract partners and end-customers. Such events may result in governmental enforcement inquiries, investigations, and other proceedings and actions, private claims, demands, and litigation, fines and penalties or adverse publicity, and could cause partners and end-customers to lose trust in us, which could have an adverse effect on our reputation and business.

Our future insurance coverage may not be adequate to protect us from all business risks or may be prohibitively expensive.

We may be subject, in the ordinary course of business, to losses resulting from product liability, accidents, acts of God, and other claims against us, for which we may have no insurance coverage. Further, because we operate in a new and thus inherently risky industry, insurance policies may not be available to us on terms and rates that are acceptable to us or at all. In addition, as a general matter, the policies that we do have may include significant deductibles or self-insured retentions, and we cannot be certain that our future insurance coverage will be sufficient to cover all future losses or claims against us. A loss that is uninsured or which exceeds policy limits may require us to pay substantial amounts, which could materially and adversely affect our business, financial condition and results of operations. Further, actions or inactions of others in our industry, through no fault of our own, may materially increase the cost of insurance and/or materially decrease the coverages available to us on commercially reasonable terms.

Any financial or economic crisis, or perceived threat of such a crisis, including a significant decrease in consumer confidence, could materially and adversely affect our business, financial condition and results of operations.

In recent years, the United States and global economies suffered dramatic downturns as the result of the COVID-19 pandemic, a deterioration in the credit markets and related financial crisis as well as a variety of other factors including, among other things, extreme volatility in security prices, severely diminished liquidity and credit availability,financial distress caused by recent or potential bank failures and the associated banking crisis, ratings downgrades of certain investments and declining valuations of others. The United States and certain foreign governments have taken unprecedented actions in an attempt to address and rectify these extreme market and economic conditions by providing liquidity and stability to the financial markets. Over the past year, the United States, the EU, and the U.K. have experienced historically high levels of inflation. In response to high levels of inflation and recession fears, the U.S. Federal Reserve, the European Central Bank, and the Bank of England have raised, and may continue to raise, interest rates and implement fiscal policy interventions. Even if these interventions lower inflation, they may also reduce economic growth rates, create a recession, and have other similar effects. If the actions taken by these governments are not successful, the return of adverse economic conditions may negatively impact the demand for our technology and may negatively impact our ability to raise capital, if needed, on a timely basis and on acceptable terms or at all.

Our financial instruments, including warrants, are accounted for as liabilities and the changes in fair value could have a material effect on our financial results.

Included on our balance sheet as of June 30, 2023 contained elsewhere in this Quarterly Report are derivative liabilities related to embedded features contained within our public and private placement warrants as well as shares issued to Reinvent Sponsor Y LLC, a Cayman Islands limited liability company (the “Sponsor”) with price-based vesting criteria.

Accounting Standards Codification 815, Derivatives and Hedging ("ASC 815"), provides for the remeasurement of the fair value of such derivatives at each balance sheet date, with a resulting non-cash gain or loss related to the change in the fair value being recognized in earnings in the statement of operations. As a result of the recurring fair value measurement, our financial statements and results of operations may fluctuate quarterly, based on factors which are outside of our control. Due to the recurring fair value measurement, we expect that we will recognize non-cash gains or losses on these financial instruments each reporting period and that the amount of such gains or losses could be material. The impact of changes in fair value on earnings may have an adverse effect on the market price of our securities.

If we are unable to develop and maintain an effective system of internal control over financial reporting, we may not be able to accurately report our financial results in a timely manner, which may adversely affect investor confidence in us and materially and adversely affect our business and operating results.

Our management is responsible for establishing and maintaining adequate internal control over financial reporting designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with GAAP. Our management is likewise required, on a quarterly basis, to evaluate the effectiveness of our internal controls and to disclose any changes and material weaknesses identified through such evaluation in those internal controls.

A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting such that there is a reasonable possibility that a material misstatement of our annual or interim financial statements will not be prevented, or detected and corrected on a timely basis.

Effective internal controls are necessary for us to provide reliable financial reports and prevent fraud, and a material weaknesses could result in us being unable to maintain compliance with securities law requirements regarding timely filing of periodic reports in addition to applicable stock exchange listing requirements, investors losing confidence in our financial reporting, our securities price declining or us facing litigation as a result of the foregoing.

If we identify any material weaknesses in the future, any such identified material weakness could limit our ability to prevent or detect a misstatement of our accounts or disclosures that could result in a material misstatement of our annual or interim financial statements. In such case, we may be unable to maintain compliance with securities law requirements regarding timely filing of periodic reports in addition to applicable stock exchange listing requirements, investors may lose confidence in our financial reporting and our stock price may decline as a result. We cannot assure you that the measures we have taken to date, or any measures we may take in the future, will be sufficient to avoid potential future material weaknesses.

Unanticipated changes in effective tax rates, adverse outcomes resulting from examination of our income, changes in tax laws or regulations, changes in our ability to utilize our net operating losses, or other tax-related changes could materially and adversely affect our business, prospects, financial condition and results of operations.

We will be subject to income taxes in the United States and other jurisdictions, and our tax liabilities will be subject to the allocation of expenses in differing jurisdictions. Our future effective tax rates could be subject to volatility or adversely affected by a number of factors, including changes in the valuation of our deferred tax assets and liabilities; expected timing and amount of the release of any tax valuation allowances; tax effects of stock-based compensation; changes in tax laws, regulations or interpretations thereof; or lower than anticipated future earnings in jurisdictions where we have lower statutory tax rates and higher than anticipated future earnings in jurisdictions where we have higher statutory tax rates.

In addition, we may be subject to audits of our income, sales and other transaction taxes by taxing authorities. Outcomes from these audits could materially and adversely affect our business, prospects, financial condition and results of operations.

Our future effective tax rates could be affected by changes in the mix of earnings in countries with differing statutory tax rates, changes in the valuation of deferred tax assets and liabilities and changes in tax laws or their interpretation. In addition, we may be subject to income tax audits by various tax jurisdictions. Although we believe our income tax liabilities are reasonably estimated and accounted for in accordance with applicable laws and principles, an adverse resolution by one or more taxing authorities could have a material impact on the results of our operations.

Our ability to utilize our net operating loss carryforwards may be limited.

As of December 31, 2022, we had estimated U.S. federal and state net operating loss carryforwards of $1,166 million and $1,116 million, respectively. Our U.S. federal and state net operating loss carryforwards subject to expiration will begin to expire in 2036 and 2029, respectively. In general, we may potentially use these net operating losses to offset taxable income for U.S. federal and state income tax purposes. Furthermore, U.S. federal net operating losses arising in tax years beginning after December 31, 2017 may only be used to offset 80% of our taxable income. This may require us to pay U.S. federal income taxes in future years despite generating a loss for U.S. federal income tax purposes in prior years. Limitations under state law may differ. We have established a valuation allowance against the carrying value of these deferred tax assets.

In addition to the potential net operating loss carryforward limitations previously note above, under Section 382 of the Internal Revenue Code, a corporation that undergoes an "ownership change" is subject to limitations on its ability to use its pre-change net operating loss carryforwards to offset future taxable income. The limitations apply if a corporation undergoes an "ownership change," which is generally defined as a greater than 50 percentage point change (by value) in its equity ownership by one or more stockholders or groups of stockholders who own at least 5% of a company's stock over a three-year period. If we have experienced an ownership change at any time since our incorporation, we may already be subject to limitations on our ability to utilize our existing net operating loss carryforwards and other tax attributes to offset taxable income or tax liability. In addition, future changes in our stock ownership, which may be outside of our control, may trigger an ownership change. Similar provisions of state tax law may also apply to limit our use of accumulated state tax attributes. As a result, even if we earn net taxable income in the future, our ability to use these or our pre-change net operating loss carryforwards and other tax attributes to offset such taxable income or tax liability may be subject to limitations, which could potentially result in increased future income tax liability to us.

Recent changes and currently proposed changes in tax laws could have a material adverse effect on our business, cash flow, results of operations or financial conditions.

As previously noted above, we are and will be generally subject to tax laws, regulations, and policies of several taxing jurisdictions. In addition, potential changes in tax laws, as well as other factors, could cause us to experience fluctuations in our future tax obligations and effective tax rates and otherwise adversely affect our future tax positions and/or our future tax liabilities. For example, in August of 2022 the United States enacted a 1% excise tax on stock buybacks and a 15% alternative minimum tax on adjusted financial statement income as part of the Inflation Reduction Act of 2022. Further, many countries, and organizations such as the Organization for Economic Cooperation and Development have proposed implementing changes to existing tax laws, including a proposed 15% global minimum tax. Any of these developments or changes in U.S. federal, state, or international tax laws or tax rulings could adversely affect our future effective tax rate and our operating results. There can be no assurance that our future effective tax rates or tax payments will not be adversely affected by these or other developments or changes in law.

Risks Related to Our Dependence on Third Parties

Our success is contingent on our ability to successfully maintain, manage, execute and expand on our existing partnerships and obtain new partnerships.

Our self-driving technology is integrated into the vehicles of our OEM partners, while logistics services partners, ride-sharing partners and fleet service partners can act as both a customer and an operator of Aurora-powered vehicles. While we are providing our self-driving technology to these partners, they are simultaneously providing their vehicles, fleet operational activities, and, in some cases, access to end-customers.

In order for this business model to be successful, we will need to enter into definitive long-term contracts and commercial arrangements with partners such as PACCAR, Uber, Toyota and Volvo, which expand upon the current agreements and historic working relationships we have in place. In the event such contracts do not materialize, we may not be able to implement our business strategy in the timeframe anticipated, or at all. If we are unable to enter into definitive agreements or are only able to do so on terms that are unfavorable to us, we may not be able to timely identify adequate strategic relationship opportunities, or form strategic relationships, and consequently, we may not be able to fully carry out our business plans. Accordingly, investors should not place undue reliance on our statements about our development plans and partnerships or their feasibility in the timeframe anticipated, or at all.

Partners and end-customers may be less likely to purchase our products if they are not convinced that our business will succeed or that our service, technology, and other operations will continue in the long term. Similarly, suppliers and other third parties will be less likely to invest time and resources in developing business relationships with us if they are not convinced that our business will succeed. Accordingly, in order to build and maintain our business, we must maintain confidence among partners, end-customers, suppliers, analysts, ratings agencies and other parties in our products, long-term financial viability and business prospects. Maintaining such confidence may be particularly complicated by certain factors including those that are largely outside of our control, such as our limited operating history, end-customer unfamiliarity with our technology, any delays in scaling production, delivery and service operations to meet demand, competition and uncertainty regarding the future of self-driving vehicles or our other services compared with market expectations.

We are dependent on our suppliers, some of which are single or limited source suppliers (including one partner for the production, provision, and full lifecycle support of the future generation of our Aurora Driver hardware system), and the inability of our partner to produce and deliver necessary and industrialized components at prices and volumes and on terms acceptable to us could materially and adversely affect our business, prospects, financial condition and results of operations.

On April 26, 2023, we entered into the Strategic Partnership Agreement with Continental. Pursuant to the Strategic Partnership Agreement, Continental will, as our "Hardware-as-a-Service" partner, develop the necessary hardware, firmware, fallback system integration, and related services to allow for the integration of the Aurora Driver into production vehicles at OEMs. The Strategic Partnership Agreement provides that we will pay Continental on a per-mile basis for vehicles operated by the Aurora Driver using the future generation of our Aurora Driver hardware system. The term of the Strategic Partnership Agreement began on April 26, 2023 and continues until December 31, 2030. Pursuant to the Strategic Partnership Agreement, Aurora and Continental are each subject to defined and limited exclusivity periods, subject to various exclusions and early termination triggers.

If the services contemplated by the agreement with Continental are not performed, including by reason of termination of the agreement, or if Continental becomes insolvent, ceases or significantly reduces its operations or experiences financial distress, or if any environmental, economic or other outside factors impact their operations, our ability to procure the necessary hardware, firmware, fallback system integration, and related services may be impaired, and we may not be able to obtain, or may face increased costs related to, such hardware, firmware, and services. If we lose Continental as a partner, or if the terms of the Strategic Partnership Agreement are ineffective at incentivizing performance for any reason, there could be an adverse effect on our business, financial condition, results of operations and prospects. While we believe that the Strategic Partnership Agreement contains provisions that adequately disincentivize non-performance by the parties, and while even in the event of non-performance we believe we may be able to establish alternate supply relationships and can obtain or engineer replacement components, we may be unable to do so in the short term (or at all) at prices or quality levels and/or on terms that are favorable to us and we may experience significant delays while re-engineering our system to accept any replacement parts.

While we plan to obtain components from multiple sources whenever it is desirable and permissible under the Strategic Partnership Agreement, in addition to Continental, as it relates to the Aurora Driver, some of the other components used in our hardware and technology will be purchased from single suppliers. We refer to these component suppliers (including Continental) as our single source suppliers. These components are susceptible to supply shortages, long lead times for components, and supply changes, any of which could disrupt our supply chain and could delay commercialization of our products to users. For example, the Aurora Driver relies on single source suppliers for several components including GPU microchips which we use for machine learning inference, vehicle gateway electronic control units, and automotive radar sensors. Supply of these components world-wide may be adversely affected by the business disruptions as well as industry consolidation and geopolitical conditions such as international trade wars like the U.S. trade war with China, Russia's actions in Ukraine and increased political tensions in Russia, Europe or Asia. Such shortages, increased component lead times, reduced allocations of components and decommitments of orders have resulted in and may continue to result in increased component prices, fewer sourcing options, unpredictability of supply, prolonged manufacturing disruptions and increased product lead times.

We are reliant on third-party suppliers to design, develop, industrialize and manufacture components for us. In order for these suppliers to undertake the investment needed to produce these components, they may require us to commit to terms, pricing or purchase volumes that are not acceptable to us.

Manufacturing in collaboration with partners is subject to risks.

Our business model relies on outsourced manufacturing of vehicles, including outsourced manufacturing of our self-driving system hardware and vehicle integration. The cost of tooling a manufacturing facility with a collaboration partner is high, and collaboration with third parties to manufacture vehicles and self-driving system hardware is subject to risks that are outside of our control. We have in the past, and could in the future, experience delays in development and production when and if our partners do not meet agreed upon timelines or experience capacity constraints. There is a risk of potential disputes between Aurora and Continental, as well as between Continental and other third-party partners, which could stop or slow vehicle production, and we could be affected by adverse publicity related to our partners, whether or not such publicity is related to such third parties' collaboration with us. In addition, we cannot guarantee that our suppliers will not deviate from agreed-upon quality standards.

If Continental is unable to perform under the Strategic Partnership Agreement, we may be unable to enter into agreements with manufacturers on terms and conditions acceptable to us and therefore we may need to contract with other third parties or significantly add to our own production capacity. We may not be able to engage other third parties or establish or expand our own production capacity to meet our needs on acceptable terms, or at all. The expense and time required to adequately complete any transition may be greater than anticipated. Any of the foregoing could materially and adversely affect our business, financial condition and results of operations.

Risks Related to Our Legal and Regulatory Environment

Burdensome regulations, inconsistent regulations, or a failure to receive regulatory approvals of our technology could have a material adverse effect on our business, financial condition and results of operation.

There has been relatively little mandatory federal government regulation of the self-driving industry to date. Currently, there are no Federal Motor Vehicle Safety Standards that relate to the performance of self-driving technology. While our team includes nationally recognized safety experts and we have built organizational, operational, and safety processes to ensure that the performance of our technology meets rigorous standards, there can be no assurance that these measures will meet future regulatory requirements enacted by government bodies nor that future regulatory requirements will not inherently limit the operation and commercialization of self-driving technology. In some jurisdictions, we could be required to present our own safety justification and evidence base, and in other areas it is possible that we may be required to pass specific self-driving safety tests. We have not yet tested our technology to the full extent possible, in all conditions under which we anticipate operations to occur. The failure to pass these safety tests or receive appropriate regulatory approvals for commercialization would adversely impact our ability to generate revenue at the rate we anticipate.

It is also possible that future self-driving regulations are not standardized, and our technology becomes subject to differing regulations across jurisdictions (e.g. federal, state, local, and international). For example, in Europe, certain vehicle safety regulations apply to automated braking and steering systems, and certain treaties also restrict the legality of certain higher levels of automation, while certain U.S. states have legal restrictions on automation, and many other states are considering them. Such a regulatory patchwork could hinder the commercial deployment of our technology and have adverse effects on our business prospects and financial condition.

We are also subject to laws and regulations that commonly apply to e-commerce businesses, such as those related to privacy and personal information, tax and consumer protection. These laws and regulations vary from one jurisdiction to another and future legislative and regulatory action, court decisions or other governmental action, which may be affected by, among other things, political pressures, attitudes and climates, as well as personal biases, may have a material impact on our operations and financial results.

We are subject to governmental export and import control laws and regulations and trade and economic sanctions. Our failure to comply with these laws and regulations could materially and adversely affect our business, prospects, financial condition and results of operations.

Our products and solutions are subject to export control and import laws and regulations, including the U.S. Export Administration Regulations, U.S. Customs regulations and various economic and trade sanctions regulations administered by the U.S. Treasury Department's Office of Foreign Assets Controls as well as similar controls established in the countries in which we do business. Export control laws and regulations and economic sanctions prohibit the shipment of certain products and services to embargoed or sanctioned countries, governments and persons. In addition, complying with export control and sanctions regulations for a particular geography may be time-consuming and result in the delay or loss of revenue opportunities. Exports of our products and technology must be made in compliance with these laws and regulations. If we fail to comply with these laws and regulations, we and certain of our employees could be subject to substantial civil or criminal penalties, including the possible loss of export or import privileges, fines, which may be imposed on us and responsible employees or managers and, in extreme cases, the incarceration of responsible employees or managers. Additionally, any allegations of non-compliance with sanctions laws could subject us to whistleblower complaints, adverse media coverage, investigations, prosecution, enforcement actions, fines, damages, severe administrative, civil and criminal sanctions, loss of export privileges, collateral consequences, remedial measures, suspension or debarment from government contracts and legal expenses, all of which could materially and adversely affect our business, prospects, financial condition and results of operations and also our reputation.

For example, the U.S. government recently announced new controls restricting the ability to send certain products and technology related to semiconductors, semiconductor manufacturing, and supercomputing to China without an export license. These new controls also apply to certain hardware containing these specified integrated circuits. It is possible that the Chinese government will retaliate in ways that could impact our business. Additionally, these restrictions could disrupt the ability of China to produce semiconductors and other electronics and impact our ability to source components from China.

In addition, various countries regulate the import of certain encryption technology, including through import permit and license requirements, and have enacted laws that could limit our ability to distribute our products or could limit our end customers' ability to implement our products in those countries. Any change in export or import regulations, economic sanctions or related legislation, shift in the enforcement or scope of existing regulations or change in the countries, governments, persons or technologies targeted by such regulations could result in decreased use of our products by, or in our decreased ability to export or sell our products and solutions to, existing or potential end customers with international operations or create delays in the introduction of our products and solutions into international markets. Any decreased use of our products and solutions or limitation on our ability to export or sell our products and solutions could adversely affect our business, financial condition, results of operations and prospects.

We may become involved in legal and regulatory proceedings and commercial or contractual disputes, which could have an adverse effect on our profitability and consolidated financial position.

We may be, from time to time, involved in litigation, regulatory proceedings and commercial or contractual disputes that may be significant. These matters may include, without limitation, disputes with our suppliers and partners, intellectual property rights infringement or misappropriation claims, stockholder litigation, government investigations, class action lawsuits, personal injury claims, environmental issues, customs and value-added tax disputes and employment and tax issues. In addition, we have in the past and could face in the future a variety of labor and employment claims against us, which could include but is not limited to general discrimination, wage and hour, privacy, ERISA or disability claims. In such matters, government agencies or private parties may seek to recover from us very large, indeterminate amounts in penalties or monetary damages (including, in some cases, treble or punitive damages) or seek to limit our operations in some way. These types of disputes could require significant management time and attention or could involve substantial legal liability, adverse regulatory outcomes, and/or substantial expenses to defend. Often these proceedings raise complex factual and legal issues and create risks and uncertainties. No assurances can be given that any proceedings and claims will not have a material and adverse impact on our business, financial condition or results of operations or that our established reserves or our available insurance will mitigate this impact.

Changes to global political, regulatory and economic conditions or foreign laws and policies, or interpretation of existing foreign laws and policies, could materially and adversely affect our business, prospects, financial condition and results of operations.

Changes in global political, regulatory and economic conditions or in laws and policies governing foreign trade, research, manufacturing, development, technology, and investment in the territories or countries where we currently purchase our components, sell our products or conduct our business could adversely affect our business. The U.S. has recently instituted or proposed changes in trade policies that include the negotiation or termination of trade agreements, the imposition of higher tariffs on imports into the U.S., economic sanctions on individuals, corporations or countries, and other government regulations affecting trade between the U.S. and other countries where we conduct our business. A number of other nations have proposed or instituted similar measures directed at trade with the United States in response. As a result of these developments, there may be greater restrictions and economic disincentives on international trade that could adversely affect our business. Additionally, certain existing and future foreign political, regulatory and economic conditions, such as ongoing geopolitical tensions related to Russia's actions in Ukraine, resulting sanctions imposed by the U.S. and other countries, and retaliatory actions taken by Russia in response to such sanctions, may make it impractical or impossible to launch in certain markets, may delay our launch in certain markets, or may impose onerous conditions to launch in such markets (e.g., requiring a local partner and/or the disclosure of proprietary or competitively sensitive information, technology or materials). It may be time-consuming and expensive for us to alter our business operations to adapt to or comply with any such changes, and any failure to do so could materially and adversely affect our business, financial condition and results of operations.

We are subject to, and must remain in compliance with, numerous laws and governmental regulations concerning the manufacturing, use, distribution and sale of our products. Some of our partners also require that we comply with their own unique requirements relating to these matters.

We develop and plan to sell technology that contains electronic components, and such components may be subject to or may contain materials that are subject to government regulation in both the locations where manufacture and assembly of our products takes place, as well as the locations where we sell our products. This is a complex process which requires continual monitoring of regulations to ensure that we and our suppliers are in compliance with existing regulations in each market where we operate and where we intend to operate. If there is an unanticipated new regulation that significantly impacts our use and sourcing of various components or requires more expensive components, that regulation could materially and adversely affect our business, prospects, financial condition and results of operations. If we fail to adhere to new regulations or fail to continually monitor the updates, we may be subject to litigation, loss of partners or negative publicity and could materially and adversely affect our business, financial condition and results of operations.

We are subject to environmental regulation and may incur substantial costs.

We are subject to federal, state, local and foreign laws, regulations and ordinances relating to the protection of the environment, including those relating to emissions to the air, discharges to surface and subsurface waters, safe drinking water, greenhouse gases and the management of hazardous substances, oils and waste materials. Federal, state and local laws and regulations relating to the protection of the environment may require the current or previous owner or operator of real estate to investigate and remediate hazardous or toxic substances or petroleum product releases at or from the property. Under federal law, generators of waste materials, and current and former owners or operators of facilities, can be subject to liability for investigation and remediation costs at locations that have been identified as requiring response actions. Compliance with environmental laws and regulations can require significant expenditures. In addition, we could incur costs to comply with such current or future laws and regulations, the violation of which could lead to substantial fines and penalties.

We may have to pay governmental entities or third parties for property damage and for investigation and remediation costs that they incurred in connection with any contamination at our current and former properties without regard to whether we knew of or caused the presence of the contaminants. Liability under these laws may be strict, joint and several, meaning that we could be liable for the costs of cleaning up environmental contamination regardless of fault or the amount of waste directly attributable to us. Even if more than one person may have been responsible for the contamination, each person covered by these environmental laws may be held responsible for all of the clean-up costs incurred. Environmental liabilities could arise and have a material adverse effect on our financial condition and performance. We do not believe, however, that pending environmental regulatory developments in this area will have a material effect on our capital expenditures or otherwise materially adversely affect its operations, operating costs, or competitive position.

We are subject to anti-corruption, anti-bribery, anti-money laundering, and similar laws, and non-compliance with such laws can subject us to administrative, civil and criminal fines and penalties, collateral consequences, remedial measures and legal expenses, all of which could materially and adversely affect our business, prospects, financial condition and results of operations and also our reputation.

We are subject to anti-corruption and anti-bribery laws and anti-money laundering and similar laws and regulations in various jurisdictions in which we conduct or in the future may conduct activities, including the U.S. Foreign Corrupt Practices Act (the "FCPA"), the U.K. Bribery Act 2010, and other anti-corruption laws and regulations. The FCPA and the U.K. Bribery Act 2010 prohibit us and our officers, directors, employees and business partners acting on our behalf, including agents, from corruptly offering, promising, authorizing or providing anything of value to a "foreign official" for the purposes of influencing official decisions or obtaining or retaining business or otherwise obtaining favorable treatment. The FCPA also requires publicly listed companies to make and keep books, records and accounts that accurately reflect transactions and dispositions of assets and to maintain a system of adequate internal accounting controls. The U.K. Bribery Act 2010 and other anti-corruption laws also prohibit non-governmental "commercial" bribery and soliciting or accepting bribes. We sometimes leverage third parties to conduct our business abroad. We, our employees, agents, representatives, business partners and third-party intermediaries may have direct or indirect interactions with officials and employees of government agencies or state-owned or affiliated entities and we may be held liable for the corrupt or other illegal activities of these employees, agents, representatives, business partners or third-party intermediaries even if we do not explicitly authorize such activities. Our policies and procedures that are designed to ensure compliance with these laws and regulations may not be sufficient and our directors, officers, employees, representatives, consultants, agents, and business partners could engage in improper conduct for which we may be held responsible. As we increase our international conduct of business, our risks under these laws may increase.

Any allegations or non-compliance with anti-corruption and anti-bribery laws or anti-money laundering laws could subject us to whistleblower complaints, adverse media coverage, investigations, prosecution, enforcement actions, fines, damages, severe administrative, civil and criminal sanctions, loss of export privileges, collateral consequences, remedial measures, and legal expenses, all of which could materially and adversely affect our business, prospects, financial condition and results of operations and also our reputation. Responding to any investigation or action will likely result in a materially significant diversion of management's attention and resources and significant defense costs and other professional fees.

Our business may be adversely affected if our lidar technology fails to comply with the regulatory requirements under the Federal Food, Drug, and Cosmetic ACT or otherwise by the FDA.

Our lidar technology is subject to the Electronic Product Radiation Control Provisions of the Federal Food, Drug, and Cosmetic Act, as electronic product radiation includes laser technology. Regulations governing these products are intended to protect the public from hazardous or unnecessary exposure and are enforced by the FDA. Manufacturers are required to certify in product labeling and reports to the FDA that their products comply with applicable performance standards as well as maintain manufacturing, testing, and distribution records for their products. Failure to comply with these requirements could result in enforcement action by the FDA, which could require us to cease distribution of our products, recall or remediate products already distributed to partners or end-customers, or subject us to FDA enforcement.

We may be subject to product liability that could result in significant direct or indirect costs, which could materially and adversely affect our business, financial condition and results of operations.

Our self-driving technology presents the risk of significant injury, including fatalities. We may be subject to claims if our technology is involved in an accident and persons are injured or purport to be injured. The occurrence of any errors or defects in our products could make us liable for damages and legal claims. In addition, we could incur significant costs to correct such issues, potentially including product recalls. Any negative publicity related to the perceived quality of our technology could affect our brand image, partner and end-customer demand, and could materially and adversely affect our business, financial condition and results of operations. Also, liability claims may result in litigation, including class actions, the occurrence of which could be costly, lengthy and distracting and could materially and adversely affect our business, financial condition and results of operations.

Any product recall of ours or our partners in the future may result in adverse publicity, damage our brand and could materially and adversely affect our business, financial condition and results of operations. In the future, we may voluntarily or involuntarily initiate a recall if any vehicles powered by our self-driving technology prove to be defective or non-compliant with applicable federal motor vehicle safety standards. Such recalls involve significant expense and diversion of management attention and other resources, which could materially and adversely affect our brand image in our target markets, as well as our business, prospects, financial condition and results of operations.

Once we commercialize our technology, we may be required to obtain specialized insurance, which may not be available to the capacity or on the terms that we require to achieve the economics we expect. Further, any insurance that we carry may not be sufficient or it may not apply to all situations. Similarly, our partners could be subjected to claims as a result of such accidents and bring legal claims against us to attempt to hold us liable. Any of these events could materially and adversely affect our brand, relationships with partners, business, financial condition or results of operations.

Risks Related to Our Intellectual Property Rights

Despite the actions we are taking to defend and protect our intellectual property rights and other proprietary interests, we may not be able to adequately protect or enforce our intellectual property rights or prevent unauthorized parties from copying or reverse engineering our solutions. Our efforts to protect and enforce our intellectual property rights and prevent third parties from violating our rights may be costly.

The success of our products and our business depends in part on our ability to obtain patents and other intellectual property rights and maintain adequate legal protection for our products in the United States and other international jurisdictions. We rely on a combination of copyright, patent, service mark, trademark and trade secret laws, as well as confidentiality procedures and contractual restrictions, to establish and protect our proprietary rights, all of which provide only limited protection.

We cannot assure you that any patents will be issued with respect to our currently pending patent applications or that any trademarks will be registered with respect to our currently pending applications in a manner that gives us adequate defensive protection or competitive advantages, if at all, or that any patents issued to us or any trademarks registered by us will not be challenged, invalidated or circumvented. We have filed for patents and trademarks in the United States and in certain international jurisdictions, but such protections may not be available in all countries in which we operate or in which we seek to enforce our intellectual property rights, or may be difficult to enforce in practice. Our currently-issued and applied-for patent and trademark registrations and applications, and any future patents and trademarks that may be issued, registered or applied for, as applicable, may not provide sufficiently broad protection or may not prove to be enforceable in actions against alleged infringers. We also cannot be certain that the steps we have taken will prevent unauthorized use of our technology or the reverse engineering of our technology. Moreover, others may independently develop technologies that are competitive to us or infringe our intellectual property rights.

The protection against unauthorized use of our intellectual property rights, products and other proprietary rights is expensive and difficult, particularly internationally. We believe that our patents are foundational in the area of self-driving technology. Unauthorized parties may attempt to copy or reverse engineer our technology or certain aspects of our solutions that we consider proprietary. Litigation may be necessary in the future to enforce or defend our intellectual property rights, to prevent unauthorized parties from copying or reverse engineering our solutions, to determine the validity and scope of the proprietary rights of others or to block the importation of infringing products into the United States.

Any such litigation, whether initiated by us or a third party, could result in substantial costs and diversion of management resources, either of which could materially and adversely affect our business, financial condition and results of operations. Even if we obtain favorable outcomes in litigation, we may not be able to obtain adequate remedies, especially in the context of unauthorized parties copying or reverse engineering our solutions.

Further, many of our current and potential competitors have the ability to dedicate substantially greater resources to defending intellectual property rights infringement claims and to enforcing their intellectual property rights than we have. Attempts to enforce our rights against third parties could also provoke these third parties to assert their own intellectual property rights or other proprietary rights or claims against us or result in a holding that invalidates or narrows the scope of our rights, in whole or in part. Effective patent, trademark, service mark, copyright and trade secret protection may not be available in every country in which our products are available, and competitors based in other countries may sell infringing products in one or more markets where our intellectual property rights are difficult to enforce or afforded less protection. Failure to adequately protect our intellectual property rights could result in our competitors offering similar products, potentially resulting in the loss of some of our competitive advantage and a decrease in our revenue, which could materially and adversely affect our business, prospects, financial condition and results of operations.

Third-party claims that we are infringing intellectual property rights, whether successful or not, could subject us to costly and time-consuming litigation or expensive licenses, and our business could be adversely affected.

Although we hold key patents related to our products, a number of companies, both within and outside of the self-driving vehicle industry, hold other patents covering aspects of self-driving technology. In addition to these patents, participants in this industry typically also protect their technology, especially embedded software, through copyrights and trade secrets. In recent years, there has been significant litigation globally involving patents and other intellectual property rights. We have received, and in the future may receive, inquiries from other intellectual property rights holders and may become subject to claims that we infringe their intellectual property rights, particularly as we expand our presence in the market, expand to new use cases and face increasing competition. We are also party to certain agreements that may limit our trademark rights in certain jurisdictions; while we believe these agreements are unlikely to have a significant impact on our business as currently conducted, our ability to use our existing trademarks in new business lines in the future may be limited. In addition, parties may claim that the names and branding of our products infringe their trademark rights in certain countries or territories. Although we intend to vigorously defend our intellectual property rights, if such a claim were to prevail, we may have to change the names and branding of our products in the affected territories and we could incur other costs.

We currently have a number of agreements in effect pursuant to which we have agreed to defend, indemnify and hold harmless our partners, suppliers, and channel partners and other partners from damages and costs which may arise from the infringement by our products of third-party patents or other intellectual property rights. The scope of these indemnity obligations varies, but may, in some instances, include indemnification for damages and expenses, including attorneys' fees. We do not carry insurance to cover intellectual property rights infringement claims. A claim that our products infringe a third party's intellectual property rights, even if untrue, could adversely affect our relationships with our partners, may deter future partners from purchasing our products and could expose us to costly litigation and settlement expenses. Even if we are not a party to any litigation between a partner and a third party relating to infringement by our products, an adverse outcome in any such litigation could make it more difficult for us to defend our products against intellectual property rights infringement claims in any subsequent litigation in which we are a named party. Any of these results could materially and adversely affect our business, financial condition and results of operations.

Our defense of intellectual property rights claims brought against us or our partners, suppliers and channel partners, with or without merit, could be time-consuming, expensive to litigate or settle, divert management resources and attention and force us to acquire intellectual property rights and licenses, which may involve substantial royalty or other payments and may not be available on acceptable terms or at all. Further, a party making such a claim, if successful, could secure a judgment that requires us to pay substantial damages or obtain an injunction. An adverse determination also could invalidate our intellectual property rights and adversely affect our ability to offer our products to our partners and may require that we procure or develop substitute products that do not infringe, which could require significant effort and expense. Any of these events could materially and adversely affect our business, financial condition and results of operations.

We may need to defend ourselves against intellectual property rights infringement claims, which may be time-consuming and could cause us to incur substantial costs.

Companies, organizations or individuals, including our current and future competitors, may hold or obtain patents, trademarks or other proprietary rights that would prevent, limit or interfere with our ability to make, use, develop or sell our products, which could make it more difficult for us to operate our business. From time to time, we may receive inquiries from holders of patents or trademarks inquiring whether we are infringing their proprietary rights and/or seek court declarations that they do not infringe upon our intellectual property rights. Companies holding patents or other intellectual property rights relating to self-driving technology (including sensors, hardware and software for self-driving vehicles) or other related technology may bring suits alleging infringement of such rights or otherwise asserting their rights and seeking licenses. In addition, if we are determined to have infringed upon a third party's intellectual property rights, we may be required to do one or more of the following:

- cease selling, incorporating or using products that incorporate or use the challenged intellectual property rights;
- pay substantial damages;
- obtain a license from the holder of the infringed intellectual property right, which license may not be available on reasonable terms or at all; or
- redesign our technology.

A successful claim of infringement against us and our failure or inability to obtain a license to the infringed technology could materially and adversely affect our business, financial condition and results of operations. In addition, any litigation or claims, whether or not valid, could result in substantial costs and diversion of resources and management's attention.

We also hold licenses to intellectual property rights from third parties, including inbound licenses provided in connection with commercial and other arrangements, and we may face claims that our exercises of these intellectual property rights infringe the rights of others. In such cases, we may seek indemnification from our licensors under our license contracts with them. However, our rights to indemnification may be unavailable or insufficient to cover our costs and losses, depending on our use of the technology, whether we choose to retain control over conduct of the litigation, and other factors.

We rely on licenses from third parties for intellectual property rights that are critical to our business, and we would lose the rights to such intellectual property rights if those agreements were terminated or not renewed.

We expect that the long-term contracts and commercial arrangements that we have and intend to enter into with partners may include licenses. We rely on these licenses from our partners for certain intellectual property rights that are or may become critical to our business. Termination of our current or future partner agreements could cause us to have to negotiate new or amended agreements with less favorable terms or cause us to lose our rights under the original agreements.

In the case of a loss of intellectual property rights relating to technology used in our systems, we may not be able to continue to manufacture certain components for our product or for our operations or may experience disruption to our manufacturing processes as we test and re-qualify any potential replacement technology. Even if we retain the licenses, the licenses may not be exclusive with respect to such component design or technologies, which could aid our competitors and have a negative impact on our business.

Our intellectual property rights applications for registration may not issue or be registered, which may have a material adverse effect on our ability to prevent others from commercially exploiting products similar to ours.

We cannot be certain that we are the first inventor of the subject matter to which we have filed a particular patent application, or if we are the first party to file such a patent application. If another party has filed a patent application to the same subject matter as we have, we may not be entitled to the protection sought by the patent application. We also cannot be certain whether the claims included in a patent application will ultimately be allowed in the applicable issued patent. Further, the scope of protection of issued patent claims is often difficult to determine. As a result, we cannot be certain that the patent applications that we file will issue, or that our issued patents will afford protection against competitors with similar technology. In addition, our competitors may design around our issued patents, which could materially and adversely affect our business, financial condition and results of operations.

As our patents may expire and may not be extended, our patent applications may not be granted and our patent rights may be contested, circumvented, invalidated or limited in scope. In particular, we may not be able to prevent others from developing or exploiting competing technologies, which could materially and adversely affect our business, prospects, financial condition and results of operations.

We cannot assure you that we will be granted patents pursuant to our pending applications. Even if our patent applications succeed and we are issued patents in accordance with them, these patents may still be contested, circumvented or invalidated in the future. In addition, the rights granted under any issued patents may not provide us with meaningful protection or competitive advantages. The claims under any patents that issue from our patent applications may not be broad enough to prevent others from developing technologies that are similar or that achieve results similar to ours. The intellectual property rights of others could also bar us from licensing and exploiting any patents that issue from our pending applications. Numerous patents and pending patent applications owned by others exist in the fields in which we have developed and are developing our technology. These patents and patent applications might have priority over our patent applications and could subject our patent applications to invalidation. Finally, in addition to those who may claim priority, any of our existing or pending patents may also be challenged by others on the basis that they are otherwise invalid or unenforceable.

In addition to patented technology, we rely on our unpatented proprietary technology, trade secrets, processes and know-how.

We rely on technical measures and contractual measures to protect proprietary or competitively sensitive information, technology or materials (such as trade secrets, know-how and confidential information) that may not be patentable or subject to copyright, trademark, trade dress or service mark protection, or that we believe is best protected by means that do not require public disclosure. We generally seek to protect this proprietary information by limiting its disclosure and, when disclosed, by entering into confidentiality agreements, or consulting services or employment agreements that contain non-disclosure and non-use provisions with our employees, consultants, contractors and third parties. However, we may fail to enter into the necessary agreements, and even if entered into, these agreements may be breached or may otherwise fail to prevent disclosure, third-party infringement or misappropriation of our proprietary information, may be limited as to their term and may not provide an adequate remedy in the event of unauthorized disclosure or use of proprietary information. Trade secrets or confidential information may also be willfully or unintentionally disclosed, including by employees, who may leave our company and join our competitors. We have limited control over the protection of trade secrets used by our current or future manufacturing partners and suppliers and could lose future trade secret protection if any unauthorized disclosure of such information occurs. In addition, our proprietary information may otherwise become known or be independently developed by our competitors or other third parties. To the extent that our employees, consultants, contractors, advisors and other third parties use intellectual property rights or other technology or materials owned by others in their work for us, disputes may arise as to the rights in related or resulting know-how and inventions. Costly and time-consuming litigation could be necessary to enforce and determine the scope of our proprietary rights, and failure to obtain or maintain protection for our proprietary information could adversely affect our competitive business position. Furthermore, laws regarding trade secret rights in certain markets where we operate may afford little or no protection to our trade secrets.

We also rely on physical and electronic security measures to protect our proprietary information, but we cannot provide assurance that these security measures will not be breached or provide adequate protection for our property or any proprietary information that we hold. There is a risk that third parties may obtain and improperly utilize our proprietary information to our competitive disadvantage. We may not be able to detect or prevent the unauthorized use of such information or take appropriate and timely steps to enforce our intellectual property rights.

We may be subject to damages resulting from claims that we or our employees have wrongfully used or disclosed alleged trade secrets of our employees' former employers.

We may be subject to claims that we or our employees have inadvertently or otherwise used or disclosed trade secrets or other proprietary information of an employee's former employers. Litigation may be necessary to defend against these claims. If we fail in defending such claims, in addition to paying monetary damages, we may lose valuable intellectual property rights or personnel. A loss of key personnel or their work product could hamper or prevent our ability to commercialize our products, which could severely harm our business. Even if we are successful in defending against these claims, litigation could result in substantial costs and demands on management resources.

Our software contains third-party open-source software components, and failure to comply with the terms of the underlying open-source software licenses could restrict our ability to sell our products or give rise to disclosure obligations of proprietary software.

Our software contains components that are licensed under so-called "open source," "free" or other similar licenses. Open source software is made available to the general public on an "as-is" basis under the terms of a non-negotiable license. Certain open source licenses may give rise to obligations to disclose or license our source code or other intellectual property rights if such open source software is integrated with our proprietary software or distributed in certain ways. We currently combine our proprietary software with open source software, but not in a manner that we believe requires the release of the source code of our proprietary software to the public. If we combine or distribute our proprietary software with open source software in a certain manner in the future, we could be required to release the source code to our proprietary software as open source software, or could be required to cease using the relevant open source software which might be costly to replace. Open source licensors also generally do not provide warranties or other contractual protections regarding infringement claims or the quality of the code. In addition, if the license terms for the open source software that we use change, we may be forced to re-engineer our software, incur additional costs or discontinue the use of certain offerings if re-engineering could not be accomplished in a timely manner. Although we monitor our use of open source software to avoid subjecting our offerings to unintended conditions, there is a risk that these licenses could be construed in a way that could impose unanticipated conditions or restrictions on our ability to commercialize our offerings. We cannot guarantee that we have incorporated open source software in our software in a manner that will not subject us to liability or in a manner that is consistent with our current policies and procedures.

Risks Related to Ownership of Our Securities

We have and will continue to incur significant increased expenses and administrative burdens as a public company, which could materially and adversely affect our business, prospects, financial condition and results of operations.

We have incurred and will continue to incur increased legal, accounting, administrative and other costs and expenses as a public company than we did as a private company. The Securities Exchange Act of 1934, as amended (the "Exchange Act"), Sarbanes-Oxley Act, including the requirements of Section 404, as well as rules and regulations subsequently implemented by the SEC, the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 and the rules and regulations promulgated and to be promulgated thereunder, the Public Company Accounting Oversight Board and the securities exchanges, impose additional reporting and other obligations on public companies. Compliance with public company requirements will increase costs and make certain activities more time-consuming. A number of those requirements require us to carry out activities Aurora has not done previously. For example, we created new board committees and have adopted new internal controls and disclosure controls and procedures. In addition, expenses associated with SEC reporting requirements will be incurred. Furthermore, if any issues in complying with those requirements are identified (for example, if we identify a material weakness or significant deficiency in the internal control over financial reporting), we could incur additional costs rectifying those issues, and the existence of those issues could adversely affect our reputation or investor perceptions of it. In addition, we have obtained director and officer liability insurance. Risks associated with our status as a public company may make it more difficult to attract and retain qualified persons to serve on our Board or as executive officers. The additional reporting and other obligations imposed by these rules and regulations increase legal and financial compliance costs and the costs of related legal, accounting and administrative activities. These increased costs will require us to divert a significant amount of money that could otherwise be used to expand the business and achieve strategic objectives. Advocacy efforts by stockholders and third parties may also prompt additional changes in governance and reporting requirements, which could further increase costs.

Our management team has limited experience in operating a public company.

Our executive officers have limited experience in the management of a publicly traded company. Our management team may not successfully or effectively manage our continuing transition to a public company that will be subject to significant regulatory oversight and reporting obligations under federal securities laws. Their limited experience in dealing with the increasingly complex laws pertaining to public companies could be a significant disadvantage in that it is likely that an increasing amount of their time may be devoted to these activities which will result in less time being devoted to the management and growth of the Company. We may not have adequate personnel with the appropriate level of knowledge, experience, and training in the accounting policies, practices or internal controls over financial reporting required of public companies in the United States. The development and implementation of the standards and controls necessary for the Company to achieve the level of accounting standards required of a public company in the United States may require costs greater than expected. It is possible that we will be required to expand our employee base and hire additional employees to support our operations as a public company which will increase our operating costs in future periods.

The terms of our public warrants may be amended in a manner adverse to a holder if holders of at least 50% of the then outstanding public warrants approve of such amendment.

We issued warrants to acquire shares of our common stock in connection with our initial public offering in March 2021. The warrants were issued in registered form under the Warrant Agreement, between us and Continental Stock Transfer & Trust Company, as warrant agent, which was subsequently amended in connection with the appointment of American Stock Transfer & Trust Company as warrant agent. The Warrant Agreement provides that the terms of the warrants may be amended without the consent of any holder to cure any ambiguity or correct any defective provision, but requires the approval by the holders of at least 50% of the then outstanding public warrants to make any change that adversely affects the interests of the registered holders of public warrants. Accordingly, we may amend the terms of the public warrants in a manner adverse to a holder if holders of at least 50% of the then outstanding public warrants approve of such amendment. Although our ability to amend the terms of the public warrants with the consent of at least 50% of the then outstanding public warrants is unlimited, examples of such amendments could be amendments to, among other things, increase the exercise price of the warrants, shorten the exercise period or decrease the number of shares of our Class A common stock purchasable upon exercise of a warrant.

Our failure to effectively maintain controls and procedures required by Section 404(a) of the Sarbanes-Oxley Act could have a material adverse effect on our business.

As a public company, we are required to provide management's attestation on internal controls. Although we have developed and refined our financial reporting and other disclosure controls and procedures, and will continue to do so, management may not be able to effectively maintain the controls and procedures that satisfy the regulatory compliance and reporting requirements that apply to us. If we are not able to adequately comply with the requirements of Section 404(a), we may not be able to assess whether our internal controls over financial reporting are effective, which may subject us to adverse regulatory consequences and could harm investor confidence and the market price of our securities.

To manage the expected growth of our operations and increasing complexity, we will need to improve our operational and financial systems, procedures, and controls and continue to increase systems automation to reduce reliance on manual operations. Any inability to do so will affect our reporting. Our current and planned systems, procedures and controls may not be adequate to support our complex arrangements and the rules governing revenue and expense recognition for our future operations and expected growth. Delays or problems associated with any improvement or expansion of our operational and financial systems and controls could adversely affect our relationships with our partners, cause harm to our reputation and brand and could also result in errors in our financial and other reporting.

We are an emerging growth company within the meaning of the Securities Act of 1933, as amended (the "Securities Act"), and if we take advantage of certain exemptions from disclosure requirements available to emerging growth companies, this could make our securities less attractive to investors and may make it more difficult to compare our performance with other public companies.

We are an "emerging growth company" within the meaning of the Securities Act, as modified by the JOBS Act, and may take advantage of certain exemptions from various reporting requirements that are applicable to other public companies that are not emerging growth companies for as long as we continue to be an emerging growth company, including, but not limited to, not being required to comply with the auditor attestation requirements of Section 404(b) of the Sarbanes-Oxley Act, reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements, and exemptions from the requirements of holding a nonbinding advisory vote on executive compensation and shareholder approval of any golden parachute payments not previously approved. As a result, our shareholders may not have access to certain information they may deem important. We will remain an emerging growth company until the earliest of (i) the day we are deemed to be a large accelerated filer, which, in addition to certain other criteria, means the market value of our common equity that is held by non-affiliates exceeds $700 million as of the end of the prior fiscal year's second fiscal quarter, (ii) the last day of the fiscal year in which we have total annual gross revenue of $1.235 billion or more during such fiscal year, (iii) the date on which we have issued more than $1 billion in non-convertible debt in the prior three-year period and (iv) December 31, 2026. We expect to lose our "emerging growth company" status as of December 31, 2023. Investors may find our securities less attractive because we will rely on these exemptions. If some investors find our securities less attractive as a result of our reliance on these exemptions, the trading prices of our securities may be lower than they otherwise would be, there may be a less active trading market for our securities and the trading prices of our securities may be more volatile.

In addition, Section 107 of the JOBS Act also provides that an emerging growth company can take advantage of the exemption from complying with new or revised accounting standards provided in Section 7(a)(2)(B) of the Securities Act as long as we are an emerging growth company. An emerging growth company can therefore delay the adoption of certain accounting standards until those standards would otherwise apply to private companies. We have elected not to opt out of such an extended transition period and, therefore, we may not be subject to the same new or revised accounting standards as other public companies that are not emerging growth companies. This may make comparison of our financial statements with another public company which is neither an emerging growth company nor an emerging growth company which has opted out of using the extended transition period difficult or impossible because of the potential differences in accounting standards used.

Our bylaws (the "Bylaws") designate a state or federal court located within the State of Delaware and the federal district courts of the United States as the exclusive forum for substantially all disputes between us and our stockholders, which could limit our stockholders' ability to choose the judicial forum for disputes with us or our directors, officers or employees.

Our Bylaws provide that, unless we consent in writing to the selection of an alternative forum, to the fullest extent permitted by law, the sole and exclusive forum for (i) any derivative action or proceeding brought on our behalf, (ii) any action asserting a claim of breach of a fiduciary duty owed by any of our directors, officers or other employees to us or our stockholders, (iii) any action arising pursuant to any provision of the Delaware General Corporation Law, our certificate of incorporation (the "Certificate of Incorporation") or our Bylaws, or (iv) any other action asserting a claim that is governed by the internal affairs doctrine shall be the Court of Chancery of the State of Delaware (or, if the Court of Chancery does not have jurisdiction, the federal district court for the District of Delaware), in all cases subject to the court having jurisdiction over indispensable parties named as defendants. Our Bylaws further provide that the federal district courts of the United States will be the exclusive forum for resolving any complaints asserting a cause of action arising under the Securities Act.

Any person or entity purchasing or otherwise acquiring any interest in any of our securities shall be deemed to have notice of and consented to this provision. This exclusive forum provision may limit a stockholder's ability to bring a claim in a judicial forum of its choosing for disputes with us or our directors, officers or other employees, which may discourage lawsuits against us and our directors, officers and other employees. However, while the Delaware Supreme Court has ruled that federal forum selection provisions purporting to require claims under the Securities Act be brought in federal court are "facially valid" under Delaware law, there is uncertainty as to whether other courts will enforce our federal forum provision. Our stockholders will not be deemed to have waived our compliance with the federal securities laws and the rules and regulations thereunder as a result of our exclusive forum provisions. If a court were to find either exclusive forum provision in our Bylaws to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving the dispute in other jurisdictions, which could harm our results of operations.

Charter documents and Delaware law could prevent a takeover that stockholders consider favorable and could also reduce the market price of our stock.

Our Certificate of Incorporation and Bylaws contain provisions that could delay or prevent a change in control of the Company. These provisions could also make it more difficult for stockholders to elect directors and take other corporate actions. These provisions include:

- authorizing our Board of Directors to issue preferred stock with voting or other rights or preferences that could discourage a takeover attempt or delay changes in control;
- certain of our shareholders, including our founders, hold sufficient voting power to control voting for election of directors and amend our Certificate of Incorporation;
- prohibiting cumulative voting in the election of directors;
- providing that vacancies on our Board of Directors may be filled only by a majority of directors then in office, even though less than a quorum;
- limiting the liability of, and the indemnification of, our directors and officers;
- prohibiting the adoption, amendment or repeal of our Bylaws or the repeal of the provisions of our Certificate of Incorporation regarding the election and removal of directors without the required approval of at least two-thirds of the shares entitled to vote at an election of directors;

- enabling our Board of Directors to amend the Bylaws, which may allow our Board of Directors to take additional actions to prevent an unsolicited takeover and inhibit the ability of an acquirer to amend the Bylaws to facilitate an unsolicited takeover attempt; and
- prohibiting stockholder action by written consent;
- limiting the persons who may call special meetings of stockholders; and
- requiring advance notification of stockholder nominations and proposals, which could preclude Stockholders from bringing matters before annual or special meetings of stockholders and delay changes in our Board of Directors and also may discourage or deter a potential acquirer from conducting a solicitation of proxies to elect its own slate of directors or otherwise attempting to obtain control of us.

These provisions may frustrate or prevent any attempts by our stockholders to replace or remove our current management by making it more difficult for stockholders to replace members of our Board of Directors, which is responsible for appointing the members of our management. In addition, the provisions of Section 203 of the DGCL govern Aurora. These provisions may prohibit large stockholders, in particular those owning 15% or more of our outstanding voting stock, from merging or combining with Aurora for a certain period of time without the consent of its Board of Directors.

These and other provisions in our Certificate of Incorporation and Bylaws and under Delaware law could discourage potential takeover attempts, reduce the price investors might be willing to pay in the future for shares of our common stock and result in the market price of our common stock being lower than it would be without these provisions.

Claims for indemnification by our directors and officers may reduce our available funds to satisfy successful third-party claims against us and may reduce the amount of money available to us.

Our Certificate of Incorporation and Bylaws provide that we will indemnify our directors and officers, in each case to the fullest extent permitted by Delaware law.

In addition, as permitted by Section 145 of the DGCL, our Bylaws and our indemnification agreements that we entered into with our directors and officers provide that:

- We will indemnify our directors and officers for serving the Company in those capacities or for serving other business enterprises at our request, to the fullest extent permitted by Delaware law. Delaware law provides that a corporation may indemnify such person if such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the registrant and, with respect to any criminal proceeding, had no reasonable cause to believe such person's conduct was unlawful;
- We may, in our discretion, indemnify employees and agents in those circumstances where indemnification is permitted by applicable law;
- We will be required to advance expenses, as incurred, to our directors and officers in connection with defending a proceeding, except that such directors or officers shall undertake to repay such advances if it is ultimately determined that such person is not entitled to indemnification;
- We will not be obligated pursuant to our Bylaws to indemnify a person with respect to proceedings initiated by that person against the Company or our other indemnitees, except with respect to proceedings authorized by our Board of Directors or brought to enforce a right to indemnification;
- the rights conferred in our Bylaws are not exclusive, and we are authorized to enter into indemnification agreements with our directors, officers, employees and agents and to obtain insurance to indemnify such persons; and
- We may not retroactively amend our Bylaws provisions to reduce our indemnification obligations to directors, officers, employees and agents.

We do not intend to pay dividends for the foreseeable future.

We have never declared or paid any cash dividends on our capital stock and do not intend to pay any cash dividends in the foreseeable future. We expect to retain future earnings, if any, to fund the development and growth of our business. Any future determination to pay dividends on our capital stock will be at the discretion of our Board. Accordingly, investors must rely on sales of our common stock after price appreciation, which may never occur, as the only way to realize any future gains on their investments.

We may be subject to securities litigation, which is expensive and could divert management attention.

The market price of our common stock may be volatile and, in the past, companies that have experienced volatility in the market price of their stock have been subject to securities class action litigation. We may be the target of this type of litigation in the future. Securities litigation against the Company could result in substantial costs and divert management's attention from other business concerns, which could seriously harm its business.

Future resales of common stock may cause the market price of our securities to drop significantly, even if our business is doing well.

Sales of a substantial number of shares of our Class A common stock in the public market could occur at any time. As of June 30, 2023, we had 777 million shares of our Class A common stock and 407 million shares of our Class B common stock outstanding. If our stockholders sell, or the market perceives that our stockholders intend to sell, substantial amounts of our Class A common stock in the public market, the market price of our Class A common stock could decline significantly.

In connection with the Public Offering, subject to certain exceptions, we and all of our directors and executive officers have agreed not to offer, sell, or agree to sell, directly or indirectly, any shares of common stock without the permission of Goldman Sachs & Co. LLC and Allen & Company LLC for a period of 90 days.

In connection with the Merger, certain holders of our Class A common stock (the "Lock-Up Parties") entered into lockup agreements (the "Lockup Agreements"), pursuant to which they are contractually restricted from selling or transferring any of their shares of our Class A or Class B common stock (the "Lock-up Shares") for certain periods of time, subject to certain exceptions. Under the Lockup Agreements,, such lock-up restrictions began at the closing of the Merger (the "Closing") and end in tranches of 25% of the Lock-Up Parties' Lock-up Shares at each of (i) November 3, 2022, (ii) November 3, 2023, (iii) November 3, 2024 and (iv) November 3, 2025. Notwithstanding the foregoing, (i) each of Mr. Urmson, Mr. Anderson and Mr. Bagnell (collectively, the "Aurora Founders") may sell Registrable Securities (as defined in the Amended and Restated Registration Rights Agreement entered into in connection with the Merger) up to an amount of $25 million each and (ii) if, after Closing, Aurora completes a transaction that results in a change of control, the Lock-Up Parties' Lock-up Shares are released from restriction immediately prior to such change of control. Under the Sponsor Agreement dated July 14, 2021, the Sponsor's Lock-up Shares are subject to the same releases as the Lock-Up Parties' Lock-up Shares, except the Sponsor's Lock-up Shares do not contain the right to sell Registrable Securities held by the Aurora Founders, as described in the previous sentence.

Once such securities are released from lock-up restrictions, the applicable stockholders will not be restricted from selling shares of our common stock held by them, other than by applicable securities laws. Sales of a substantial number of shares of our common stock in the public market could occur at any time. These sales, or the perception in the market that the holders of a large number of shares intend to sell shares, could reduce the market price of our common stock.

As restrictions on resale end, the sale or possibility of sale of these shares could have the effect of increasing the volatility in our share price or the market price of our common stock could decline if the holders of currently restricted shares sell them or are perceived by the market as intending to sell them.

Moreover, in connection with the Private Placement, we filed a registration statement with the SEC for the registration for resale of the securities sold in the Private Placement. If any of these additional shares are sold, or if it is perceived that they will be sold, in the public market, the market price of our Class A common stock could decline.

The market price and trading volume of our common stock may be volatile and could decline significantly.

The stock markets, including Nasdaq on which we list our shares of Class A common stock, have from time to time experienced significant price and volume fluctuations. The market price of our Class A common stock may be volatile and could decline significantly. In addition, the trading volume in our Class A common stock may fluctuate and cause significant price variations to occur. If the market price of our Class A common stock declines significantly, you may be unable to resell your shares at an attractive price (or at all). The market price of our Class A common stock could fluctuate widely or decline significantly in the future in response to a number of factors. In such circumstances, the trading price of our securities may not recover and may experience a further decline.

Factors affecting the trading price of our securities may include:

- the realization of any of the risk factors presented in this Quarterly Report;
- our ability to bring our products to market on a timely basis, or at all;
- any major change in our management or Board;

- our ability to adhere to the anticipated timelines on our product roadmap to commercial launch of Aurora Horizon and/or progress in the Autonomy Readiness Measure that does not meet the expectations of the market;
- poor performance or fluctuations of the Autonomy Performance Indicator;
- changes in the industries in which we and our customers operate;
- developments involving, or successes of, our competitors;
- changes in laws and regulations affecting our business;
- actual or anticipated differences in our estimates, the estimates of analysts, or changes in the market's expectations for our revenues, results of operations, level of indebtedness, liquidity or financial condition;
- additions and departures of key personnel;
- failure to comply with the requirements of Nasdaq;
- failure to comply with the Sarbanes-Oxley Act or other laws or regulations;
- future issuances, sales, resales or repurchases or anticipated issuances, sales, resales or repurchases, of our securities;
- the volume of shares of our Class A common stock available for public sale;
- publication of research reports, financial estimates and recommendations by securities analysts about us or our competitors or our industry;
- the public's reaction to our press releases, its other public announcements and its filings with the SEC;
- actions by stockholders, including the sale by our directors, executive officers or significant investors of any of their shares of our common stock or the perception that such sales could occur;
- the performance, financial results and market valuations of other companies that are, or are perceived to be, similar to us;
- commencement of, or involvement in, litigation involving us;
- broad disruptions in the financial markets, including sudden disruptions in the credit markets;
- speculation in the press or investment community;
- actual, potential or perceived control, accounting or reporting problems;
- changes in accounting principles, policies and guidelines;
- general economic and political conditions such as recessions, interest rates, fuel prices, bank failures and international currency fluctuations; and
- other events or factors, including those resulting from infectious diseases, health epidemics and pandemics (including the ongoing COVID-19 pandemic), natural disasters, war (including Russia's actions in Ukraine), acts of terrorism or responses to these events.

Broad market and industry factors may materially harm the market price of our securities irrespective of our operating performance. The stock market in general experienced price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of the particular companies affected. The trading prices and valuations of these stocks, and of our securities, may not be predictable. A loss of investor confidence in the market for stocks of other companies which investors perceive to be similar to ours could materially and adversely affect our business, prospects, financial condition and results of operations. A decline in the market price of our securities also could adversely affect our ability to issue additional securities and our ability to obtain additional financing in the future.

In the past, securities class-action litigation has often been instituted against companies following periods of volatility in the market price of their shares. This type of litigation could result in substantial costs and divert our management's attention and resources, which could have a material adverse effect on us.

The dual class structure of our common stock has the effect of concentrating voting control with the Aurora Founders. This will limit or preclude your ability to influence corporate matters, including the outcome of important transactions, including a change in control.

Our Class B common stock has 10 votes per share, and our Class A common stock has one vote per share. Shares held by the Aurora Founders represent 46% of the voting control of the Company as of July 26, 2023. Therefore, the Aurora Founders, individually or together, will be able to significantly influence matters submitted to our stockholders for approval, including the election of directors, amendments of our organizational documents and any merger, consolidation, sale of all or substantially all of our assets or other major corporate transactions. The Aurora Founders, individually or together, may have interests that differ from yours and may vote in a way with which you disagree and which may be adverse to your interests. This concentrated control may have the effect of delaying, preventing or deterring a change in control of our company, could deprive our stockholders of an opportunity to receive a premium for their capital stock as part of a sale of our company and might ultimately affect the market price of our Class A common stock.

Future transfers by the holders of our Class B common stock will generally result in those shares converting into shares of our Class A common stock, subject to limited exceptions, such as certain transfers effected for estate planning or charitable purposes. In addition, each share of our Class B common stock will convert automatically into one share of our Class A common stock upon (i) the date specified by affirmative written election of the holders of two-thirds of the then-outstanding shares of our Class B common stock, (ii) the date set by our board of directors that is no less than 61 days and no more than 180 days following the date on which the shares of our Class B common stock held by the Aurora Founders and their permitted entities and permitted transferees represent less than 20% of our Class B common stock held by the Aurora Founders and their permitted entities as of immediately following the closing of the Merger or (iii) nine months after the death or total disability of the last to die or become disabled of the Aurora Founders, or such later date not to exceed a total period of 18 months after such death or disability as may be approved by a majority of our independent directors.

We cannot predict the impact our dual class structure may have on our stock price.

We cannot predict whether our dual-class structure will result in a lower or more volatile market price of our Class A common stock, in adverse publicity, or other adverse consequences. For example, certain index providers have announced restrictions on including companies with dual-class share structures in certain of their indices. Under such announced policies, the dual-class structure of our common stock would make us ineligible for inclusion in certain indices and, as a result, mutual funds, exchange-traded funds, and other investment vehicles that attempt to track those indices would not invest in our Class A common stock. Given the sustained flow of investment funds into passive strategies that seek to track certain indices, exclusion from certain stock indices would likely preclude investment by many of these funds and could make our Class A common stock less attractive to other investors. As a result, the market price of our Class A common stock could be adversely affected.

The exercise of warrants for our Class A common stock would increase the number of shares eligible for future resale in the public market and result in dilution to our stockholders.

As of June 30, 2023, we had warrants to purchase an aggregate of 21 million shares of our Class A common stock outstanding, comprising 12 million public warrants and 9 million private placement warrants. These warrants became exercisable 30 days after the completion of the Merger. The likelihood that those warrants will be exercised increases if the trading price of shares of our Class A common stock exceeds the exercise price of the warrants. The exercise price of these warrants is $11.50 per share.

There is no guarantee that the warrants will become in the money prior to their expiration on November 3, 2026, and as such, the warrants may expire worthless.

To the extent the warrants are exercised, additional shares of our Class A common stock will be issued, which will result in dilution to the holders of our common stock and increase the number of shares eligible for resale in the public market. Sales of substantial numbers of shares issued upon the exercise of warrants in the public market or the potential that such warrants may be exercised could also adversely affect the market price of our Class A common stock.

We may redeem unexpired public warrants prior to their exercise at a time that is disadvantageous to their holders, thereby making public warrants worthless.

We have the ability to redeem the outstanding public warrants at any time prior to their expiration at a price of $0.01 per warrant, if and only if, the last reported sales price of our Class A common stock equals or exceeds $18.00 per share (as adjusted for adjustments to the number of shares issuable upon exercise or the exercise price of a warrant) for any 20 trading days within a 30 trading-day period ending on the third trading day prior to the date we send the notice of redemption to the warrant holders (the "Reference Value"). If and when the warrants become redeemable by us, we may exercise our redemption right even if we are unable to register or qualify the underlying securities for sale under all applicable state securities laws. Redemption of the outstanding warrants as described above could force you to: (1) exercise your warrants and pay the exercise price therefor at a time when it may be disadvantageous for you to do so; (2) sell your warrants at the then-current market price when you might otherwise wish to hold your warrants; or (3) accept the nominal redemption price which, at the time the outstanding warrants are called for redemption, we expect would be substantially less than the market value of your warrants. None of the private placement warrants will be redeemable by us in such a case so long as they are held by the Sponsor or its permitted transferees, but the Sponsor has agreed to exercise all of its private placement warrants for cash or on a "cashless basis" on or prior to the redemption date, in the event that the Reference Value exceeds $18.00 per share (as adjusted for adjustments to the number of shares issuable upon exercise or the exercise price of a warrant) and we elect to redeem the public warrants pursuant to the Warrant Agreement and notify the Sponsor of such election and the redemption date on or prior to the date we mail a notice of redemption to the holders of the public warrants.

In addition, we will have the ability to redeem the outstanding warrants (including the private placement warrants if the Reference Value is less than $18.00 per share) for shares of our common stock at any time prior to their expiration, at a price of $0.10 per warrant if, among other things, the Reference Value equals or exceeds $10.00 per share (as adjusted for adjustments to the number of shares issuable upon exercise or the exercise price of a warrant). In such a case, the holders will be able to exercise their warrants prior to redemption for a number of shares of our common stock determined based on the redemption date and the fair market value of our common stock. The value received upon exercise of the warrants (1) may be less than the value the holders would have received if they had exercised their warrants at a later time where the underlying share price is higher and (2) may not compensate the holders for the value of the warrants, including because the number of shares received is capped at 0.361 shares of our Class A common stock per warrant (subject to adjustment) irrespective of the remaining life of the warrants.

In the event we elect to redeem the warrants that are subject to redemption, we will mail the notice of redemption by first class mail, postage prepaid, not less than thirty days prior to the redemption date to the registered holders of the warrants to be redeemed at their last addresses as they appear on the registration books. Any notice mailed in such manner will be conclusively presumed to have been duly given whether or not the registered holder received such notice and we are not required to provide any notice to the beneficial owners of such warrants. Additionally, while we are required to provide such notice of redemption, we are not separately required to, and do not currently intend to, notify any holders of when the warrants become eligible for redemption. If you do not exercise your warrants in connection with a redemption, including because you are unaware that such warrants are being redeemed, you would only receive the nominal redemption price for your warrants.

If securities or industry analysts do not continue to publish or cease publishing research or reports about us, our business, or the market in which we operate, or if they change their recommendations regarding our securities adversely, the price and trading volume of our securities could decline.

The trading market for our securities will be influenced by the research and reports that industry or securities analysts may publish about us, our business, market or competitors. If any of the analysts who cover us change their recommendation regarding our shares of common stock adversely, or provide more favorable relative recommendations about our competitors, the price of our Class A common stock would likely decline. If any analyst who covers us were to cease our coverage of us or fail to regularly publish reports on it, we could lose visibility in the financial markets, which in turn could cause our share price or trading volume to decline.

Future issuances of debt securities and equity securities may adversely affect us, including the market price of our Class A common stock and may be dilutive to existing stockholders.

In the future, we may incur debt or issue equity ranking senior to our Class A common stock. Those securities will generally have priority upon liquidation. Such securities also may be governed by an indenture or other instrument containing covenants restricting its operating flexibility. Additionally, any convertible or exchangeable securities that we issue in the future may have rights, preferences and privileges more favorable than those of our Class A common stock. Because our decision to issue debt or equity in the future will depend on market conditions and other factors beyond our control, we cannot predict or estimate the amount, timing, nature or success of our future capital raising efforts. As a result, future capital raising efforts may reduce the market price of our Class A common stock and be dilutive to existing stockholders.

Our failure to meet the continued listing requirements of Nasdaq could result in a delisting of our securities.

If we fail to satisfy the continued listing requirements of Nasdaq such as the corporate governance requirements or the minimum closing bid price requirement, Nasdaq may take steps to delist our securities. Such a delisting would likely have a negative effect on the price of the securities and would impair your ability to sell or purchase the securities when you wish to do so. In the event of a delisting, we can provide no assurance that any action taken by us to restore compliance with listing requirements would allow our securities to become listed again, stabilize the market price or improve the liquidity of our securities, prevent our securities from dropping below the Nasdaq minimum bid price requirement or prevent future non-compliance with Nasdaq's listing requirements. Additionally, if our securities are not listed on, or become delisted from, Nasdaq for any reason, and are quoted on the OTC Bulletin Board, an inter-dealer automated quotation system for equity securities that is not a national securities exchange, the liquidity and price of our securities may be more limited than if we were quoted or listed on Nasdaq or another national securities exchange. You may be unable to sell your securities unless a market can be established or sustained.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

None.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Mine Safety Disclosures.

Not applicable.

Item 5. Other Information.

Securities Trading Plans of Directors and Executive Officers

During our last fiscal quarter, no director or officer, as defined in Rule 16a-1(f), adopted or terminated a "Rule 10b5-1 trading arrangement" or a "non-Rule 10b5-1 trading arrangement," each as defined in Regulation S-K Item 408.

Item 6. Exhibits.

Exhibit Number	Description
10.1†*	Strategic Partnership Agreement dated April 26, 2023 between Aurora Innovation, Inc. and Aurora Operations, Inc. andContinental Automotive Technologies GmbH and Continental Autonomous Mobility GmbH
10.2*	Employment Letter between the Registrant and David Maday, dated June 5, 2023
31.1*	Certification of Principal Executive Officer Pursuant to Securities Exchange Act Rules 13a-14(a) and 15(d)-14(a), as adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2*	Certification of Principal Financial Officer Pursuant to Securities Exchange Act Rules 13a-14(a) and 15(d)-14(a), as adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1**	Certification of Principal Executive Officer Pursuant to 18 U.S.C. Section 1350, as adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2**	Certification of Principal Financial Officer Pursuant to 18 U.S.C. Section 1350, as adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101.INS*	XBRL Instance Document
101.SCH*	XBRL Taxonomy Extension Schema Document
101.CAL*	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF*	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB*	XBRL Taxonomy Extension Label Linkbase Document
101.PRE*	XBRL Taxonomy Extension Presentation Linkbase Document
104*	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

* Filed herewith.

** The certifications attached as Exhibit 32.1 and 32.2 that accompany this Quarterly Report on Form 10-Q are deemed furnished and not filed with the Securities and Exchange Commission and are not to be incorporated by reference into any filing of Aurora Innovation, Inc. under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, whether made before or after the date of this Quarterly Report on Form 10-Q, irrespective of any general incorporation language contained in such filing.

† Portions of this exhibit have been redacted in compliance with Regulation S-K Item 601(b)(10).

Signatures

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Aurora Innovation, Inc.

Date:	August 2, 2023	By:	/s/ Chris Urmson
		Name:	Chris Urmson
		Title:	Chairman and Chief Executive Officer
			(Principal Executive Officer)
Date:	August 2, 2023	By:	/s/ David Maday
		Name:	David Maday
		Title:	Chief Financial Officer
			(Principal Financial Officer)

Certain identified information in this exhibit has been omitted and/or replaced with other terminology because it is both not material and is the type that the registrant treats as private or confidential. Information that was omitted or replaced has been identified by brackets.

STRATEGIC PARTNERSHIP AGREEMENT

dated

April 26, 2023

between

Aurora Innovation, Inc. and Aurora Operations, Inc.

and

Continental Automotive Technologies GmbH and Continental Autonomous Mobility GmbH

TABLE OF CONTENTS

APPENDIX	DESCRIPTION
Appendix A	Definitions
Appendix B	Generic RASIs
Appendix C	Development Plans*
Appendix D	Authorized Vendor List [BLANK]
Appendix E	Directed Suppliers [BLANK]
Appendix F	Milestones
Appendix G	Development Costs*
Appendix H	AD Kit Costs*
Appendix I	Economic Framework and Price Per Mile Calculation
Appendix J	Hardware Services
Appendix K	Relationship Management
Appendix L	Key Personnel
Appendix M	Products Liability and Cybersecurity Liability Matters
Appendix N	Insurance Requirements*
Appendix O	Security Procedures*
Appendix P	Continental Disaster Recovery and Business Continuity Plans*
Appendix Q	OEM Supply*
Appendix R	Forecasting; Ordering; Delivery and Liquidated Damages
Appendix S	Joint Communications Plan [BLANK]
Appendix T	[HW Kit 0.9] Development Plan*
Appendix U	[HW Kit 1.1] Development Plan [BLANK]
Appendix V	Long Lead 1.1 Investment Guidelines [BLANK]
Appendix W	Third Party Software Addendum [BLANK]
Appendix X	Codes of Conduct
Appendix Y	Software Update Process [BLANK]
Appendix Z	Continental Chinese Entities

Appendices that are not complete as of the Effective Date of the Agreement, but will be finalized pursuant to Section 1.4, are identified with an asterisk* above.

Appendices marked as “[BLANK]” will be mutually finalized after the Finalization Date set forth in Section 1.4 in accordance with the applicable terms set forth in this Agreement.

STRATEGIC PARTNERSHIP AGREEMENT

This Strategic Partnership Agreement is entered into as of April 26, 2023 (the "Effective Date"), by and between Aurora Innovation, Inc., a Delaware corporation having a place of business at 1654 Smallman Street, Pittsburgh, Pennsylvania 15222, and Aurora Operations, Inc., a Delaware corporation having a place of business at 1654 Smallman Street, Pittsburgh, Pennsylvania 15222 (collectively, "Aurora"), and Continental Automotive Technologies GmbH, a German corporation having a place of business at Vahrenwalder Strasse 9, 30165 Hanover, Germany, and Continental Autonomous Mobility GmbH, a German corporation having a place of business at Ringlerstraße 17, 85057 Ingolstadt, Germany (collectively, "Continental"). Each of Aurora and Continental is referred to in this Agreement as a "Party" and collectively, the "Parties." Certain defined terms are stated in Appendix A.

Background

A. Continental is a leading Tier 1 manufacturer and supplier of hardware, software and systems in ADAS and the AD automotive market, primarily focused on manufacturing and supply to OEMs.

B. Aurora has designed and is continuing to develop an industry-leading, autonomous driving system for passenger and commercial Vehicles.

C. The Parties have chosen to work together to establish a cooperative and mutually beneficial relationship, utilizing the unique expertise and strengths of each Party, for the purpose of integrating, selling, and supporting Aurora's self-driving system.

1. Scope of Relationship

1.1 Hardware-as-a-Service Partner; Goals. Continental will act as Aurora's "Hardware-as-a-Service" partner for production, provision, and full lifecycle support of the [HW Gen] AD Kits as defined by the Services set forth in this Agreement, in an effort to develop performant, scalable, and reliable hardware systems that enable Aurora's self-driving system, and to provide additional operational services as specifically stated in this Agreement to Aurora and Customers. Through this Agreement and partnership with Aurora, Continental is developing an industry-first "Tier 1-as-a-Service" business and will deliver the first automotive qualified, commercially-scalable generation of the Aurora Driver hardware kit, complementing Aurora's Driver-as-a-Service strategy. By combining the best of the Parties' capabilities in this partnership, Continental and Aurora are tightly aligned in their intent to deliver L4 mobility services and magnify the Parties' leading positions in autonomous and mobility technologies.

1 . 2 Scope of Services. Continental shall: (a) develop (as defined in the Development Plans) and deliver the necessary hardware, firmware, MRM System, integration, and related services to allow for the integration of the Aurora Driver into production Vehicles at multiple OEMs; and (b) deliver, during the Support Term,

the services aspects of the hardware lifecycle, including (i) OEM supply chain integration, (ii) warranty, parts management, RMA, servicing and maintenance during the Warranty Period, (iii) assistance with developing guidelines for pre- and post- trip inspections, (iv) technician training and certification, and (v) decommissioning; all as more specifically stated in this Agreement.

1.3 Hardware-as-a-Service Costs and Revenue. Continental shall bear the "Hardware-as-a-Service" costs, including Development Services costs incurred under Section 2 and the Production Services costs under Section 3. In consideration of such costs and Services, Continental shall receive a revenue payment per mile driven by the Aurora Driver with the [HW Gen] AD Kits pursuant to Section 5. Materials costs of the [HW Gen] AD Kits are covered further in Section 3.6.

1.4 Finalization of Additional Details. At the Effective Date, the Parties intend to finalize certain Appendices that are not complete within a short period of time after signing, as identified in the applicable Appendix or the Main Agreement Terms ("Open Appendices"). Except as explicitly set forth otherwise in such Open Appendices or elsewhere in the Main Agreement Terms, the Parties shall work in good faith to finalize such Open Appendices by [***] ("Finalization Date"). For clarity, other Appendices for which the Agreement identifies a deadline for completion after the Finalization Date shall not be considered Open Appendices. The Parties shall document alignment on the finalized Open Appendices by an amendment to this Agreement executed by authorized representatives of the Parties (i.e., President/CEOs (or other officer(s) to whom the President/CEO has delegated such authority in writing)). Any dispute relating to the finalization of the Open Appendices shall be submitted to the Dispute Resolution Process (up to but not including arbitration). In the event that the Open Appendices have not been finalized pursuant to an executed amendment by the Finalization Date, then either Party may terminate this Agreement by providing the other Party with written notice until an amendment finalizing the Open Appendices has been executed by authorized representatives of the Parties. If the other Party, acting in good faith, wishes to continue to negotiate, that Party can request a 30-day extension of the Finalization Date. The other Party shall not unreasonably withhold consent to the extension, and upon such consent, the Finalization Date shall be deemed extended for such 30-day period. For avoidance of doubt, if the Agreement is terminated under this Section 1.4, neither Party will owe the other Party any fees, and, notwithstanding anything in Section 20.9 to the contrary, (i) the provisions of Section 11 shall terminate, (ii) Continental will transfer to Aurora the Aurora Sensitive Technology pursuant to Section 12.3.4, (iii) Aurora will transfer to Continental the Continental Sensitive Technology pursuant to Section 12.3.5, (iv) all intellectual property licenses granted to each Party under this Agreement, including, without limitation any licenses to a Party's Background Technology, shall terminate and be of no further force or effect, and

(v) Continental shall not be obligated to pay any liquidated damages defined anywhere in this Agreement.

1.5 Software Scope Review. The Parties will work together in good faith to add additional third-party software identified by Aurora to the scope of this Agreement. [***]. In the event the Parties agree to add additional third-party software, the Parties will negotiate any additional terms necessary for Continental's provision of such software and add such terms as Appendix W to this Agreement.

2. Product Development

2.1 Specifications; Development Plans; Responsibilities. The current overall development plan of the [HW Gen] AD Kit is attached as Appendix C, and the specific development plans (each a "Development Plan" and all the plans collectively, the "Development Plans") for each component of the [HW Gen] AD Kit to be supplied by Continental under this Agreement (each component an "[HW Gen] Component" or "[HW Gen] AD Kit Component") are attached as sub-appendices numbered sequentially. The Parties may enter into additional Development Plans substantially in the form of the Development Plans attached as sub-appendices to Appendix C on the Effective Date, that, once executed by both Parties in writing, will be considered a part of Appendix C. The Specifications for each [HW Gen] Component are included in the applicable Development Plan. Subject to Section 3.3, the Parties shall work together reasonably and in good faith to update the Specifications and Development Plans as they are further developed under this Agreement. The Parties shall adhere to the roles and responsibilities set forth in the Development Plans. The Parties acknowledge that there will be six (6) broadly-applicable RASI types, as set forth in Appendix B ("Standard RASIs"), and the Parties anticipate that each Development Plan will identify which Standard RASI applies to such Development Plan, along with any deviations or additional roles and responsibilities. Except as expressly provided in the applicable Development Plans, (a) Aurora is responsible for the design of the Aurora Driver System Architecture and development of the specifications of the Aurora Driver System Architecture and (b), subject to (a), Continental is responsible for the design of the [HW Gen] AD Kit, including all [HW Gen] Components and the MRM System. The Parties will jointly define Development Plans for the [HW Gen] AD Kit and the [HW Gen] Components, provided that Aurora is responsible to ensure that the specifications of the Aurora Driver System Architecture are appropriately reflected in such Development Plans.

2.2 Development Services. Continental shall perform all design and development, pre-production manufacturing, engineering, prototype, and first article manufacturing needed to design, develop, and deliver all [HW Gen] Components necessary for and comprising the [HW Gen] AD Kit in accordance with the

Specifications and the Development Plans (the "Development Services"), except as otherwise explicitly set forth in the Development Plans, including exceptions explicitly identified for purchases from Directed Suppliers; provided that Aurora shall perform all design and development of the Aurora Driver System Architecture, not including the MRM System. The Development Services shall include any development necessary for the assembly of all components to build the complete [HW Gen] AD Kit. The Development Services may include design for manufacturing, new product introduction, restriction of hazardous substances, product prototype and preproduction units, product testing and regulatory compliance services (for regulations applicable to Continental's performance of its obligations under this Agreement as further defined in Section 15) and other similar services, each as specified in the Development Plans and this Agreement. Continental's obligations under this Agreement will in all events include the performance of all services that are inherent in (based on Generally Accepted Industry Standards), or ancillary or necessary to the performance of any of the services and functions described in the Development Plans for the design, development, and delivery of the [HW Gen] AD Kit.

2.3 Development Resources and Quality. Continental shall provide proper resources, including development, prototyping, manufacturing, and logistics tools and equipment, and a sufficient number of properly trained Personnel with the requisite expertise, to perform the Development Services under this Agreement. All Development Services rendered by Continental will be provided in a timely, professional, and workmanlike manner, in accordance with industry standards and practices customarily adhered to by an experienced and competent Tier 1 automotive supplier using the degree of care and skill ordinarily exercised by reputable professionals practicing in the same field of service ("Generally Accepted Industry Standard"), and all Personnel will have the requisite expertise and ability to perform the Development Services. All deliverables provided as a result of the Development Services, including [HW Gen] Components (the "Deliverables") must comply with the applicable Specifications.

2.4 Third Party Materials.

2.4.1 Except as otherwise set forth in Section 2.5 below, Continental shall obtain Aurora's prior written approval, including as explicitly permitted under a Development Plan, before incorporating or embedding any Technology, the Intellectual Property Rights in which are owned by a third party ("Third Party Materials"), into any Deliverables or Developed Technology, provided that any Third Party Materials or any component specifically identified in a Development Plan or Specification as Third Party Materials will be deemed to be approved by Aurora.

2.4.2 If the use of the Deliverables, including Continental Background Technology, Continental Developed Technology, and Continental-

Invented Aurora Sensitive Technology (except to the extent due to the Aurora Software and provided, however, that Continental shall not have any obligation hereunder to the extent such infringement results from (A) Aurora Background Technology, (B) designs required to comply with Aurora's Specifications that are approved by Aurora (i.e., Continental could not have implemented any design but for the one necessitated by Aurora's required Specifications), provided that Continental objected in writing to such required designs and Aurora nevertheless required implementation thereof, and (C) Directed Buy Components) in the [HW Gen] AD Kit infringes the Intellectual Property Rights of any third party, Continental shall within thirty (30) calendar days of receiving notice of a Claim of infringement, (a) notify Aurora of such Claim and (b) initiate the process to procure the right to continue to manufacture, use, distribute and sell the same, or replace or modify the same to make it non-infringing, without materially changing the form, fit, and function of any [HW Gen] Component or the [HW Gen] AD Kit as a whole; and (c) bear the costs to: (i) obtain such rights, including paying any applicable license fees or royalties, and (ii) make such replacement or modifications; and no such costs will be recoverable Development Costs; provided that Continental must secure such right to continue manufacture, use, distribution, and sale or complete such replacement or modification within ninety (90) calendar days, or longer period agreed to by the Parties in writing (such consent not to be unreasonably withheld, subject to Continental's Commercially Reasonable Efforts to secure such rights within ninety (90) calendar days), from notice of the applicable Claim. [***].

2.5 Open Source Software. Continental shall not include in the Deliverables or Developed Technology any Open Source software: (a) constituting Copyleft Materials; (b) that was not preapproved in writing by Aurora; or (c) that is not in compliance with the applicable licensing requirements. "Open Source" means any copyrightable material distributed under a license approved by the Open Source Initiative as an open source license. "Copyleft Materials" means materials subject to any license that, as a condition of distribution: (i) requires the distribution of complete corresponding source code to any recipient of the materials; or (ii) requires that any distributed derivative work of the Open Source materials be subject to the same Open Source license.

2.6 [HW Gen] Component Risk Mitigation. If either Party reasonably believes that the development, procurement, manufacturing, or supply of any [HW Gen] Component is sufficiently at risk to (a) miss a Milestone set forth in Appendix F or in a Development Plan or (b) fail to comply with Aurora's Specifications, that Party may initiate an Alternative Path Consideration Process in accordance with Attachment I to Appendix K.

2.7 AD Development Costs. The costs for Development Services anticipated as of the Effective Date are specified in the Development Plans or Appendix G (the "Development Costs"). Development Costs are incurred and paid as set forth in this Agreement, including Appendix G and Appendix I. The Parties shall work together in good faith to finalize the total Development Costs, and Development Costs for each Development Plan, by the Finalization Date, as further set forth as Milestone C01-M1 in Appendix G, provided that in no event shall such updated Development Costs exceed the not to exceed amount, either total or on an individual Development Plan basis, set forth in Appendix G as of the Effective Date. Any material change (i.e. equal to or greater than the lesser of (a) [***] and (b) [***] must be approved by the Parties during a QBR meeting prior to being incurred, as further defined in Appendix K, and any failure to align on such additional costs shall be subject to the Dispute Resolution Process.

2.8 Reporting. Continental shall provide a detailed report on actually incurred and forecasted Development Costs, each on a quarterly basis, which will be reviewed by the Steering Committee in accordance with Appendix K.

3. Production of [HW Gen] AD Kits

3.1 Supply of [HW Gen] AD Kits. Continental shall develop, acquire, source, manufacture, assemble and supply [HW Gen] AD Kits, including all [HW Gen] Components, except as otherwise set forth in the applicable Development Plan, to Aurora or Customers (including OEMs) designated by Aurora in accordance with Appendix Q, the Specifications and the other provisions of this Agreement, except as explicitly identified as a responsibility of Aurora in the applicable Development Plan ("Production Services"), as well as manage the full hardware lifecycle and provide Support Services, each solely during the Support Term as further set forth in Appendix J ("Hardware Services").

3.2 AVL; Third Party Suppliers.

3.2.1 Aurora and Continental will jointly prepare the AVL, an initial draft of which is included as part of Appendix D, in accordance with Section 1.4. Engineering support by Continental´s own internal engineering service unit (i.e. "Continental Engineering Services"), Argus, and Elektrobit are approved in general and deemed a part of the AVL, even if they are not explicitly included in the AVL. Except as set forth in the applicable RASI, Continental has responsibility for the selection and management of all Suppliers of Tooling and all Suppliers of components for the [HW Gen] Components in accordance with the AVL. However, Continental shall utilize and contract with, unless explicitly set forth otherwise in Appendix E, the Aurora-directed Suppliers for the components identified in Appendix E and who supply [HW Gen] Components subject to Appendix B-6 (RASI F) ("Directed Suppliers"), and such Directed Suppliers and components are deemed to be included in the AVL.

3.2.2 Upon Aurora's reasonable request, Continental shall permit and facilitate Aurora's participation in discussions with Suppliers related to technical requirements with a Supplier, provided that a three-party nondisclosure agreement between the Parties and the applicable Supplier is executed, negotiation and approval of such agreement not to be unreasonably withheld, conditioned, or delayed by Continental.

3.2.3 The AVL will include Suppliers of A Level Components, but not suppliers of B Level Components or C Level Components. The AVL must identify A Level Components Suppliers, subject to the confidentiality provisions as set forth in Section 18.

3.2.4 Engineering service vendors not otherwise prohibited by this Agreement (including Section 8.10, Section 18.11 and Section 22.9) currently (as of the Effective Date) being used by Continental to support Continental's obligations under the Agreement or needed by Continental to perform its obligations under the Agreement must be listed in the AVL by Continental to be deemed approved Suppliers. Engineering service vendors whose work has been used by Continental to develop existing Continental products or technology, but will not be utilized to provide additional support after the Effective Date to Continental under this Agreement, will not be included in the AVL, provided that Continental otherwise remains responsible for such entities and their work. In the event Continental needs to use a Supplier not in the AVL to address a quality issue, a supply issue, or a cost issue, Aurora shall not unreasonably withhold consent for the use of such an alternate Supplier. In the event an Aurora's OEM requests a change of a Supplier in the AVL and Aurora submits such change request to Continental, Continental shall not unreasonably withhold consent for the use of such an alternate Supplier.

3 . 3 Aurora Changes. Continental shall implement Aurora's modifications to the Specifications within thirty (30) calendar days of receipt of a detailed written request by Aurora for such a change, provided that if such modification (a) materially affects the form, fit, function (including compatibility with the trained Aurora Driver then existing), (b) constitutes a software update after the C01-M5 DV Autonomy Vehicle MRD, (c) affects PPAP certification of the applicable [HW Gen] Component; (d) creates a material change in cost, timing/schedule, or quality; and/or (e) is a change to an A Level Component (each a "Significant Change"), then Continental shall present to Aurora within ten (10) Business Days of receiving the modification request a detailed breakdown of the impact of such request including on cost and implication on schedule and/or quality for Aurora's consideration in accordance with Section 3.5. To clarify, changes to the Materials List for B Level and C Level Components that do not otherwise (i) materially affect the form, fit, function (including compatibility with the trained Aurora Driver then existing), (ii) constitute a software update after the C01-M5 DV

Autonomy Vehicle MRD Milestone Date, (iii) affect PPAP certification of the applicable [HW Gen] Component and/or (iv) create a material change in cost, timing/schedule, or quality, shall not constitute a Significant Change. The Parties shall mutually agree in writing on implementation for such modification constituting a Significant Change. Continental shall not make a Significant Change to the [HW Gen] AD Kit or any of the [HW Gen] Components without the prior written consent of Aurora, except as permitted for Regulatory Changes in accordance with Section 3.5.3. At Aurora's request, Continental shall provide reasonable documentation evidencing that the [HW Gen] AD Kit and all [HW Gen] Components meet the applicable Specifications within thirty (30) calendar days of such request or the Parties may mutually agree on an extension to such deadline.

3.4 Cost Transparency and Materials List. Appendix G and Appendix H include a detailed breakdown as of the Effective Date of all relevant costs involved in the Development Services and Production Services of [HW Gen] Components, and the [HW Gen] AD Kit Costs include all costs described in this Section. [***]. In cases where cost transparency is in doubt, Aurora reserves the right to confirm cost transparency by means of a third party auditor, who shall sign a reasonable non-disclosure agreement with Continental, negotiation and approval of such agreement not to be unreasonably withheld, conditioned, or delayed by Continental. Continental may propose changes to or deviations from anything in the Materials List for Aurora consideration pursuant to Section 3.5.

3.5 Engineering Change Orders. The following terms of Section 3.5 shall apply to (a) design changes requested after the G55 (C01-M5) date set forth in the applicable Development Plan, (b) changes to Specifications requested after the date the Parties agree on the Specifications (C01-M1), as set forth in the applicable Development Plan, and (c) any other changes requested after the Parties finalize the applicable Development Plan.

3.5.1 Changes that are not Significant Changes and do not involve Bespoke [HW Gen] Components. Continental may make any engineering and other changes to the Specifications, the Materials List or the [HW Gen] Components that are not Bespoke [HW Gen] Components, including changes to the manufacturing process or location, or handling of materials (subject to Continental's contractual obligations with Aurora's OEMs) of the [HW Gen] Components, or Tooling therefore, as long as (a) the change is not a Significant Change and the [HW Gen] AD Kit or the [HW Gen] Components, as applicable continue to meet the applicable Specifications and Milestones and (b) except for changes to B Level Components or C Level Components that do not constitute a Significant Change, Continental provides written notice to Aurora at least thirty (30) Business Days in advance, which shall include sample data for verification if applicable. In such thirty (30) day period, the Parties shall discuss in

good faith and mutually agree whether a buffer stock of the affected [HW Gen] Component shall be created to fulfill [HW Gen] AD Kit material call offs with the original unmodified [HW Gen] Component.

3 . 5 . 2 Significant Changes and Changes to Bespoke [HW Gen] Components. Significant Changes to the Specifications, Materials List, [HW Gen] Components or otherwise and changes to Bespoke [HW Gen] Components may not be implemented without the prior approval of Aurora. Continental shall submit in writing an Engineering Change Order ("ECO") for Aurora's consideration, as soon as reasonably practicable after Continental (or Aurora) learns of the need for a Significant Change or a change to a Bespoke [HW Gen] Component. The ECO must contain a description of the impact of the requested Significant Change (or change to a Bespoke [HW Gen] Component) to the Specifications, cost, quality, or schedule of the [HW Gen] Components. To the extent possible, the Parties shall endeavor to resolve any changes without any additional costs to Aurora. Aurora shall use Commercially Reasonable Efforts to document and transmit to Continental the approval (or rejection) within ten (10) Business Days (but, in any event, no greater than thirty (30) Business Days) after receipt by Aurora of an ECO describing the proposed Significant Change (or change to a Bespoke [HW Gen] Component). If Aurora fails to respond to Continental's written notice of Aurora's failure to respond in such timeframe within ten (10) Business Days from receipt of such notice, such failure will constitute approval of the Significant Change (or change to a Bespoke [HW Gen] Component). In the event that a Significant Change (or change to a Bespoke [HW Gen] Component) is rejected, the Parties shall immediately escalate the issue in accordance with the Business Review Process.

3.5.3 Regulatory Changes. Continental shall make all engineering or other changes to the Specifications, the Materials List, the [HW Gen] Components, or Tooling therefore required by a change of (or modified interpretation by any Authority of) any Applicable Law ("Regulatory Change"), provided that if the Regulatory Change would constitute a Significant Change or a change to a Bespoke [HW Gen] Component and Aurora reasonably disagrees with the proposed change or the underlying interpretation of Applicable Law, the Parties shall discuss in good faith and must mutually agree on any such Regulatory Change prior to Continental making such Regulatory Change. Prior to the implementation of any Regulatory Change that constitutes a Significant Change, Continental shall communicate detailed information regarding the Significant Change to Aurora by means of an ECO. After studying the impact of the proposed Regulatory Change that constitutes a Significant Change or change to a Bespoke [HW Gen] Component, Aurora and Continental shall jointly decide on the plan for implementation, including

confirming any effect on the cost, timing/schedule, or quality. For any Regulatory Change due to a law, regulation, or Authority of a jurisdiction in which Aurora does not operate, [***]. Subject to the foregoing, for any other Regulatory Change that impacts an [HW Gen] Component that is sold to multiple customers of Continental, [***]. Aurora shall use Commercially Reasonable Efforts to document and transmit to Continental any written notice of disagreement of a requested Regulatory Change within five (5) Business Days (but, in any event, no greater than thirty (30) Business Days) after completion of the applicable study and Continental's proposal for an implementation plan. If Aurora fails to respond to Continental's written notice of Aurora's failure to respond in such timeframe within ten (10) Business Days from receipt of such notice, such failure will constitute approval of such Significant Change (or change to a Bespoke [HW Gen] Component). Each Party's obligation to monitor for such Regulatory Change is defined in Section 15.

3.5.4 Software Updates. The Parties shall mutually agree on a process and the applicable terms for how updates to software within the [HW Gen] AD Kit or otherwise provided by Continental to Aurora or its Customers may or shall be made; provided that Aurora shall have the sole decision on when and how such updates are deployed (i.e., pushed) to the applicable Vehicle, including special expedited procedures applicable to certain updates. The Parties shall work together to enable software updates to the [HW Gen] Components through the Aurora Services framework. Once agreed to by the Parties, no later than Milestone C01-M2 Milestone Date, such process and terms shall be documented in Appendix Y and attached to this Agreement. In the case that the Parties cannot mutually agree on the process and terms for software updates, the matters shall be taken to the Dispute Resolution Process for a decision. In the event that Continental has provided a software update that would have prevented or reduced a claim that Continental otherwise would have been liable for, and the liability is incurred after Continental has provided the software update and before Aurora has implemented that software update, Continental shall not be liable to the extent the liability results from such failure to implement the update if Aurora has not used Commercially Reasonable Efforts to implement the update, provided that Continental followed the software update process set forth in Appendix Y.

3.5.5 Cooperation with OEMs. Continental shall reasonably cooperate with Aurora's requests for Continental to share details and data related to requested changes to Aurora's OEMs.

3.6 AD Kit Costs. The bill of materials cost for assembly of all subcomponents and modules of the [HW Gen] AD Kit (the "[HW Gen] AD Kit Costs") [***] and the current [HW Gen] AD Kit Costs estimates as of the Effective Date are in

Appendix H. The final [HW Gen] AD Kit Costs, and the Parties' responsibility for such costs, shall be determined in accordance with Appendix H and Appendix I, as applicable.

3.7 Limited Product Warranties. Continental warrants to Aurora that the [HW Gen] AD Kit, including the [HW Gen] Components (including all Service Parts, any replacement [HW Gen] Components or components, and any corrective [HW Gen] Components) will, from the date of delivery and through the entire Warranty Period subject to Section 3.8:

3.7.1 conform and comply with all Specifications and requirements, drawings, PPAP submissions, samples, and other descriptions, each as agreed to in writing by the Parties or otherwise set forth in this Agreement;

3.7.2 be free from defects in design (except to the extent resulting from Aurora's design of the Aurora Driver System Architecture), materials, and workmanship, will be new (except that refurbished products can be used to provide replacement parts under warranty) and of Generally Accepted Industry Standard quality and workmanship;

3.7.3 shall comply with Applicable Law, including legal requirements applicable to components of Vehicle systems and subsystems;

3.7.4 be used, assembled, handled, stored, dismantled, decommissioned, and disposed of without known risk to the health or safety of any person and in accordance with (a) IATF 16949 and ISO 9001 standards and, for the [HW Gen] Components covered in [***] only, TISAX (level 3) based on ISO27001 and ISO 27040 standard will also apply, (b) all Applicable Laws, and (c) in an environmentally responsible and secure manner, protective of the environment and the Parties' brands and reputations and in a manner that would not disclose any Confidential Information of Aurora;

3.7.5 be free and clear of any and all liens and encumbrances (for avoidance of doubt, this is not a warranty of noninfringement); and

3.7.6 comply with and conform to any other warranties that are expressly agreed to by Continental with respect to the [HW Gen] Components in the OEM Supply Agreements.

The limited warranties set forth in Section 3.7.1 through 3.7.6 above are collectively referred to as "Product Warranties."

3.7.7 Continental will use Commercially Reasonable Efforts to assign to Aurora all third-party warranties and indemnities in connection with the [HW Gen] AD Kit, including the [HW Gen] Components; provided that any

such third-party warranty shall not limit Continental's warranty obligations set forth herein. Continental shall replace, refurbish, or repair, the choice between such three options at Continental's discretion, each the [HW Gen] Component returned in compliance with Continental's warranty return procedure set forth in Appendix J. THE FOREGOING IS AURORA'S SOLE AND EXCLUSIVE REMEDY IN THE EVENT OF A WARRANTY CLAIM (except for Epidemic Failures (subject to Section 8.13), Continental's indemnification obligations (subject to Section 16), Recalls (subject to Section 8.15), and damages resulting from a breach of warranty (subject to Section 16) recoverable pursuant to this Agreement).

3.8 Warranty Exclusions. The Product Warranties will not apply to the extent the defect is caused by:

3.8.1 [***].

3.8.2 [***].

3.8.3 [***].

3.8.4 [***].

3.8.5 [***].

3.8.6 [***].

3.8.7 [***].

3.8.8 [***].

3.8.9 [***].

3.8.10 [***].

3.9 For Services provided hereunder, Continental warrants to Aurora that (a) it possesses and shall utilize Personnel with the requisite expertise, facilities and equipment necessary and appropriate to perform the Services, (b) all Services will be performed in a timely, safe and workmanlike manner, in accordance with Generally Accepted Industry Standards; (c) all Services will be provided in accordance with Applicable Laws; and (d) the Services will meet any applicable Specifications set forth in this Agreement (collectively, "Service Quality Warranty"). EXCEPT AS EXPRESSLY PROVIDED HEREIN, CONTINENTAL PROVIDES NO WARRANTY, EXPRESS, IMPLIED, STATUTORY, OR OTHERWISE, AND SPECIFICALLY DISCLAIMS ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR NONINFRINGEMENT OF THIRD PARTY RIGHTS, WITH RESPECT TO

THE SERVICES, [HW GEN] AD KIT OR [HW GEN] COMPONENTS, AND ANY IMPLIED WARRANTIES ARISING FROM USAGE OF TRADE, COURSE OF DEALING OR COURSE OF PERFORMANCE.

3.10 Reporting. Continental shall monitor and report during the QBR, the following metrics for A Level Components on a product level: ordered delivery product for the production of [HW Gen] Components, anticipated lead times, MOQs, and total inventory exposure beyond the committed order horizon, supplier performance matrix, component quality KPIs for manufacturing quality (e.g. EOL failure rates, rework rates) and field quality (e.g. number of warranty cases), top 10 quality issues, in-time delivery performance report and supply shortage risk assessment for the next eighteen (18) months. In order to reduce the reporting burden, the Parties agree to use Commercially Reasonable Efforts to reduce the reporting cadence for certain A-Level Components that are at lower risk (e.g., multi sourced components).

3.11 Service Parts. Subject to Section 7, Continental will provide to Aurora, service workshops, or Customers identified by Aurora, [HW Gen] Components for service, warranty, recall and campaign purposes ("Service Parts") until the end of the Support Term. The "Support Term" for an [HW Gen] AD Kit will be [***]. Appendix J sets forth additional terms for the Support Term and Warranty Term. The price of Service Parts will be the price specified in Appendix H.

3.12 Scrap Disposal. Continental will manage and destroy excess, obsolete, scrap, work in progress, raw materials, Tooling or finished goods associated with any [HW Gen] Components ("Scrap") in accordance with ISO27040, IATF 16949, ISO 9001 and TISAX (level 3) standards, all Applicable Laws, and in an environmentally responsible and secure manner, protective of the environment and the Parties' brands and reputations and in a manner that would not disclose any Confidential Information of Aurora. At Aurora's request, Continental will provide documentary evidence acceptable to Aurora that Continental has managed and destroyed Scrap in accordance with this Agreement. Continental shall be responsible for the cost and expense of the disposal of the Scrap. Continental shall not have any obligation to manage Scrap removed from Vehicles by third parties unless the Scrap has been returned to Continental as a warranty return or where Continental removes the Scrap as part of decommissioning at a certified service center and provided under Hardware Services.

3.13 Supply Chain. Without limiting Continental's responsibility for its Suppliers' compliance with this Agreement, Continental will use Commercially Reasonable Efforts to flow down the applicable terms in this Agreement to its Suppliers, such as confidentiality obligations, and will be responsible for sourcing, ensuring quality, managing end of life of subcomponents, and managing its Suppliers in compliance with the terms of this Agreement (including Directed Buy Components). Continental is responsible for tracking and resolving all quality

and performance issues within its supply chain (including Directed Buy Components). Continental will be liable for all costs, losses, and damages incurred by Aurora or Customers arising out of the conduct of its Suppliers (excluding those arising from responsibilities related to [***] that are not identified as Continental's responsibility per RASI F).

3.14 Factory Automation; Resource System Integration. Continental will ensure that factory automation tools used in performance of the Services are in good operating condition and comply with the obligations set forth in this Agreement. At its own cost and expense, Continental shall use Commercially Reasonable Efforts to develop and support interfaces and integration of its tools with Aurora's information systems, and OEMs' information systems as applicable, including electronic data interchange and any other web or networked communication as may be developed and updated in a format and schedule reasonably requested in writing by Aurora.

3.15 Disaster Recovery; Business Continuity. Continental has and will maintain reasonable disaster recovery and business continuity plans and processes for the manufacture and assembly of the [HW Gen] Components and the [HW Gen] AD Kit, including those set forth in Appendix P, which will comply with the requirements set forth in this Agreement.

4. Milestones

4.1 Continental. Continental shall timely meet each milestone identified as a Continental milestone in Attachment II to Appendix F (the "Continental Milestones"). Appendix F sets forth remedies in the event Continental fails to meet a Continental Milestone in accordance with the timeline in Appendix F. Continental shall promptly notify Aurora in writing if it reasonably believes it will be unable to achieve any Continental Milestone, as soon as commercially reasonable, not to exceed within five (5) Business Days after coming to this belief.

4.2 Aurora. Aurora shall timely meet each milestone identified as an Aurora milestone in Attachment I to Appendix F (the "Aurora Milestones"). Appendix F sets forth remediation actions in the event Aurora fails to meet an Aurora Milestone in accordance with the timeline in Appendix F. Aurora shall promptly notify Continental in writing if it reasonably believes it will be unable to achieve any Aurora Milestone, as soon as commercially reasonable, not to exceed within five (5) Business Days after coming to this belief.

5. Price Per Mile Payments

5.1 General. In consideration of Continental's provision of the Services and supply of the [HW Gen] AD Kits in accordance with this Agreement, Aurora shall pay Continental a fee per mile driven by the [HW Gen] AD Kits during Customers'

receipt of the Aurora Offerings in accordance with Appendix I and the other terms of this Agreement. Appendix I contains when and how such fee per mile may be adjusted, including risk-benefit shares between the Parties. Development Costs may also be offset or reduced by Continental's ability to leverage certain Tooling, hardware, or Developed Technology in certain other applications or sales to other customers as may be permitted under this Agreement, including in accordance with Appendix G, Appendix I, the applicable Development Plan, and Section 11.

5.2 Aurora Approval of Additional Fees. Aurora will not be responsible for any fees, costs, or expenses incurred regarding the Development Costs, the [HW Gen] AD Kit or the [HW Gen] Components except as explicitly set forth herein, unless they have been discussed and mutually agreed in writing by both Parties in accordance with this Agreement.

6. OEM Supply

6.1 OEM Supply Agreements. Continental shall only provide the [HW Gen] AD Kits to Aurora or OEMs as directed by Aurora. Continental shall act in good faith and use Commercially Reasonable Efforts to pursue and obtain supply agreements with OEMs identified by Aurora for the [HW Gen] AD Kit (each an "OEM Supply Agreement"). In the event that Continental cannot execute an OEM Supply Agreement with an OEM as directed by Aurora after Commercially Reasonable Efforts, the Parties' CEOs shall meet with executive representatives of the applicable OEM to negotiate an OEM Supply Agreement or align on an alternative solution in good faith, and Aurora may, notwithstanding Section 11.3, directly purchase the [HW Gen] AD Kits to provide to the applicable OEM. The Parties intend that the OEM Supply Agreements will be between a Continental Affiliate and the OEM identified by Aurora pursuant to which Aurora (and/or its Affiliate) is explicitly designated as a third-party beneficiary. Such OEM Supply Agreement will be in accordance with this Agreement, including the terms set forth in Appendix Q. Continental will be responsible for complying with all provisions of the OEM Supply Agreement related to the supply, including assembly, installation, disassembly, uninstallation and decommissioning, of the [HW Gen] AD Kits and will be liable to the OEM for any breach thereof, except as may be specifically stated in this Section 6 or Appendix Q. Any breach of the OEM Supply Agreement by Continental will also be a breach of this Agreement. The Parties shall cooperate reasonably and in good faith in response to any claims of non-performance or breach by an OEM. In no event may Continental grant, including in any OEM Supply Agreement, a Person the right to use an [HW Gen] AD Kit at any time outside of that Person's active subscription to an Aurora Offering through Aurora. Continental shall not have any decommissioning obligation for any Vehicles outside of decommissioning provided at a certified service center and provided under Hardware Services.

6.2 Alternative OEM Arrangements. Upon Aurora's request, the Parties will work together in good faith to consider and implement alternative supply arrangements for the provision of [HW Gen] AD Kits by Continental to the OEMs and Customers.

6.3 Forecasting, Ordering, Shipping, and Acceptance Processes. The Parties shall comply with the forecasting, ordering, shipping, and acceptance requirements as specified in Appendix R.

6.4 Direct Purchases by Aurora. In accordance with Appendix R, Continental shall supply [HW Gen] AD Kits directly to Aurora upon Aurora's request. These [HW Gen] AD Kits must comply with the Specifications and other requirements of this Agreement.

6.5 Sample Purchasing. Upon Aurora's request, Continental shall supply Aurora, or, at Aurora's direction, Aurora's OEM, samples of [HW Gen] Components or [HW Gen] AD Kits for testing, validation, and process bring-up purposes. Shipping terms of such samples shall be DAP (Aurora-specified US location). Prices for such samples shall be set forth in Appendix H.

6.6 Remedies for Late Delivery.

6.6.1 If Continental does not deliver, or there are reasonable grounds to believe that Continental will not deliver, [HW Gen] Components in accordance with the scheduled Delivery Dates, Continental shall immediately notify Aurora, or if pursuant to an OEM Order, both Aurora and the OEM, take all necessary actions to ensure timely deliveries and if applicable propose a revised Delivery Date, and Aurora or the OEM may, at its option, do one or more of the following: (a) accept the revised Delivery Date; or (b) require Continental to deliver [HW Gen] Components using priority freight delivery with incremental freight charges at Continental's sole cost and expense.

6.6.2 If Aurora concludes in its reasonable discretion or if Aurora is informed by OEMs that the remediation steps in Section 6.6.1 above are insufficient, and the delay is [***], then Aurora may, at its option, cancel or authorize OEMs to cancel, all or any portion of the [HW Gen] AD Kits ordered without liability to Aurora, and the applicable binding forecast [***] shall be amended accordingly to reflect such canceled Orders.

6.6.3 If Aurora concludes in its reasonable discretion (subject to the Dispute Resolution Process) or if Aurora is informed by OEMs that the remediation steps provided in Sections 6.6.1 and 6.6.2 above are insufficient, and the delay is [***], Continental shall pay Aurora [***] (the "Liquidated Damages Amount") as a reasonable estimate of the damages given the impact of any delay in delivery, and the fact that the

precise amount of actual damages are difficult to ascertain at the Effective Date. Continental shall pay the Liquidated Damages Amount within [***] from the date of an Aurora invoice. [***]. In the event such delayed [HW Gen] Components subject to Liquidated Damages Amount affect the binding forecast [***], such affected binding forecast [***] shall be amended accordingly. To clarify, Liquidated Damages Amount will not apply to the extent the delay is due to a Force Majeure Event (including supply chain disruptions caused by a Force Majeure Event); provided that Continental has complied with the disaster recovery and business continuity plan set forth in Appendix P (Continental Disaster Recovery and Business Continuity Plans) and that the applicable binding forecast [***] shall be amended accordingly to reflect any canceled Orders due to Force Majeure Events.

6.6.4 The Delivery Date in each Order will constitute a separate delivery requirement. Delivery Date reliability will be measured as the percentage of on-time Delivery Date when compared to total deliveries over a rolling ten (10) Business Day period. Continental is expected to meet [***] of all Delivery Date requirements. If Aurora notifies Continental that it failed to maintain [***] on-time Delivery Date rate due to failures on the part of the Continental, Continental shall, within ten (10) Business Days of receiving such notice, submit for approval a corrective action plan to reach the [***] on-time Delivery Date rate within [***] of the plan's implementation.

6.6.5 As used in this Section 6, (a) "Delivery Date" means the delivery date for [HW Gen] Components that is set forth in an Order, and (b) "Order" means a purchase order, release or other document issued by OEM pursuant to Aurora's Binding Forecast (as defined in Appendix R) or by Aurora to Continental for direct purchases or sampling purchases in accordance with Sections 6.4 and 6.5, that identifies (i) the [HW Gen] Components to be shipped, (ii) quantities of the [HW Gen] Components being ordered, (iii) the delivery locations and (iv) Delivery Dates for such [HW Gen] Components. Orders issued by Aurora are referred to herein as Aurora Orders, and Orders issued by OEMs are referred to herein as OEM Orders.

7. Hardware Services

7.1 Hardware Services. Continental shall perform the Hardware Services set forth in Appendix J in accordance with the terms therein.

8. Product Quality and Manufacturing Processes

8.1 Generally. As of the Effective Date, the Parties have agreed to the manufacturing and quality terms in this Section 8. Both Parties acknowledge that additional facts and learnings may lead a Party to reasonably request an amendment, including,

for example, due to stricter or additional requirements of Customers, to this Section by completion of Milestone C01-M5, which the other Party will consider in good faith and such Party may not unreasonably withhold consent to such amendment.

8.2 Quality Assurance and Standards; Compliance. Continental shall implement and maintain quality assurance policies and procedures to ensure that: (a) all [HW Gen] Components conform to the Specifications; and (b) Continental's manufacturing operations related to the [HW Gen] Components comply with all Applicable Laws and generally accepted industry requirements and standards. In addition, Continental shall conduct internal validation testing in accordance with validation test procedures and methods agreed to in writing by the Parties, to ensure that all [HW Gen] Components conform to the Specifications prior to shipping. Continental's operations shall comply with and maintain IATF 16949, ISO 26262 and ISO 9001 certification by a recognized certification body.

8.3 Quality Standard Updates**.** Continental acknowledges that it has received certain materials, including the Specifications, the SQM and other materials defining the quality criteria for the [HW Gen] Components (collectively, the "Quality Standards"). In the event that Aurora wishes to update the Quality Standards, Continental agrees to review and to respond to such update requests within thirty (30) calendar days, with Continental's acceptance not to be unreasonably delayed or withheld. In the event the Parties cannot agree upon the updated Quality Standards, the Parties agree to settle that dispute using the Dispute Resolution Process of Section 21 up to but not including arbitration.

8.4 Quality Data. On a periodic basis, Continental shall deliver to Aurora a report of quality data and metrics, which shall be further identified in each of the Development Plans for the applicable [HW Gen] Components, as requested by Aurora. Continental's certification and test results will be provided to Aurora upon request, and will be retained by Continental for a ten (10) year period after delivery of the relevant [HW Gen] Components, unless the retention period specified in the engineering specifications and/or drawings, referenced industry standards or regulations is longer.

8.5 Product Support and Technical Information. Continental shall maintain dedicated and sufficient product engineering, service engineering and application engineering capabilities to support the [HW Gen] Components supplied, sold, or leased to Aurora and its Customers as may be reasonably requested by Aurora, including diagnostic support and trouble-shooting assistance. Such support will be provided as agreed by the Parties pursuant to the terms of Appendix J. Continental shall also make available at no additional cost to Aurora all technical information about the [HW Gen] Components in English unless otherwise agreed by the Parties, including service and owner's manuals, training materials, parts diagrams, schematics, and parts lists (collectively, "Technical Information"). Any

such Technical Information that is information in any form necessary for the design, development, production, operation, modification or maintenance of hardware, materials, software, or processes related to those necessary actions is "Technical Data". All Technical Data must be marked to indicate jurisdiction and export classification of the Technical Data. Aurora acknowledges that the Technical Information and Technical Data at the component level for [HW Gen] Components (i.e., not Aurora Driver System Architecture-level Technical Information or Technical Data) that do not constitute Bespoke [HW Gen] Components are Confidential Information of Continental. When engineering or design changes are proposed, draft revisions of Technical Information shall be forwarded to Aurora for review and approval during the development period. Approval thereof by Aurora will not relieve Continental of any of its obligations or responsibilities under this Agreement. Copies of any final revised Technical Information accepted in accordance with the applicable Quality Standards will be delivered to Aurora at least sixty (60) calendar days prior to the first Delivery Date of the affected [HW Gen] Components.

8.6 Defective Products. Continental shall replace or repair any [HW Gen] Components returned as defective or otherwise identified as defective by Aurora, with disputes on warranty coverage after the repair or replacement is made subject to the disputed warranty return process set forth in Appendix J. The returns of defective [HW Gen] Components will be at Continental's expense. This replacement will be at no additional cost to Aurora except to the extent the replacement (a) results from a design defect inherent in the Aurora Background Technology or caused by Aurora's creation of Developed Technology, (b) [***], or (c) results from an issue with the [HW Gen] Component that was excluded from the Product Warranty under Section 3.8.

8 . 7 Unique Identification Numbers. Unless otherwise specified in the Specifications, Continental shall create individual unique identification numbers for each [HW Gen] Component, as required by Aurora, and track the dates that the [HW Gen] Components are manufactured. Continental uses a standard Global Transport Level (VDA4994) for packaging for each [HW Gen] Component. Additional labeling requirements will be defined between Continental and the receiving OEM. Continental shall also record production lot data on an [HW Gen] Component level as required by Aurora and according to accepted industry standards including critical manufacturing parameters and traceability. Continental shall make such production lot data available to Aurora upon request for no less than ten (10) calendar days after the manufacturing date for each [HW Gen] Component/lot.

8.8 Manufacturing Quality Process. Continental shall perform in-line quality testing and end-of-line testing. Quality testing metrics and requirements will be defined to satisfy OEM standards and requirements. Continental shall attend performance reviews at which it will present data regarding its compliance with the terms of

this Agreement and the applicable OEM Supply Agreement. Such reviews will be held as determined by Aurora, but no more frequently than quarterly.

8.9 Materials Management and Transparency; Clear to Build. Continental shall work closely with Aurora to ensure a smooth interface between Aurora's, the OEM's and Continental's purchasing systems and processes (usage of existing EDI is preferred) regarding the [HW Gen] Components. Any Orders issued by the OEMs to Continental shall be shared in parallel with Aurora. Continental will deliver as ordered by the OEM unless otherwise specified in this Agreement, including Appendix R, or as otherwise specified by Aurora. Continental will notify Aurora if the execution of Orders is at risk. Continental shall provide advanced shipping notices consistent with such notices provided to Continental's OEM customers.

8.10 Subcontractors and Upstream Suppliers. Continental shall not subcontract any Services used to supply the [HW Gen] Components or [HW Gen] AD Kit, or subcontract any Services, including Development Services, without Aurora's prior written consent (including in the applicable Development Plan); provided that such consent shall not be required where (a) the applicable Suppliers are operating and based in [***], (b) the costs for subcontracted Services to a Supplier and its affiliates, subsidiaries, and parent [***], and (c) it is for the upstream supply for [***]. This consent shall not unduly be withheld by Aurora. Continental shall require any approved subcontractor (who shall be deemed as a Supplier engaged by Continental upon such approval), including an upstream supplier of components, to comply with the principle requirements of this Agreement (including facility access), and a subcontractor's failure to do so will be a breach of this Agreement by Continental. All actions of an approved Continental subcontractor will be deemed the actions of Continental under this Agreement. Continental will be responsible for the performance of its materials suppliers and quality of the materials.

8.11 Branding; Aurora Identification.

8.11.1 Branding. The Parties shall in good faith align on a mutually agreed approach for branding of the [HW Gen] AD Kit. The Parties have agreed to keep the "Aurora Driver" brand and intend to include co-branding of Continental on [HW Gen] Components. Any co-branding is subject to written approval of the Parties. Each Party acknowledges and agrees that it shall obtain any approvals from any trademark owners (if different from the Party itself) prior to providing written approval in relation to any request for co-branding.

8.11.2 Customer Identification. Continental shall not use Aurora's (or that of Aurora's Customers) [HW Gen] Component number/part number, Listing (as defined in Section 8.12) or any trade name, trademark, logo or service mark owned by or licensed to Aurora or its Customers (together,

"Customer Identification") on any products manufactured for or supplied to third parties other than under this Agreement.

8.11.3 Continental Part Numbers. The part number or other designation assigned by Continental to refer to a specific [HW Gen] Component (whether such number or designation is actually placed on the [HW Gen] Component or not) shall be exclusive to Aurora and no Integrated Module referencing such part number shall be supplied to any third party without the prior written consent of Aurora. Continental agrees that it shall not directly or indirectly disclose Aurora part numbers or any information that would assist a third party in identifying to third parties a duplicate of any [HW Gen] Component (even if Continental is otherwise legally entitled to sell such duplicate using a different part number to third parties).

8.12 Third Party Certifications. Aurora shall have the option to have any or all third party certifications, listings, or qualifications for an [HW Gen] Component ("Listings") be obtained in the name of Aurora or its Customer. If Aurora elects such an option: (a) Aurora will be responsible for all applicable fees for such Listings; and (b) such Listings shall be considered for purposes of this Agreement to be part of the Customer Identification.

8.13 Epidemic Failure.

8.13.1 Definition. Continental acknowledges that the [HW Gen] Components and the [HW Gen] AD Kit are a critical component in Aurora's products and services. Each Party shall promptly notify the other Party if it has any reason to believe an [HW Gen] Component may be experiencing an Epidemic Failure. "Epidemic Failure" means [***]. Aurora may elect to suspend or cancel shipments of [HW Gen] Components or [HW Gen] AD Kits that it reasonably suspects may contain the same defect that triggered the Epidemic Failure.

8.13.2 Continental Obligations During an Epidemic Failure. Upon notice of an Epidemic Failure, Continental shall provide: (a) a plan for investigating the source of the Epidemic Failure within [***]; and (b) a written 8D (Eight Disciplines CAPA) format solution for the Epidemic Failure within [***]. Continental is responsible for all costs associated with an Epidemic Failure (unless caused by a design defect inherent in the Aurora Background Technology or caused by Aurora's creation of Developed Technology, a defect in a Directed Buy Component, except to the extent arising from Continental's responsibilities set forth in RASI F, or due to any of the exclusions in Section 3.8).

8.14 PPAP. For [HW Gen] Components that require "PPAP" (the automotive industry standard Production Part Approval Process), Continental, at its sole expense, shall comply with and continue to manufacture and provide [HW Gen] Components

and the [HW Gen] AD Kit in strict compliance with all PPAP requirements and the PPAP approval, unless: (a) the [HW Gen] Components have a prior Level 3 PPAP approval and Aurora approves the use of the prior Level 3 PPAP after review of the part submission warrant and any other documentation or data requested by Aurora; or (b) the [HW Gen] Components are prototype, in which case, and in lieu of a Level 3 PPAP submission, 100% inspection of and material certification for each [HW Gen] Component is required in advance of shipment of [HW Gen] AD Kits to Aurora or its Customers. [HW Gen] Components or [HW Gen] AD Kits may not be shipped from Continental's facility until PPAP approval is granted or written authorization is given by Aurora. The Parties shall work together in good faith to align on one set of PPAP requirements for such [HW Gen] Components, taking into consideration the highest level required between this Section [***] and IATF16949 standards. [***]. Notwithstanding the foregoing, if an [HW Gen] Component subject to RASI F is secured from a Directed Supplier, then Continental is not responsible for the PPAP of such Component.

8.15 Recalls.

8.15.1 The Parties are committed to acting in good faith and in a cooperative manner in their efforts to protect the public against unreasonable risk of incidents related to the [HW Gen] AD Kit. As between Aurora and Continental, the Parties will coordinate in good faith with respect to any recall or service action or campaign determination or recommendation for the [HW Gen] AD Kit (each event, a "Recall"). Each Party shall share any information they have on reliability, field issues, or internal investigations as it relates to how the [HW Gen] AD Kit potentially functions to the other Party in the event it institutes an internal investigation over a potential Recall of, or recommendation to an OEM to institute a Recall of, the [HW Gen] AD Kit.

8.15.2 Notwithstanding the foregoing, each Party has the unilateral right to institute or recommend the commencement of a Recall of the [HW Gen] AD Kit [***].

8.15.3 [***].

8.15.4 The Parties shall cooperate in executing any Recall of the [HW Gen] AD Kit, including coordinating regarding any communication with any Authority concerning a potential or actual Recall of the [HW Gen] AD Kit. Continental shall maintain complete and accurate records regarding the [HW Gen] Components and [HW Gen] AD Kit as required by Applicable Law, and in case of a Recall of the [HW Gen] AD Kit, Continental shall promptly make such records and reports available to Aurora. The Parties will coordinate in good faith with respect to

developing and implementing any technical fixes necessary to resolve the issue underlying the Recall of the [HW Gen] AD Kit.

8.15.5 [***].

8.15.6 The Parties will negotiate in good faith to have OEMs follow the process set forth in this Section 8.15 and enter into a tri-party apportionment agreement for the costs of Recalls of the [HW Gen] AD Kit.

9. Bailed Property; Software; and Security Procedures

9.1 Protection of Bailed Property. Any Bespoke [HW Gen] Components (including prototype and preproduction units of the Bespoke [HW Gen] Components), and Bespoke Tooling furnished by Aurora, or procured by Continental on Aurora's behalf (the " Bailed Property") must: (a) be kept confidential and secure and held by Continental for the sole benefit of Aurora on a bailment-at-will basis; (b) remain or become Aurora's property in accordance with this Agreement, including Section 10; (c) be used by Continental exclusively for Aurora's or its Customers' Orders; (d) be clearly marked with a serial number, clearly marked as Aurora Bailed Property and segregated when not in use; (e) be kept in good working condition at Continental's own cost and expense and shall furnish any and all parts, mechanisms and devices required to keep the Bailed Property in good repair; and (f) be available for access by Aurora upon reasonable prior written notice (unless related to a Trigger Event, then upon notice) or shipped to an Aurora-designated location at Aurora's expense of mutually-agreed costs (unless related to a Trigger Event or Aurora's termination pursuant to Section 20.4, then at Continental's expense) promptly on Aurora's demand or following expiration or termination of this Agreement. Continental shall promptly inform Aurora of any equipment malfunctions and any repairs Continental may make to the equipment. In addition, Continental shall not represent or assert any ownership interest in Bailed Property and upon request of Aurora shall execute any documents necessary to perfect Aurora's ownership interest in Bailed Property. Continental shall keep the Bailed Property free of liens, attachments, and other encumbrances while in Continental's control. Continental shall insure or self insure Bailed Property (with Aurora as loss payee) and be liable for loss or damage while in Continental's possession or control, ordinary wear and tear excepted. Continental shall notify Aurora in writing of any damage to or loss/theft of Bailed Property promptly upon Continental's discovery of the loss/theft or damage. Continental shall be responsible for reimbursing or crediting, at Aurora's option, any loss of any Bailed Property. Continental shall not, and shall ensure that others do not, reverse engineer, disassemble, or otherwise seek to determine the design of any Bailed Property. Bailed Property does not include raw materials and components not provided by Aurora that have not been used to produce a finished [HW Gen] Component, or any existing Continental tools or

equipment, or tools and equipment furnished by Continental, or any [HW Gen] Component other than Bespoke Tooling and Bespoke [HW Gen] Components.

9 . 2 Maintenance of Bailed Property. Continental shall operate and maintain the Bailed Property by competent and duly qualified personnel in accordance in all material respects with: (a) the manufacturer's instructions, warranty requirements and manuals; (b) all applicable requirements of Applicable Law, including all statutes, regulations, licenses, or orders of any governmental body having power to regulate the Bailed Property or its use, if any; and (c) all conditions and requirements of all policies of insurance. Continental, at its sole expense, shall enter into and maintain in force any maintenance contracts required by the manufacturer of the Bailed Property and shall provide to Aurora a copy of such contract and all supplements. If Continental enters into a maintenance contract with a party other than the manufacturer of the Bailed Property, Continental shall, at its sole expense, have the manufacturer of the Bailed Property recertify the Bailed Property at the expiration of the applicable term and any extension.

9 . 3 Aurora Software. Except as provided by separate agreement between Aurora and Continental, with respect to any proprietary software, including but not limited to software binaries, Firmware, output data and signals, and source code, provided or made accessible by Aurora, including (a) Perception, simulation, mapping, decision making, path planning, and generation of Vehicle actuation command software and (b) other software included as part of the Bailed Property ("Aurora Software"), Continental shall not, without the prior written consent of Aurora: (a) alter, modify or adapt the Aurora Software, including translating, decompiling, disassembling or creating derivative works; (b) copy the Aurora Software; (c) sublicense, assign or otherwise transfer the Aurora Software in whole or in part; (d) use the Aurora Software other than in the performance of the Development Services and the provision of [HW Gen] Components under this Agreement; or (e) disclose any portion of the Aurora Software to any third party or entity, except as disclosure to Continental's Personnel in the course of their employment or engagement may be necessary or appropriate, after advising such Personnel of the confidential and proprietary nature of the Aurora Software.

9.4 Continental Software. Except as provided by separate agreement between Aurora and Continental, with respect to any proprietary software, including but not limited to software binaries, Firmware, output data and signals, and source code, provided or made accessible by Continental, including Perception, simulation, mapping, decision making, path planning, and generation of Vehicle actuation command software ("Continental Software"), which, for clarity, excludes third-party Software provided to Aurora or its Customers through Continental, Aurora shall not, without the prior written consent of Continental: (a) alter, modify or adapt the Continental Software, including translating, decompiling, disassembling or creating derivative works; (b) copy the Continental Software; (c) except as explicitly permitted under this Agreement, sublicense, assign or

otherwise transfer the Continental Software in whole or in part; (d) use the Continental Software other than in connection with the [HW Gen] AD Kits and the use of [HW Gen] Components under this Agreement; or (e) disclose any portion of the Continental Software to any third party or entity, except as disclosure to Aurora's Personnel in the course of their employment or engagement may be necessary or appropriate, after advising such employees of the confidential and proprietary nature of the Continental Software. For clarity, interfacing against an API or message interface shall not constitute a derivative work or an alteration, modification, or adaptation of Continental Software and any actions covered by (a) through (e) shall not be deemed prohibited if reasonably necessary for the inclusion of the [HW Gen] AD Kit into the Aurora Driver (e.g., copying an update to Continental Software provided by Continental to implement across multiple Vehicles operated by the Aurora Driver utilizing [HW Gen] AD Kits).

9 . 5 OFAC Requirements. Continental shall not allow the Bailed Property to be used at any time by any person (a) listed on the Specially Designated Nationals and Blocked Person List maintained by OFAC, and/or any other similar lists maintained by OFAC pursuant to any authorizing statute, Executive Order or regulation; or (b) designated under Sections 1(b), (c) or (d) of Executive Order No. 13224 (September 23, 2001), any related enabling legislation or any other similar Executive Orders.

9 . 6 Additions to Bailed Property. Continental shall not, without the prior written consent of Aurora, affix or install any accessory, equipment, or device (an "Addition") on any Bailed Property if the Addition will materially alter or impair the originally intended function or use of the Bailed Property. All Additions, repairs, parts, supplies, accessories, equipment, and devices furnished, attached or affixed to any Bailed Property that are not readily removable will be made only in material compliance with Applicable Laws and will become the property of Aurora. Continental shall make, at its own expense, any alterations or modifications to the Bailed Property that may be required to comply with any Applicable Laws, subject to Section 3.5.

9.7 Fixtures. Continental shall not, without the prior written consent of Aurora and subject to the conditions Aurora may impose for its protection, affix or install any Bailed Property to or in any other personal or real property (other than the installation of the Bailed Property at the applicable manufacturing location for the [HW Gen] Components).

9.8 Status Reports. Continental shall provide to Aurora a written report of the status of all Bailed Property on an annual basis, including the usage rate of tools and fixtures and balance life for all such Bailed Property, as applicable.

9.9 No Access by Third Parties. The manufacturing operations related to the production of [HW Gen] Components that are unique to the Aurora AD Kit for

Aurora, including Bespoke [HW Gen] Components or assembly of finished [HW Gen] AD Kits, will not be accessible or capable of being observed by any third party or by any individual, except for Continental's Personnel and Aurora's Personnel or agents, emergency personnel or other third parties who need to access the facility pursuant to Applicable Law, or permitted Suppliers as necessary to enable Continental to perform its obligations hereunder, provided, that, without limiting its confidentiality obligations set forth in this Agreement, Continental shall use Commercially Reasonable Efforts to preserve the confidentiality of the production of [HW Gen] Components. For the avoidance of doubt, the foregoing restrictions shall not apply to any generic parts that are [HW Gen] Components even if being produced for the [HW Gen] AD Kit. Continental shall not allow any individual employed by or otherwise associated with any Person: (a) materially engaged in SAE Level 4 Systems or (b) that is an L4 Entity to tour the operations related to the production of [HW Gen] Components for Aurora other than generic parts production. This Section 9.9 does not apply to any [HW Gen] Components that Continental is permitted to sell to other customers (including other L4 Entities) under this Agreement. Without limiting the foregoing or other provisions of this Agreement regarding the protection and confidentiality of Bespoke [HW Gen] Components, Continental shall not discuss Bespoke [HW Gen] Components with any third party visitors, nor demonstrate, explain, or allow examination of the manufacturing of the Bespoke [HW Gen] Components with such visitors.

9.10 Security Procedures. In addition to security procedures specified on Appendix O, Aurora will have a right to audit the security procedures in detail not more than twice each year, unless additional audits are required by Applicable Law or are a follow up to a prior audit that revealed noncompliance, upon reasonable prior written request, to ensure Continental's compliance. In addition, Continental shall perform a quarterly security procedures compliance audit, and provide the results to Aurora at the following QBR.

9.11 Recovery of Bailed Property. Aurora may, upon reasonable prior written notice, retake possession of any Bailed Property without the necessity of payment (except for the subsequent reimbursement noted below in this Section 9.11) to Continental, or a hearing or a court order, which rights, if any, are hereby waived by Continental. Upon Aurora's written request, Continental will release or deliver the Bailed Property to Aurora with Aurora responsible for mutually-agreed costs related thereto (unless in relation to a Trigger Event or Aurora's termination pursuant to Section 20.4, then at Continental's cost). If Aurora has not completed its reimbursement for any Bailed Property that is the subject of a Reimbursement Authorization, then Aurora shall pay Continental the balance owed promptly before Aurora may obtain possession of the applicable Bailed Property.

10. Tooling

10.1 Tooling Generally. Costs for Tooling shall be set forth in Appendix G or the applicable Development Plan. Any such costs passed on to Aurora may only be for [***]. If such a piece of Tooling is bespoke to Aurora, or if Tooling bespoke to the [HW Gen] AD Kit or [HW Gen] Components is installed at an OEM plant to install, test or calibrate the [HW Gen] AD Kit or [HW Gen] Components ("Bespoke Tooling"), Aurora has the option to purchase it in accordance with Section 10.4.

10.2 Costs for Bespoke Tooling. Aurora may exercise the right to reimburse Continental for Continental's actual reasonable costs of manufacturing or procuring Bespoke Tooling as set forth in Appendix G or the applicable Development Plan (a "Reimbursement Authorization"). If Aurora desires to execute a Reimbursement Authorization for Bespoke Tooling: (a) Aurora may review the test reports of Continental's successful testing of such Tooling and materials conducted in accordance with any Aurora tooling specifications and guidelines; (b) Continental shall ensure the Tooling has received Level 3 PPAP approval, if applicable and if requested by Aurora; (c) Aurora may conduct, and Continental shall sufficiently cooperate with, a tooling audit in accordance with Aurora's requirements; and (d) Continental shall provide to Aurora detailed invoices documenting the actual costs incurred by Continental for such Tooling or materials, including copies of any invoice issued to Continental by any third party with respect thereto, and any other information reasonably requested by Aurora with respect to such Tooling or materials (which may include CAD models and drawings). Aurora shall reimburse Continental only the actual cost of such Bespoke Tooling or materials, not to exceed the authorized amount, if any, stated in the applicable Reimbursement Authorization.

10.3 Becoming Bailed Property. Such Bespoke Tooling or other materials that are subject to a Reimbursement Authorization will become Bailed Property (and title thereto will vest in Aurora and Continental hereby assigns all rights, title, and interest in and to such Bespoke Tooling and other materials to Aurora) immediately upon completion of all testing required by Aurora (provided that Aurora will not be relieved of its obligation to reimburse for such Tooling or materials in accordance with the terms of this Agreement). Any payments made by Aurora for Bailed Property are expressly intended by Aurora to be held in trust for the benefit of any Suppliers used by Continental to manufacture or fabricate the Bailed Property that relates to such payments, and Continental agrees to hold such payments as trustee in express trust for such Suppliers until Continental has paid the Suppliers in full for the Bailed Property. Aurora will not pay for any Tooling necessary for the production of sample products unless otherwise provided in the applicable Reimbursement Authorization.

10.4 Right to Purchase Duplicate Tooling. Upon Aurora's request, Continental shall, at the time it places the order with the applicable Supplier, use Commercially Reasonable Efforts to secure Aurora's right to purchase directly from the Supplier

a duplicate set of Bespoke Tooling at the same price paid by Continental and use Commercially Reasonable Efforts to secure Aurora's right to purchase directly from the Supplier a duplicate set of the Tooling at the same price paid by Continental. Continental will provide all written specifications needed to enable such Supplier to supply such Tooling.

10.5 Transferable Tooling. Promptly following written request by Aurora following a Trigger Event or Aurora's termination pursuant to Section 20.4, Continental shall, upon payment of the depreciated book value (or such other reasonable cost as agreed to by the Parties in writing), transfer all right, title and interest to any Transferable Tooling to Aurora or its designee. "Transferable Tooling" means Tooling for Bespoke [HW Gen] Components that is not already Bailed Property. Continental shall undertake all Commercially Reasonable Efforts to effect the transfer and assignment of ownership of such Transferable Tooling to Aurora or its designee at Aurora's cost. Upon written request by Aurora, and at reasonable cost (agreed to by the Parties in writing), Continental will deliver the Transferable Tooling to Aurora or its designee, pursuant to the following terms:

10.5.1 Continental will deliver the Transferable Tooling FCA (Incoterms 2020) by a delivery date and to a location agreed upon by the Parties.

10.5.2 If Aurora has not previously requested transfer of title to the Transferable Tooling in advance of delivery, title and risk of loss to the Transferable Tooling will transfer to Aurora or its designee when Continental tenders the Transferable Tooling to the freight forwarder after it has been cleared of all export formalities.

10.5.3 Continental shall ship the Transferable Tooling in accordance with any reasonable instructions Aurora or its designee may provide in writing to Continental.

10.5.4 Aurora will incur and pay any and all costs related to the transfer and assignment of the ownership of Transferable Tooling to Aurora or its designee, including export clearance and the physical delivery of the Tooling.

11. Exclusivity and Right of First Negotiation

11.1 General. The terms in this Section 11 are intended to be pro-competitive, foster innovation, and protect each Party's Intellectual Property Rights and investment related to this Agreement. The Parties shall comply with all Applicable Laws related to this Section 11.

11.2 Additional Exclusions. In addition to the exclusions set forth in this Section 11, individual Development Plans may contain additional exceptions to the prohibitions set forth in this Section 11 with respect to Developed Technology

resulting from the performance of that Development Plan if such exceptions are explicitly set forth therein.

11.3 Exclusive Tier 1 Activities. During the Term, Aurora and its Affiliates shall not utilize any Person other than Continental to supply the Covered [HW Gen]s of the Aurora Driver to OEMs and Aurora shall not do so itself, except that:

11.3.1 [***].

11.3.2 [***].

11.3.3 [***].

11.3.4 [***].

11.3.5 [***].

11.3.6 [***].

11.3.7 [***].

11.3.8 [***].

11.4 Exclusive SAE Level 4 Commercial Activities. From the Effective Date through until December 31, 2025, Continental and its Affiliates shall not do any of the following: (i) supply any SAE Level 4 System other than the [HW Gen] AD Kit in accordance with this Agreement; (ii) create, design, modify, commercialize, source, develop, deploy, or collaborate on, any SAE Level 4 System (either as a stand-alone system or with the intent to be incorporated into a Vehicle) other than the [HW Gen] AD Kit in accordance with this Agreement; (iii) knowingly provide support to any Person with respect to any SAE Level 4 System other than the [HW Gen] AD Kit in accordance with this Agreement; or (iv) transfer ownership of any SAE Level 4 System Technology to any Person ("L4 Commercial Activities").

11.5 Exceptions to SAE Level 4 Commercial Activities. The following will not be a breach of Section 11.4:

11.5.1 [***].

11.5.2 [***].

11.5.3 [***].

11.5.4 [***].

11.5.5 [***].

11.5.6 [***].

11.5.7 [***].

11.6 SAE Level 4 Right of First Negotiation. From January 1, 2026 until the first to occur of (a) the expiration of this Agreement and (b) three (3) years from the effective date of Aurora's termination of this Agreement pursuant to Sections 20.4.1 or 20.4.2 or six (6) months from the effective date of Aurora's termination of this Agreement pursuant to Section 20.4.3 ("L4 ROFN Period"):

11.6.1 [***].

11.6.2 [***].

11.6.3 [***].

11.6.4 [***].

11.7 Limitations Regarding Aurora ADAS Activities . From the Effective Date until the first to occur of (a) December 31, 2023 and (b) the effective date of Aurora's termination of this Agreement for cause, Aurora and its Affiliates shall not do any of the following: (i) supply any ADAS System other than through Continental; (ii) develop, deploy, or collaborate on, any ADAS System other than through Continental; or (iii) knowingly provide support to any Person with respect to any ADAS System other than through Continental.

11.8 Exceptions to Aurora ADAS Activities. The following will not be a breach of Section 11.7:

11.8.1 [***].

11.8.2 [***].

11.8.3 [***].

11.8.4 [***].

11.8.5 [***].

11.8.6 [***].

11.8.7 [***].

11.9 ADAS Right of First Negotiation. From January 1, 2024 until the expiration or termination of this Agreement ("ADAS ROFN Period"):

11.9.1 [***].

11.9.2 [***].

11.9.3 [***].

11.10 Press.

11.10.1 Neither Party nor its Affiliates shall issue any press release or make any other public statement that expressly states or otherwise implies that it is engaging in or planning to engage in any activity that would be a violation of this Section 11.

11.10.2 If any third party makes any public statement that suggests that such third party is collaborating with a Party or its Affiliate in violation of this Section 11, then upon either Party's reasonable request, the Joint Marketing Committee shall convene to consider issuing a response clarifying that there is no such collaboration with the third party.

11.10.3 The Joint Marketing Committee will develop a response action plan for addressing situations in which a third party issues a press release or makes any other public statement that suggests that such third party is collaborating with a Party or its Affiliate in violation of this Section 11.

11.11 No Use of Other Persons. No Party may directly or knowingly facilitate an Affiliate or any other Person to take any action that such Party is not permitted to take under this Agreement, and any such action will be deemed a material breach of this Agreement.

11.12 Patent Enforcement. For the avoidance of doubt, nothing in this Section 11 shall be construed to limit, prohibit or otherwise restrict a Party's ability to enforce (including entering into settlement agreements) or protect its Intellectual Property Rights.

11.13 Investing Restrictions.

11.13.1 [***].

11.13.2 [***].

11.13.3 [***].

12. Intellectual Property Rights

12.1 IP Review Steering Committee. The Parties shall establish an intellectual property review steering committee with three individuals from each Party (the "IP Steering Committee") to meet on an as-needed basis (including upon request by either Party) in order to oversee the application of the Parties' rights and obligations under this Section 12, including the review and processing of existing

or potential patentable Developed Technology, as necessary, without limiting Section 21, resolution of any disputes regarding this Section 12.

12.2 Ownership of Background Technology. Each Party will retain all right, title, and interest in, to and under its Background Technology, including all Intellectual Property Rights therein.

12.3 Developed Technology.

12.3.1 Aurora Developed Technology. Except for Continental Sensitive Technology, Aurora retains all right, title and interest in, to, and under the Aurora Developed Technology, including all Intellectual Property Rights therein.

12.3.2 Continental Developed Technology. Except for Aurora Sensitive Technology, Continental retains all right, title, and interest in, to, and under the Continental Developed Technology, including all Intellectual Property Rights therein.

12.3.3 Jointly Owned Technology. Except for Aurora Sensitive Technology and Continental Sensitive Technology, the Parties shall jointly own all Jointly Developed Technology, including all Intellectual Property Rights therein (collectively, the "Jointly Owned Technology"), and each Party will have the right to Utilize, license and assign its ownership interest in Jointly Owned Technology without need for consent from or accounting to the other Party. Each Party shall cause its Personnel to cooperate with the other Party and its counsel in obtaining or protecting Intellectual Property Rights in the Jointly Owned Technology in accordance with this Section 12.3.3. The IP Steering Committee shall meet as necessary to discuss in good faith and determine appropriate protection for patentable Jointly Owned Technology, including which Party will be responsible for prosecution of any applicable patents. Each Party shall pay an equal share of the costs for protection and defense of Jointly Owned Technology, except that if a Party declines to pay its share, then it shall assign its rights in the applicable Jointly Owned Technology to the other Party.

12.3.4 Aurora Sensitive Technology.

(a) Continental hereby assigns, and agrees to take all necessary future actions to acknowledge or effectuate this assignment (including causing a Supplier or Personnel of Continental to assign), to Aurora all right, title, and interest it may have or obtain in Developed Technology that is Aurora Sensitive Technology, including all Intellectual Property Rights therein, but, for clarity, excluding any Continental Background Technology or any Intellectual Property Rights therein.

(b) The following terms shall apply to any Aurora Sensitive Technology created by Continental and assigned to Aurora ("Continental-Invented Aurora Sensitive Technology"):

(i) In the event Continental requests a license to Continental-Invented Aurora Sensitive Technology for use solely in [***], once the Parties mutually agree, with each Party acting in good faith and any disputes handled in accordance with the Dispute Resolution Process, on the applicable license fees (which process, for the avoidance of doubt, shall be permitted to take into consideration [***]) to Aurora, Aurora will grant Continental a nonexclusive, worldwide, perpetual, and irrevocable license to such Continental-Invented Aurora Sensitive Technology solely for use in [***]. [***].

(ii) In the event Continental requests a license to Continental-Invented Aurora Sensitive Technology for use outside of [***], Aurora will negotiate such request in good faith.

(iii) In the event Continental requests a license to Continental-Invented Aurora Sensitive Technology for use in [***], Aurora will review and discuss Continental's request, but the decision to license Continental-Invented Aurora Sensitive Technology to Continental for use in [***] shall be in Aurora's sole discretion.

12.3.5 Continental Sensitive Technology. Aurora hereby assigns, and agrees to take all necessary future actions to acknowledge or effectuate this assignment (including causing a Supplier or Personnel of Aurora to assign), to Continental all right, title, and interest it may have or obtain in Developed Technology that is Continental Sensitive Technology, including all Intellectual Property Rights therein, but, for clarity, excluding any Aurora Background Technology or any Intellectual Property Rights therein. In the event Aurora requests a license to Utilize such Continental Sensitive Technology transferred by Aurora, Continental will negotiate such a license in good faith.

12.4 Licenses. Subject to the terms and conditions of this Agreement, including Section 11 and Section 18, the Parties grant each other the following licenses:

12.4.1 Aurora Implementation License to Continental. Aurora hereby grants to Continental a nonexclusive, irrevocable during the Term and Support Term, worldwide, royalty-free, and fully paid-up license during the Term and Support Term to Utilize any Aurora Background Technology, Aurora Sensitive Technology and Aurora Developed Technology that is necessary

for Continental to perform its obligations in accordance with this Agreement.

12.4.2 Continental Implementation License to Aurora. Continental hereby grants to Aurora and the Customers a nonexclusive, perpetual, irrevocable, worldwide, royalty-free, and fully paid-up license during the Term and Support Term to Utilize any Continental Background Technology Continental Sensitive Technology and Continental Developed Technology that is solely as necessary to perform its obligations in accordance with this Agreement or solely as necessary for the production, operation, or support of the [HW Gen] Components or the [HW Gen] AD Kit that are delivered by or on behalf of Continental pursuant to this Agreement.

12.4.3 Continental Developed Technology License to Aurora. Continental hereby grants to Aurora a perpetual, irrevocable, sublicensable (subject to limitations in this Section 12.4), worldwide, royalty-free, and fully paid-up license to Utilize the Continental Developed Technology and the Intellectual Property Rights therein solely as necessary for the production, operation, or support of Aurora's Technology that is disclosed or provided to Continental under this Agreement.

12.4.4 Sublicensing. The licenses granted in this Section 12.4 include third party Utilization permitted in the scope of the license on behalf of the licensee Party as necessary for the licensee's exercise of its rights or performance of its obligations, provided that only permitted Suppliers in accordance with this Agreement may exercise these rights on behalf of Continental.

12.4.5 Exclusivity. Any action by a Party (or its Affiliate) that would be a breach of Section 11 is hereby excluded from the licenses granted under this Section 12.4 during the applicable time period set forth in Section 11 unless otherwise explicitly set forth in the applicable Development Plan.

12.5 Negotiations Regarding Additional Licenses for Aurora Technology. If the Parties are negotiating a Development Plan that may involve the creation of Aurora Developed Technology, then the Parties may negotiate in good faith toward written license terms, including any corresponding royalty payments or Development Costs offset, in that Development Plan that permits Continental's use of such Aurora Developed Technology, either post-Term or during the Term and thereafter, for activities related to ADAS Systems and General Tier 1 Activities. This license may, upon mutual written agreement of the Parties, also include a license to Aurora Background Technology only with that Developed Technology and only to the extent necessary to use that Developed Technology. Aurora may include reasonable additional restrictions on the use of the Developed Technology and Aurora Background Technology to provide goods or services to an L4 Entity. Continental shall, subject to Applicable Law, provide transparency about the planned use, estimating the dimension of application of the Technology

and make a proposal regarding the corresponding royalty payments or Development Costs offsets.

12.6 Feedback. If a Party provides ideas, suggestions or recommendations ("Feedback"), these discussions will not constitute joint development. The other Party is free to use and incorporate the Feedback without any additional compensation to the disclosing Party. For the avoidance of doubt, the term "Feedback" does not include Intellectual Property Rights.

12.7 Restrictions. Neither Party shall, without the prior explicit written consent of the other Party, attempt to discover the source code, reverse engineer, disassemble, or deconstruct, the other Party's Background Technology or Developed Technology.

12.8 Non-Transferability of Licenses. The licenses granted in this Section 12 are not transferable except pursuant to Section 22.6.

12.9 China Excluded. Notwithstanding any provision to the contrary, no licenses granted to Continental under this Agreement will permit direct or indirect use of Aurora Developed Technology, Aurora Sensitive Technology, or Aurora Background Technology in China or direct or indirect provision of services for operations in China, unless the Parties mutually agree in writing in advance that any such action is permitted.

12.10 Reservation of Rights. All rights in and to Technology owned by Aurora not expressly granted to Continental herein are reserved by Aurora. All rights in and to Technology owned by Continental not expressly granted to Aurora herein are reserved by Continental. No licenses are to be implied from any term of this Agreement and neither Party will have any license or other right in or to any Intellectual Property Rights of the other Party except to the extent expressly granted in this Agreement.

12.11 Transfer of Owned Technology. Except for the limitations expressly set forth in Section 11.4, nothing in this Agreement will restrict a Party's right to transfer ownership of all or partial right, title, or interest in, to or under Technology or Intellectual Property Rights therein owned by such Party. No such transfer of ownership will affect the licenses granted to the other Party under this Agreement, and the transferring Party shall require the transferee to sign a legally-binding document pursuant to which the transferee acknowledges the continuing existence of the licenses in this Section 12.

12.12 Trademarks. Aurora hereby grants to Continental a nonexclusive, worldwide, royalty-free, and fully paid-up license during the Term and the Support Term to use Aurora trademarks only as necessary for Continental to perform its obligations in accordance with this Agreement. Unless otherwise agreed pursuant to this Agreement, nothing else in this Agreement will be construed as a grant of

any license, right, or interest in any trademark, trade name, or service mark of either Party.

12.13 Proprietary Rights Notices. Neither Party shall alter or modify any proprietary rights notices on the other Party's Technology.

12.14 Aurora Data. As between the Parties, Aurora will have sole control over the data generated during testing, manufacturing, and operation of the [HW Gen] AD Kit and operation of Vehicles with the [HW Gen] AD Kit and is the sole owner of all right, title, and interest in all Intellectual Property Rights therein. Continental shall not transmit or retrieve any data from the Vehicles, including motion control data, without Aurora's prior written consent. The Parties will discuss any sharing of data (in addition to what has already been explicitly set forth in the Agreement, including Appendix C-16), necessary to perform obligations under this Agreement in good faith. Except as explicitly set forth otherwise in the Agreement, Aurora is solely responsible for retaining any Vehicle data in accordance with Applicable Law.

12.15 Section 365(n) Rights. The license rights granted in this Agreement are licenses of "intellectual property" for purposes of the United States Code, Title 11, Section 365(n). In the event of the bankruptcy of a Party and a subsequent rejection or disclaimer of this Agreement by a bankruptcy trustee or by such Party as a debtor-in-possession, or in the event of a similar action under Applicable Law, the other Party may elect to retain its license rights, in accordance with the provisions of the United States Code, Title 11, Section 365(n), or other Applicable Law.

13. Relationship Management; Audits

13.1 Relationship Management. The Parties shall conduct relationship management in accordance with Appendix K.

13.2 Key Personnel.

13.2.1 Continental. The names of certain Personnel of Continental are identified on Appendix L (the "Continental Key Personnel") together with an indication whether they will be assigned full-time or part-time to Continental's work under this Agreement. Without Aurora's prior written consent, which shall not be unreasonably withheld: (a) Continental shall not remove any Continental Key Personnel from their work, or materially reduce their responsibilities for work, under this Agreement; and (b) Continental Key Personnel will not be assigned to work on projects involving SAE Level 4 Systems or for L4 Entities. If one of the Continental Key Personnel ceases to be employed by Continental, or becomes incapacitated or otherwise unavailable to perform the functions or responsibilities assigned to him or her under this Agreement, then Continental shall promptly replace this person with another Continental

employee who is similarly qualified as the person who is being replaced. For purposes of this Section, the movement of Continental Key Personnel from the employ of Continental to an Affiliate of Continental that results in an alteration or reduction of time expended by that person in performance of Continental's duties under this Agreement, will be considered a removal requiring Aurora's consent and not a cessation of employment. Notwithstanding the foregoing, Aurora's consent shall not be required for Continental to assign, reassign, or otherwise move Continental Key Personnel or any other employees due to immigration or visa related reasons, *provided* that such assignment, reassignment or move shall be subject to the requirements set forth in this Section 13.2. In the event that any of the obligations in this Section 13.2.1 would require Continental to violate German labor laws or German Worker's Council obligations, Continental will promptly notify Aurora of the compliance issue, and Continental will work with Aurora in good faith to ensure sufficient Continental Personnel are available.

13.2.2 Aurora. The names of certain Personnel of Aurora are identified on Appendix L (the "Aurora Key Personnel") together with an indication whether they will be assigned full-time or part-time to work under this Agreement. Without Continental's prior written consent, which shall not be unreasonably withheld: Aurora shall not remove any Aurora Key Personnel from their work, or materially reduce their responsibilities for work, under this Agreement. If one of the Aurora Key Personnel ceases to be employed by Aurora, or becomes incapacitated or otherwise unavailable to perform the functions or responsibilities assigned to him or her under this Agreement, then Aurora shall promptly replace this person with another Aurora employee who is similarly qualified as the person who is being replaced. For purposes of this Section, the movement of Aurora Key Personnel from the employ of Aurora to an Affiliate of Aurora that results in an alteration or reduction of time expended by that person in performance of Aurora's duties under this Agreement, will be considered a removal requiring Continental's consent and not a cessation of employment. Notwithstanding the foregoing, Continental's consent shall not be required for Aurora to assign, reassign, or otherwise move Aurora Key Personnel or any other employees due to immigration or visa related reasons, provided that such assignment, reassignment or move shall be subject to the requirements set forth in this Section 13.2.

13.3 Reports/Audits/Inspections.

13.3.1 Conduct of Audits. Continental will cooperate with Aurora's reasonable requests for information to support Aurora's review of Continental's compliance with the obligations of this Agreement, including [***]. Continental shall have the right, no more than once per year and upon

reasonable notice, to have an independent third party auditor reasonably acceptable to Aurora and bound by industry standard confidentiality obligations reasonably acceptable to Aurora, review Aurora's business record to ensure that Aurora's payment obligations under this Agreement, including the Per Mile Payments of Section 5, have been properly calculated. Aurora will cooperate with Continental's reasonable requests for information to support Continental review of Aurora's compliance with the obligations of this Agreement.

13.3.2 Site Visits. Aurora may visit Continental's manufacturing facility upon reasonable notice to conduct inspections, audit key financial data of Continental AG and validate key operating assumptions as presented in efforts to assure supply, determine and manage risk, support cost reduction efforts, and confirm compliance with Applicable Laws and this Agreement.

13.3.3 Proprietary Data. Continental shall not be required to divulge to Aurora what it reasonably believes is proprietary information, and may instead require audits and inspections of proprietary and confidential information to be conducted by means of an independent third party selected by Aurora. Aurora shall not be required to divulge to Continental what it reasonably believes is proprietary information, and may instead require audits and inspections of proprietary and confidential information to be conducted by means of an independent third party selected by Continental.

14. Payment Terms; Records; Taxes

14.1 U.S. Dollars. Unless otherwise mutually agreed, all amounts due hereunder will be invoiced and paid in U.S. Dollars. For the avoidance of doubt, and subject to Appendix H, Continental shall use Commercially Reasonable Efforts to source [HW Gen] Components and subcomponents in the U.S. Dollars.

14.2 Records. Each Party shall maintain records (including supporting documentation and relevant data) relating to its compliance with this Agreement, including records for all costs and expenses to be reimbursed, passed through to, or allocated to the other Party under this Agreement during the Term, the Support Term and for seven (7) years thereafter.

14.3 Segregation for Sales and Use Taxes. If any sales, use, excise, value added, goods and services, consumption, or other similar taxes or duties are imposed in connection with: (a) the provision or consumption of the [HW Gen] AD Kits or [HW Gen] Components as a whole; (b) the provision or consumption of any particular service; or (c) any property, materials or other resources provided or consumed or used in connection with the services; then Aurora and Continental shall work together to segregate the payments under this Agreement into two payment streams: (i) those for taxable services, property, materials, and other

resources; and (ii) those for nontaxable services, property, materials, and other resources.

14.4 Withholding. If legally required, each Party shall withhold taxes from its payments to the other Party and provide the other Party valid evidence that the withholding taxes were submitted to the applicable tax Authority.

14.5 Cooperation. Aurora and Continental shall cooperate with each other to enable each to accurately determine its own tax liability and to minimize such tax liability to the extent legally permissible.

14.6 Notification and Challenges. Aurora and Continental shall promptly notify each other and coordinate with each other regarding the response to or settlement of any claim for taxes related to this Agreement asserted by applicable taxing Authorities. The Party against which a claim is asserted shall have the right to control the response to, and settlement of, the claim; however, the other Party shall have the right to participate in any response or settlement that involves its potential responsibilities or liabilities. If a Party requests the other Party to challenge the imposition of a tax, the requesting Party shall reimburse the other Party for the reasonable legal fees and expenses it incurs. A Party is entitled to any tax refunds or rebates granted to the extent the refunds or rebates were of taxes paid by that Party.

14.7 Cross-border Movement. Arrangements, costs, and regulatory obligations associated with the cross-border movement of a Party's property will be the sole responsibility of Continental, including export packing, licensing, forwarding, import brokerage, duty, broker or forwarder fees, indirect taxes, filing of export and import declarations or entries and other responsibilities identified in this Agreement.

14.8 No Additional Costs. Unless otherwise mutually agreed in writing and except as explicitly stated in this Agreement, neither Party will have any liability under any circumstances for any tooling charges, non-recurring engineering charges, license fees, or similar charges, incurred by the other Party.

14.9 Timing. Any payments owed under this Agreement, other than as Per Mile Payments under Appendix I and payments terms under Appendix R for Aurora's direct or sample purchases pursuant to Sections 6.4 and 6.5, shall be based on [***] terms, less any amounts disputed in good faith.

15. Regulatory Compliance

15.1 General Compliance. Continental and Aurora, respectively, in accordance with their obligations under this Agreement, shall comply with all Applicable Laws that govern, regulate, or otherwise apply to its responsibilities set forth in this Agreement. Without limiting the foregoing:

15.1.1 Continental shall comply with all Applicable Laws that govern, regulate, or otherwise apply to the design, manufacture, assembly, supply, delivery, repair and service of [HW Gen] AD Kits or [HW Gen] Components.

15.1.2 Aurora shall comply with Applicable Laws that govern, regulate or otherwise apply to the Aurora Driver System Architecture or Aurora's safety case, excluding the [HW Gen] AD Kit, except for a noncompliance permitted in accordance with regulatory guidance and Aurora's safety case, as applicable, as well as Applicable Laws that define specific requirements for Aurora Offerings (excluding the [HW Gen] AD Kit and other obligations explicitly identified as a responsibility of Continental in this Agreement).

15.1.3 Each Party shall be responsible for monitoring any changes in Applicable Law within its area of responsibilities under this Agreement and communicating material changes that have the potential to materially affect its performance of this Agreement pursuant to Section 15.2.

15.1.4 Upon request, Continental shall provide Aurora with all documentation reasonably required to demonstrate the [HW Gen] AD Kit's and/or [HW Gen] Components' compliance with Applicable Laws and shall conduct testing necessary to demonstrate such compliance if such documentation is insufficient to demonstrate compliance. Upon Aurora's request, Continental shall provide reasonable documentation and assistance (e.g., testing) to enable Aurora's demonstration of compliance with Applicable Laws.

15.1.5 Continental warrants to Aurora that the [HW Gen] AD Kits and [HW Gen] Components shall not prevent Aurora or an OEM from certifying compliance with FMVSS and, upon Aurora's request, it shall cooperate with Aurora and the OEMs in good faith for any required testing related to FMVSS compliance. Upon reasonable request, Continental shall provide documentation of the testing and other reasonable evidence supporting the FMVSS compliance and certification of the [HW Gen] AD Kits and [HW Gen] Components. In the event that regulatory changes require changes to the [HW Gen] AD Kits and [HW Gen] Components those changes will be handled as defined in Section 3.5.3.

15.2 Regulatory Compliance; Communication.

15.2.1 Each of Continental and Aurora, as applicable, shall notify the other Party of any potential defect, safety or regulatory compliance issue relating to the [HW Gen] AD Kits or [HW Gen] Components as soon as practicable after becoming aware of such potential issue, and shall provide a summary of the issue to the other Party. In addition, except to the extent prohibited by Applicable Law, Continental or Aurora, as applicable, shall notify the

other Party no more than five (5) calendar days after: (a) such Party receives an inquiry from an Authority related to the [HW Gen] AD Kits or [HW Gen] Components; or (b) such Party has made a determination that a safety-related defect or regulatory noncompliance exists in the [HW Gen] AD Kits or [HW Gen] Components. Except to the extent prohibited by Applicable Law, the Parties shall cooperate fully and implement a process to facilitate open communication of safety and regulatory issues of mutual concern, including by establishing a periodic meeting after mass production to discuss such issues. The Parties agree that responding to requests for information and other inquiries from Authorities concerning issues related to the [HW Gen] AD Kits or [HW Gen] Components and compliance with Applicable Laws may require good faith coordination between the Parties to ensure accurate responses and no Party shall respond to such an inquiry from an Authority without first providing the other Party the inquiry and collaborating with the other Party in good faith the proposed response, except as necessary to comply with Applicable Laws or required to meet timelines set forth by Authorities.

15.2.2 Responding to Authorities. At a Party's reasonable request, the other Party shall provide all relevant information in its possession that is reasonably related to the subject of an information request from an Authority related to the [HW Gen] AD Kits or [HW Gen] Components, including all information reasonably necessary to respond to the information request, except as prohibited by Applicable Laws or as prevented by timelines set forth by Authorities. Except to the extent prohibited by Applicable Law or as prevented by timelines set forth by Authorities, sufficiently in advance of submitting the response, the Parties shall consult with each other with respect to any proposed response to the information request related to the [HW Gen] AD Kits or [HW Gen] Components to the extent it is reasonably foreseeable that such proposed response would have an actual or likely effect on the rights or obligations of the non-responding Party, and the Party submitting the response to the Authority shall provide a copy of the related final response submitted to the other Party.

15.2.3 Meetings with Authorities. Before any meetings with Authorities specifically related to the [HW Gen] AD Kits or [HW Gen] Components the Parties shall consult with one another and shall use Commercially Reasonable Efforts to afford the other Party with the opportunity to participate in such meetings specifically related to the [HW Gen] AD Kits or [HW Gen] Components.

15.2.4 Notwithstanding anything set forth in this Section 15.2, Aurora shall not have any notification requirements or coordination with Continental requirements for issues, inquiries, requests, or meetings described in this

Section if such issue, inquiry, request, or meeting relates to Aurora Software unless the regulatory compliance or safe operation of the [HW Gen] AD Kits or [HW Gen] Components is reasonably expected to be discussed. In the event that Aurora identifies a material regulatory compliance issue, defect, or safety issue with the Aurora Software, Aurora Driver, or other material element for which Aurora is responsible that impacts the regulatory compliance or safety of the [HW Gen] AD Kits or [HW Gen] Components, regardless of whether that information is shared with a regulatory authority, Aurora shall provide a summary of the issue to Continental, so as to keep Continental apprised of risks to the Per Mile Payment, unless prohibited by Applicable Law.

15.3 Export Compliance.

15.3.1 Continental is required to ensure its Personnel are appropriately authorized to receive any "deemed" exports of Aurora's information or software, as source code or binary, as mandated by the U.S. Government, European Union or any other country where Services are performed.

15.3.2 Continental shall notify and obtain prior written authorization from Aurora before providing or making accessible (a) any hardware, information, and/or software subject to the United States Munitions List ("USML") of the International Traffic in Arms Regulations ("ITAR" - 22 CFR 121); and (b) any information and/or software subjects to a "Reason for Control" other than "Anti-terrorism (AT)" under the Commerce Control List ("CCL") of the Export Administration Regulations ("EAR" - 15 CFR 774). Continental shall not export, reexport or transfer Aurora product, information, software, or service to (i) a Military End-User or for a Military End-Use; (ii) any country subject to an embargo by the U.S. Government (currently, the Crimea, Luhansk, and Donetsk regions of Ukraine, Cuba, Iran, North Korea, and Syria); or (iii) any individual or entity that is identified on a Restricted or Denied Parties Lists administered by the U.S. Government, or any other similarly restricted party under export control regulations administered by the European Union or other countries where Services are performed.

15.3.3 Continental represents and warrants that (a) it will not use or incorporate any Technology that is subject to a "Reason for Control" other than "Anti-terrorism (AT)" under the Commerce Control List ("CCL") of the Export Administration Regulations ("EAR" - 15 CFR 774), subject to the United States Munitions List ("USML") of the International Traffic in Arms Regulations ("ITAR" - 22 CFR 121), or subject to similar export restrictions under the laws of the European Union or other countries where Services are performed ("Restricted Technology") in the Developed Technology or Deliverables without Aurora's prior written consent and (b)

the [HW Gen] Components and [HW Gen] AD Kit will not constitute Restricted Technology.

16. Products Liability; Limited Warranty; Indemnity; Limitation of Liability; Insurance

16.1 Products Liability. Appendix M exclusively governs responsibility for Products Liability Matters and Cybersecurity Liability Matters and the process by which these matters are handled.

16.2 Limited Warranty. THIS IS A COMMERCIAL TRANSACTION, AND THE OBLIGATIONS SET FORTH IN THIS AGREEMENT ARE THE EXCLUSIVE OBLIGATIONS OF THE PARTIES. TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, AURORA HEREBY AND FOREVER WAIVES ANY CLAIM THAT IT MAY HAVE, ARISING DURING THE TERM OF THIS AGREEMENT AND THEREAFTER, UNDER (A) THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE UNDER THE UNIFORM COMMERCIAL CODE, AND (B) ANY FEDERAL OR STATE CONSUMER STATUTE INCLUDING, WITHOUT LIMITATION, THE MAGNUSON-MOSS WARRANTY ACT AND THE SONG-BEVERLY CONSUMER WARRANTY ACT (AND SIMILAR OR EQUIVALENT LAWS IN OTHER STATES). THE FOREGOING SHALL NOT LIMIT CONTINENTAL'S INDEMNIFICATION OBLIGATIONS UNDER SECTION 16.4.1.

16.3 Indemnity by Aurora.

16.3.1 Aurora shall: (a) defend the Continental Indemnified Parties against any Claims asserted by a third party to the extent caused by: (i) Aurora's or an Aurora Affiliate's, or their employees', contractors' (including its Suppliers') or agents' violation of Applicable Law, negligence, fraud, or willful misconduct; (ii) bodily injury, wrongful death, or property damage to the extent that such is directly attributable to the Aurora Responsibilities (where such claim is not a Product Liability Matter); (iii) any Claim by a Supplier of Aurora; (iv) an allegation that a Continental Indemnified Party's production or support of the [HW Gen] AD Kit infringes or misappropriates such third-party's Intellectual Property Rights due to the Aurora Background Technology, Aurora Developed Technology embodied therein, or [***]; (v) any breach, hack, intrusion or other unauthorized access to the Aurora Driver or Aurora Services, including, without limitation, with respect to the destruction, loss, alteration, modification, use, misuse, unauthorized disclosure of or access to personally identifiable information to the extent directly attributable to Aurora Responsibilities (to the extent such claim is not a Cyber Liability Matter) (any such Claim in subsection (a), an "Aurora Defended Claim"); and (b) indemnify for the Losses incurred by Continental Indemnified Parties as a result of an Aurora Defended Claim. Notwithstanding the

foregoing, Aurora shall have no obligation to defend or indemnify under this Section 16.3.1 for the portion of any Claims or Losses arising from any Continental Indemnified Party's fault, negligence or willful misconduct.

16.3.2 A Continental Indemnified Party must tender sole control of the Aurora Defended Claim to Aurora, provided that any settlement requiring the Continental Indemnified Party to admit liability, pay money, or take (or refrain from taking) any action, will require such Continental Indemnified Party's prior written consent.

16.3.3 A Continental Indemnified Party may elect to participate in the defense of an Aurora Defended Claim with non-controlling counsel of its own choosing at its sole expense.

16.4 Indemnity by Continental.

16.4.1 Continental shall: (a) defend the Aurora Indemnified Parties against any Claims asserted by a third party to the extent caused by: (i) Continental or an Affiliate of Continental, or their employees', contractors' (including any Continental Suppliers') or agents' violation of Applicable Law, negligence, fraud, or willful misconduct; (ii) an allegation that an Aurora Indemnified Party's production, provision, operation or support of the [HW Gen] AD Kit or [HW Gen] Components in accordance with this Agreement infringes or misappropriates such third-party's Intellectual Property Rights due to the Continental Background Technology or Continental Developed Technology which for the avoidance of doubt includes Aurora Sensitive Technology assigned to Aurora by Continental (provided, however, that Continental shall not have any indemnity obligation hereunder to the extent such infringement results from (A) Aurora Background Technology, (B) designs required to comply with Aurora's Specifications that are approved by Aurora (i.e., Continental could not have implemented any design but for the one necessitated by Aurora's required Specifications), provided that Continental objected in writing to such required designs and Aurora nevertheless required implementation thereof, (C) modifications not approved or provided by or on behalf of Continental, or (D) an Aurora Indemnified Parties' combination with third party Technology beyond such combinations which are contemplated under this Agreement or approved by Continental); (iv) any Continental Supplier Claims; (v) bodily injury, wrongful death, or property damage to the extent such is directly attributable to Continental Responsibilities (where such claim is not a Product Liability Matter; (vi) any breach, hack, intrusion or other unauthorized access, including, without limitation, with respect to the destruction, loss, alteration, modification, use, misuse, unauthorized

disclosure of or access to personally identifiable information to the extent directly attributable to Continental Responsibilities (where such claim is not a Cyber Liability Matter), or (vii) any material breach of Continental's representations, warranties, or covenants in this Agreement (any such Claim in subsection (a), a "Continental Defended Claim"); and (b) indemnify for the Losses incurred by Aurora Indemnified Parties as a result of a Continental Defended Claim. Notwithstanding the foregoing, Continental shall have no obligation to defend or indemnify under this Section 16.4.1 for the portion of any Claims or Losses arising from any Aurora Indemnified Party's fault, negligence or willful misconduct, or [***].

16.4.2 An Aurora Indemnified Party must tender sole control of the Continental Defended Claim to Continental, provided that any settlement requiring the Aurora Indemnified Party to admit liability, pay money, or take (or refrain from taking) any action, will require such Aurora Indemnified Party's prior written consent.

16.4.3 An Aurora Indemnified Party may elect to participate in the defense of a Continental Defended Claim with non-controlling counsel of its own choosing at its sole expense.

16.5 Excluding matters specifically addressed in Appendix M, to the extent a Continental Defended Claim or Aurora Defended Claim is partly relating to the other Party's responsibilities (i.e., Aurora Responsibilities or Continental Responsibilities as applicable), then the responsibility shall be appropriately allocated between the Parties and Indemnitor's responsibility to indemnify the Indemnified Party be limited to the extent such responsibility is allocated to the Indemnitor. For the avoidance of doubt, if a Continental Defended Claim or Aurora Defended Claim relating to Sections 16.3.1(ii), 16.3.1(v), 16.4.1(v), and 16.4.1(vi) above is not solely and exclusively attributable to the Indemnitor, the third-party Claim shall be handled in accordance with Appendix M.

16.6 LIMITATION OF LIABILITY.

16.6.1 EXCEPT FOR: (A) A PARTY'S INDEMNITY OBLIGATIONS UNDER THIS SECTION 16 (INCLUDING AS SET FORTH IN APPENDIX M); (B) A BREACH OF A PARTY'S CONFIDENTIALITY OBLIGATIONS; (C) GROSS NEGLIGENCE, WILLFUL MISCONDUCT, UNLAWFUL CONDUCT OR FRAUD; AND (D) DAMAGES FROM RECALLS AND WARRANTY CLAIMS THAT [***]; NEITHER PARTY WILL BE LIABLE TO THE OTHER FOR:

(a) PUNITIVE DAMAGES OR CONSEQUENTIAL/ SPECIAL/INDIRECT DAMAGES (INCLUDING, WITHOUT LIMITATION, LOST PROFITS OR LOSS ARISING OUT OF

THE USE, PARTIAL USE OR INABILITY TO USE THE RESULTS OF ANY SERVICES OR PRODUCTS HEREUNDER) ARISING UNDER THIS AGREEMENT, WHETHER BASED IN CONTRACT, TORT (INCLUDING NEGLIGENCE), OR OTHERWISE, EVEN IF THAT PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES; OR

(b) DAMAGES ARISING OUT OF THIS AGREEMENT BEYOND AN AMOUNT THAT EXCEEDS, IN THE AGGREGATE [***].

16.6.2 [***]

(a) [***].

(b) [***].

(c) [***].

[***].

16.6.3 [***].

16.6.4 [***].

(a) [***].

(b) [***].

(c) [***].

(d) [***].

16.7 Insurance. Each Party shall maintain the insurance coverages stated in Appendix N. For avoidance of doubt, each Party shall use Commercially Reasonable Efforts to research the opportunities for obtaining Product Liability insurance in accordance with Appendix N.

17. Marketing and Communications; Incident Response

17.1 Joint Marketing Committee. The Parties shall form a joint marketing committee to manage marketing and communications regarding the [HW Gen] AD Kit and the Parties' relationship and activities under this Agreement (the "Joint Marketing Committee"). The Parties will cooperate in good faith to develop and refine a long-term global communications and marketing strategy with respect to this Agreement and Continental's production of the [HW Gen] AD Kit. This strategy will include joint plans for multi-platform communications and announcements in a mutually agreed upon "Joint Communications Plan" in Appendix S as well as

principles under which each Party can pursue supplementary communications and announcements.

17.2 Public Announcement. The Joint Marketing Committee shall prepare, approve, and issue a mutually agreed-upon press release and talking points for the purpose of making an announcement within four (4) Business Days after the execution of this Agreement regarding the strategic partnership of the Parties set forth in this Agreement. Except as permitted by the foregoing, neither Aurora nor Continental may issue any other press release or provide any public comment, beyond the facts that are in the mutually agreed-upon press release and talking points. concerning the terms of this Agreement, the other Party, or the Parties' negotiations, without the prior written consent of the other Party.

17.3 Incident Response. By [***], the Parties shall develop a mutually-agreed Crisis Management Process ("Crisis Management Process") designed to guide public communications after any incident involving the [HW Gen] AD Kit that reasonably has the potential to cause imminent and substantial damage to Aurora or Continental's reputation or brands ("Incident") to be added to Appendix S. The Parties shall handle an Incident with the utmost discretion. Except as part of the agreed Crisis Management Process, no Party may make any public announcement, or otherwise release or provide any information or communication, concerning an Incident that directly or indirectly references the other Party or specifically refers to the Party's performance or obligations governed by this Agreement without prior express written consent from the other Party, unless such disclosure is required: (a) by a Customer; (b) by Applicable Law or Authority; or (c) for safety reasons.

18. Exchange of Information; Information Security

18.1 Previous Nondisclosure Agreement. After the Effective Date, the Parties shall treat all information and related materials directly or indirectly disclosed or accessed by a Party for the purposes of scoping this Agreement and in performance of this Agreement in accordance with this Section 18. [***].

18.2 Definitions. "Confidential Information" means all information and related materials of one Party (the "Disclosing Party") directly or indirectly disclosed to the other Party (the "Receiving Party") that is designated as "Confidential," "Proprietary," or similar designation, or which should reasonably be understood by the Receiving Party as being confidential in light of the circumstances of the disclosure or nature of the information or materials, including know-how, trade secrets, inventions, research, developments, computer programming code including software source code, and other Technology, product plans, pricing information, information concerning the management, business, strategy, operations and finances of the Disclosing Party, the business relationships and affairs of the Disclosing Party, the internal policies and procedures of the Disclosing Party, personal information regarding the Disclosing Party's

Personnel, and this Agreement. Confidential Information includes information disclosed verbally, visually, electronically, in writing, or in any tangible medium. Confidential Information includes information that is owned by the Disclosing Party's Affiliates or disclosed to the Disclosing Party by third parties.

18.3 Confidentiality Obligation. The Receiving Party shall:

18.3.1 not use Confidential Information without the prior written consent of the Disclosing Party except to exercise rights and fulfill obligations under this Agreement;

18.3.2 use the same degree of care that the Receiving Party uses to protect its own Confidential Information of like importance, but not less than reasonable care, to safeguard the Confidential Information, and to prevent any unauthorized access, reproduction, disclosure, or use of any of the Confidential Information other than as permitted under this Agreement;

18.3.3 limit disclosure of Confidential Information to: (i) officers, directors, Personnel, consultants and advisors of the Receiving Party who need to know the information in order to carry out its obligations or exercise its rights under this Agreement and who have executed agreements restricting that person's use and disclosure of the information on terms at least as restrictive as those set forth herein; (ii) Suppliers of the Receiving Party who reasonably need to know the Confidential Information in order for the Receiving Party to fulfill its obligations under this Agreement; and (iii) Suppliers of Aurora who reasonably need to know the Confidential Information for purposes of this Agreement; provided that for (ii) and (iii) the Supplier must agree in writing to protect the confidentiality of the Confidential Information on terms at least as restrictive as those in this Agreement; and

18.3.4 promptly notify the Disclosing Party in writing of any unauthorized use or disclosure of the Confidential Information, including a detailed description of the circumstances of the disclosure and the parties involved. Upon a Disclosing Party's written request, the Receiving Party shall provide the Disclosing Party with a list of its Suppliers with whom it has shared Confidential Information.

18.4 Required Disclosure.

18.4.1 Compelled Disclosures. If the Receiving Party receives an order or other compulsory instrument issued by or under the authority of a court or governmental agency that requests any Confidential Information, then unless prohibited by Applicable Law, the Receiving Party shall: (a) promptly provide the Disclosing Party with written notice of the existence, terms, and circumstances surrounding the order; (b) consult with the

Disclosing Party on the advisability of taking steps to resist or narrow the order; (c) if disclosure of Confidential Information is required, furnish only the portion of the Confidential Information as the Receiving Party is advised in writing by its counsel is legally required to be disclosed; and (d) cooperate with the Disclosing Party in the Disclosing Party's efforts to obtain an order excusing disclosure of the Confidential Information, or an order or other reliable assurance that confidential treatment will be accorded to the portion of the Confidential Information that is required to be disclosed.

18.4.2 Securities Disclosures. Each Party may comply with its securities disclosure obligations under Applicable Laws including referencing or disclosing this Agreement and its contents as required (a "Securities Disclosure"). In making a Securities Disclosure, each Party shall act in good faith to maintain the confidentiality of this Agreement and its contents to the greatest extent reasonably possible, consistent with all legal and regulatory obligations, and shall promptly provide the Disclosing Party with written notice of any Securities Disclosure it proposes to make.

18.5 Exceptions. The Receiving Party will not have any obligations under this Section 18 regarding information that: (a) the Receiving Party can demonstrate was known by the Receiving Party prior to receipt from the Disclosing Party; (b) properly came into the possession of the Receiving Party from a third party that was not under any obligation to maintain the confidentiality of the information; (c) has become publicly known through no act or fault on the part of the Receiving Party in breach of this Agreement, or has been made public by mutual agreement of the Parties; or (d) the Receiving Party can demonstrate was independently developed by or for the Receiving Party without the use of Disclosing Party's Confidential Information.

18.6 Equitable Relief. The Disclosing Party may seek any equitable remedy (including specific performance or other injunctive relief) from any court having jurisdiction, in addition to any other rights or remedies the Disclosing Party may have, to address a breach of this Section 18.

18.7 Confidentiality of Agreement; Responsibility for Personnel and Suppliers. Neither Party shall disclose the existence of, or any terms and conditions of, this Agreement without the prior written consent of the other Party, except: (a) to a limited number of advisors on a need-to-know basis only, under circumstances that will ensure the confidentiality thereof; or (b) pursuant to Section 18.4. Each Party is responsible for the observance by each person and entity to which such Party discloses Confidential Information of the obligations of this Section 18.

18.8 Independent Development. Except as explicitly stated in this Agreement, the Parties agree that their activities under this Agreement will not prohibit a Party from developing, or having developed for it, products, concepts, systems or

techniques that compete with the products, concepts, systems or techniques contemplated by or embodied in Confidential Information disclosed to it by the other Party under this Agreement, provided that the Receiving Party does not do so in breach of this Agreement, including Section 11, Section 12, and Section 18.

18.9 Return or Destruction of Confidential Information. Following a written request from the Disclosing Party, the Receiving Party, at its own cost, shall promptly return to Disclosing Party all documents and materials constituting Confidential Information, or at Disclosing Party's option, shall erase or destroy these documents and materials, except to the extent that, and only for so long as, any Confidential Information is reasonably necessary for Receiving Party to fulfill its surviving obligations or exercise its surviving rights under this Agreement. In addition, a Receiving Party may retain: (a) any electronic copies of Confidential Information as may be stored on its electronic records storage system as a result of automated backup systems or as may be otherwise required by Applicable Law or other regulatory requirements; and (b) a single confidential copy of all Confidential Information that may be retained by Receiving Party's internal legal counsel for the sole purpose of prosecuting or defending any matters which may arise from or relate to this Agreement. Upon request from the Disclosing Party, the Receiving Party shall provide a written certification signed by an executive officer of the Receiving Party that all the Confidential Information has been returned or destroyed in accordance with this Section 18.

18.10 Information Security. Continental shall, and shall cause its Suppliers to, comply with the security procedures specified on Appendix O. Continental hereby authorizes, and shall cause its Supplier to authorize, Aurora and/or Aurora's vendors or contractors (such vendors or contractors shall not include Continental competitors) to carry out security assessments against the [HW Gen] AD Kit and [HW Gen] Components. Such "security assessment" may include, without limitation, hardware disassembling, port-scanning, vulnerability scanning/checks, penetration testing, exploitation, web application scanning, as well as any injection, forgery, or fuzzing activity, either performed remotely against the assets or components being assessed, amongst/between such assets or components, or locally within the virtualized assets or components themselves, without any limitations or restrictions on the selection of tools or services to perform such security assessment.

18.11 No Disclosure to Chinese Entities. Continental may not disclose or provide any direct or indirect access to any Aurora Developed Technology, Aurora Sensitive Technology, Aurora Background Technology, or other Confidential Information of Aurora to any entity based in China. Further, and without limiting the foregoing, with respect to any direct or indirect disclosure made or access granted by or on behalf of Continental to an entity performing services for an entity based in China, Continental shall be responsible for ensuring and shall ensure that there are sufficient safeguards and other protections to prevent transfer, misuse, theft or

other misappropriation of any Aurora Developed Technology, Aurora Sensitive Technology, Aurora Background Technology, or other Confidential Information of Aurora.

18.12 Highly Confidential Information. The Disclosing Party may, acting reasonably and not for the purposes of avoiding other obligations set forth in this Agreement, mark certain of its Confidential Information as "Highly Confidential" prior to disclosure hereunder. Any such Highly Confidential Information shall only be disclosed by the Receiving Party (including any Affiliate, or its or their employees, officers, agents, consultants, sub-suppliers, contractors, customers, and advisers) to a third party upon receipt of written approval of the Disclosing Party authorizing its disclosure to the third party, which approval may include limitations on sharing to particular identified individuals/employees of the third parties or Suppliers and other reasonable data protection and data management restrictions and which approval may be revoked upon written notice. Without limiting the foregoing, the Parties will work together in good faith to establish a process for notifying a receiving Party about the designation of "Highly Confidential" Confidential Information. Notwithstanding the foregoing, except as otherwise mutually agreed between the Parties, marking materials as Highly Confidential shall not have any retroactive effect if such information had already been shared under this Agreement as ordinary Confidential Information.

19. Representations and Warranties

19.1 Representations and Warranties. Each Party represents and warrants for the duration of the Term and Support Term as follows:

19.1.1 Corporate Standing. The Party is a corporation or limited liability company duly formed, validly existing and in good standing under the laws of the jurisdiction of its formation and domicile. The Party is duly qualified to do business and is in good standing under the laws of each jurisdiction that its business, as currently being conducted, will require it to be so qualified.

19.1.2 Due Authorization; Enforceability. The Party possesses all requisite power and authority to enter into and perform its obligations under this Agreement. The Party's execution, delivery and performance of this Agreement have been duly authorized, and this Agreement has been duly executed and delivered and constitutes the Party's legal, valid and binding obligation, enforceable against such Party in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency and other legal principles pertaining to creditor's rights.

19.1.3 Governmental Authorizations. The Party is the holder of and is in compliance with all governmental authorizations required to permit it to enter into and perform its obligations under this Agreement.

19.1.4 No Violation of Law; Litigation. As of the Effective Date, the Party is not in violation of or alleged to have violated any Applicable Law, which violations, individually or in the aggregate, would affect its performance of any obligation under this Agreement, or its ability to grant the rights granted to the other Party under this Agreement. None of the execution, delivery, or performance of this Agreement or compliance with the terms and provisions hereof will result in the violation by that Party of any Applicable Law. As of the Effective Date, there is no litigation, nor are there any proceedings by or before any arbitrators, courts or other Authorities pending or, to its best knowledge, threatened against it which, if adversely determined, could reasonably be expected to have a material adverse effect on its financial condition, operations, prospects or business, or its ability to perform all of its obligations under this Agreement. [***].

19.1.5 No Breach or Consent Required. None of the execution, delivery, or performance of this Agreement, the consummation of the transactions contemplated, or compliance with the terms and provisions: (a) will conflict with or result in a breach of any agreement or instrument to which it is a party or by which it is bound or to which it or any of its assets are subject, or constitute a default under any agreement or instrument; or (b) require consent or approval of a third party or Authority.

19.1.6 Systems Security. The Party shall use Commercially Reasonable Efforts to ensure that electronic information exchanged by it to the other Party will not contain any viruses, worms, trojan horses, logic bombs, crippleware, cancelbots or other contaminants, spyware, malware, or any codes or instructions that may or will be used to access, modify, delete, corrupt, deteriorate, alter or damage any data, files or other computer programs used by the receiving Party or its Affiliates and, throughout the Term, it shall use Commercially Reasonable Efforts (including use of the commercially reasonable and currently updated anti-virus software) to avoid the introduction of any of the foregoing into any of the receiving Party or its Affiliates' computing environment.

19.1.7 Export Controls and Sanctions Laws Compliance. The Party is and shall continue to be, and cause its deliverables under this Agreement to be, in full compliance with: (i) all laws, rules or regulations relating to the export, re-export, or transfer of any goods, software, technology, or services that are administered or enforced by any applicable Authority including, the U.S. Department of State, the U.S. Department of Commerce, the U.S. Department of Treasury, a competent export control office within the European Union, and any member state thereof, and the United Kingdom ("Export Controls Laws"); and (ii) all laws, rules and regulations relating to economic sanctions administered or enforced by any applicable Authority including OFAC, the U.S. Department of State,

the United Nations Security Council, the European Union, and any member state thereof, and the United Kingdom ("Sanctions"). Neither the Party nor any officer, director, shareholder or employee of the Party is: (x) any Person that is subject to or target of Sanctions including any Person listed in any Sanctions-related list of designated persons or other restricted party list maintained by OFAC, the U.S. Department of State, the U.S. Department of Commerce, the United Nations Security Council, the European Union, and any member state thereof, the United Kingdom, or any other applicable Sanctions Authority (a "Sanctioned Person"); and (y) fifty percent (50%) or greater owned or otherwise controlled by, or acting for or on behalf of, a Sanctioned Person.

19.1.8 No Conflict of Interest**.** The Party (including the members of its board of directors) has no conflict of interest between performance of this Agreement and its performance under an agreement with any other party. If a Party believes that a conflict has arisen after the Effective Date, it shall immediately notify the other Party.

20. Term, Termination and Assurance of Supply

20.1 Term. The term of this Agreement (the "Term") will commence as of the Effective Date and, unless earlier terminated pursuant to this Agreement or [***], will continue until December 31, 2030. In the event of [***], the Term of this Agreement shall automatically be updated to end on [***]; provided, however, that in the event of [***], the Term will continue until December 31, 2030 and [HW Kit 1.1] will no longer be in the scope of this Agreement, unless Parties mutually agree in a writing signed by authorized representatives to extend the Term further and include [HW Kit 1.1].

20.2 Covered Generations. The Parties intend for the following Generations of the [HW Gen] AD Kit to be covered during the Term: (a) [HW Kit 0.9], (b) [HW Kit 1.0], and (c) [HW Kit 1.1] ("Covered [HW Gen]s"). For clarity, only the individual components of the [HW Kit 0.9] explicitly identified as in scope of the [HW Gen 0.9] Development Plan shall be considered a Covered [HW Gen] (i.e., the entire [Prev Gen HW] generation of the Aurora Driver hardware kit will not be considered a Covered [HW Gen]). The Parties will negotiate in good faith to further define [HW Kit 0.9] and [HW Kit 1.1] after the Effective Date. The Parties shall agree on the definition of [HW Kit 0.9] and any necessary additional terms applicable to such Generation in a Development Plan to be executed by the Parties in writing by the Finalization Date ("[HW Kit 0.9] Development Plan"). Once executed, the [HW Kit 0.9] Development Plan will be attached as Appendix T. In the event an [HW Kit 0.9] Development Plan is not executed by the Parties in writing by the Finalization Date, [HW Kit 0.9] shall be deemed automatically removed from the Covered [HW Gen]s definition without need for a formal amendment to be executed by the Parties.

20.3 Non Continuance of [HW Kit 1.1].

20.3.1 The Parties shall negotiate in good faith a Development Plan for Continental's development, provision, supply, and support of [HW Kit 1.1] ("[HW Kit 1.1] Development Plan"). The purpose of [HW Kit 1.1] is to pursue potential substantial improvement in performance, quality, and total cost of ownership of the [HW Gen] AD Kit. The [HW Kit 1.1] Development Plan shall include material technical and commercial terms, and an [HW Kit 1.1] target start of production date [***] and an [HW Kit 1.1] target end of production date of [***], unless otherwise agreed to by the Parties. Once executed, the [HW Kit 1.1] Development Plan will be attached as Appendix U.

20.3.2 In its sole discretion, Aurora may elect to extend [HW Kit 1.0] through the Term in lieu of pursuing [HW Kit 1.1] ("[HW Gen] 1.0 Extension"). If Aurora elects an [HW Gen] 1.0 Extension, the Covered [HW Gen]s shall be deemed automatically amended such that [HW Kit 1.1] is no longer included without need for a formal amendment to be executed by the Parties.

20.3.3 In the event (a) after good faith negotiations, the [HW Kit 1.1] Development Plan is not executed by [***] after approval by the Steering Committee at [***] ("[HW Kit 1.1] Definition Deadline") and (b) Aurora does not elect to pursue an [HW Gen] 1.0 Extension on or before the [HW Kit 1.1] Definition Deadline (such event in (a) a "Non Continuance of [HW Kit 1.1]"), then as of [***], the Term shall be deemed automatically amended to expire on [***] without need for a formal amendment to be executed by the Parties. In the event of a Non Continuance of [HW Kit 1.1], the Covered [HW Gen]s shall be deemed automatically amended such that [HW Kit 1.1] is no longer included without need for a formal amendment to be executed by the Parties. In event of a Non Continuance of [HW Kit 1.1], where there is also no [HW Gen] 1.0 Extension:

(a) Aurora shall pay Continental [***].

(b) [***].

20.3.4 Long Lead 1.1 Investments

(a) The Parties have intentionally set the [HW Kit 1.1] Definition Deadline later than the required kick-off date for [HW Kit 1.1] to be delivered in time to meet an SOP date for [HW Kit 1.1] of [***] to enable both Parties to have more information prior to making a binding decision on [HW Kit 1.1]. Accordingly, Continental will make certain investments in [HW Kit 1.1] mutually agreed to by the Parties prior to the [HW Kit 1.1] Definition Deadline ("Long

Lead 1.1 Investments"). The Parties will mutually agree to such Long Lead 1.1 Investments, including defining the applicable scopes of work, deliverables, and not to exceed amounts in a signed writing ("Long Lead 1.1 Investment Guidelines"), by [***]. Once executed, the Long Lead 1.1 Investment Guidelines will be attached as Appendix V.

(b) If the Parties execute an [HW Kit 1.1] Development Plan, the Long Lead Investments will be treated as Development Costs for [HW Kit 1.1] in such [HW Kit 1.1] Development Plan.

(c) In the event of (i) a Non Continuance of [HW Kit 1.1] or (ii) an [HW Gen] 1.0 Extension, Aurora will reimburse Continental for [***].

(d) For the avoidance of doubt, the exercise of a Non Continuance of [HW Kit 1.1] or [HW Gen] 1.0 Extension will not impact the Support Term for Covered [HW Gen]s.

20.4 Termination for Continental Breach or Insolvency. Aurora may terminate this Agreement by providing written notice of termination to Continental if Continental:

20.4.1 materially breaches this Agreement and the breach remains uncured at least [***] after receipt of notice of the breach, subject to the provisions of the Business Review Process set forth in Appendix K if applicable;

20.4.2 becomes insolvent or admits its inability to pay its debts generally as they become due, or becomes the subject of any insolvency or bankruptcy proceeding; or

20.4.3 is excused from its obligations to perform under this Agreement under Section 22.17 for forty-five (45) calendar days or longer.

20.5 Termination for Aurora Breach of Payment Obligations. Continental may terminate this Agreement by providing at least thirty (30) calendar days' written notice if Aurora fails to pay an undisputed amount owed to Continental under this Agreement and such non-payment remains uncured at least [***] after Aurora receives written notice of such failure from Continental. This right of termination shall not be limited in the event that Aurora becomes the subject of any insolvency or bankruptcy proceeding.

20.6 Early Termination by Aurora Upon its Change of Control. If Aurora undergoes a Change of Control on or before [***], Aurora or its Acquiror may elect to terminate this Agreement, in exchange for [***], by providing at least ninety (90) calendar days' written notice of termination.

20.7 Continuity and Assurance of Supply. All of the following will apply upon a Trigger Event or upon termination of this Agreement by Aurora pursuant to Section 20.4 and Aurora may elect its rights under any one or more of the following:

20.7.1 Transition Assistance. If requested by Aurora, Continental shall reasonably cooperate and assist in the transfer and transition of the supply of [HW Gen] Components to an alternative supplier identified by Aurora. Continental shall, at no additional cost to Aurora, (a) supply all information reasonably requested by Aurora regarding the provision of the [HW Gen] Components, including identification of all Suppliers, access by Aurora to Continental's manufacturing process (including on-site inspections by Aurora), Tooling, and process detail and samples, each as reasonably necessary to transfer the supply of [HW Gen] Components to an alternative supplier identified by Aurora and (b) as requested by Aurora, either (i) secure the express contractual right for Aurora to act as an authorized purchaser under Continental's contract(s) with Supplier(s) for the supply of [HW Gen] Component(s) that are identified by Aurora, whereby Aurora may issue purchase orders under such supply contract(s) for the provision of the applicable [HW Gen] Components that create and become separate contracts that incorporate the terms and conditions of such supply contract(s) or (ii) assign to Aurora Continental's contract(s) with Supplier(s) for the supply of [HW Gen] Component(s) that are identified by Aurora (collectively, "Transition Assistance"). Continental shall not be obligated to violate any confidentiality obligations with third parties in order to provide such Transition Assistance involving the third party. In such an event, Continental will use Commercially Reasonable Efforts to facilitate Transition Assistance. In the event Continental reasonably believes such a violation would occur, Continental will (a) use Commercially Reasonable Efforts to secure permission from the applicable third party to permit the applicable Transition Assistance and (b) allow a third-party auditor (who has signed a reasonable non-disclosure agreement) to review the obligation to verify that it does indeed exist, and report its findings to Aurora.

20.7.2 Continuation of Supply. Continental shall at the request of Aurora continue to supply [HW Gen] Components pursuant to the terms of this Agreement, including [***], during the entire period reasonably needed by Aurora to complete a transition of production (but not to exceed the shorter of [***]) including, upon Aurora's request, providing a sufficient bank of [HW Gen] Components necessary for the orderly transition without production interruption and until Aurora directs Continental to cease production. If Continental experiences any delivery, operational or quality problems, Aurora may, but is not required to, designate one or more representatives to be present in Continental's applicable facility to

observe Continental's daily operations related to the production of [HW Gen] Components for Aurora until the issues giving rise to request for observation have been resolved to Aurora's satisfaction.

20.7.3 Continued Production of OTS Components. For Continental's off-the-shelf components used in the [HW Gen] AD Kit (such as [***]), upon request by Aurora, Continental shall continue to provide those components to Aurora or its designee [***].

20.7.4 Continued Production of Quasi-Custom Components. For completed quasi-custom components, such as [***], upon request by Aurora, Continental shall provide those components to Aurora or its designee [***].

20.7.5 License of Necessary IP. Granted as of the Effective Date, Continental hereby grants to Aurora, solely exploitable upon a Trigger Event or Aurora's termination of this Agreement pursuant to Section 20.4, a non-exclusive, worldwide, royalty-fee and fully paid (except as explicitly set forth in this Section 20.7.5) license to all Continental Background IP, Continental Sensitive Technology and Continental Developed Technology as strictly necessary to continue the production and support of the [HW Gen] Components after such Trigger Event or termination. This license: (a) would continue for as long as reasonably needed by Aurora to continue producing and supporting [HW Gen] AD Kits; and (b) is sublicensable as Aurora may elect in order to continue such production and support for Aurora's and its Customers' use of [HW Gen] Components. For avoidance of doubt, such license shall only be used to support a Covered [HW Gen] covered under this Agreement.

20.7.6 Continental Resuming Production After Trigger Event. After Aurora has declared a Trigger Event and exercised its right pursuant to Section 20.7.1 to source some or all of the [HW Gen] Components outside of this Agreement, Aurora may subsequently require Continental to resume some or all of its production and supply under this Agreement upon commercially reasonable prior notice. In such an event, the Parties shall negotiate reasonably and in good faith a detailed plan for Continental to resume its duties.

20.8 No Withholding of Performance. Notwithstanding anything to the contrary contained herein, and even if a dispute arises between the Parties so long as the Parties are working in good faith, in accordance with this Agreement to resolve such a dispute, Continental shall not withhold the provision and support of [HW Gen] AD Kits or [HW Gen] Components or its performance of Services, or perform any other action that materially prevents, impedes, or reduces in any way the provision of [HW Gen] AD Kits or [HW Gen] Components, unless authority to do so is granted by Aurora or conferred by a court or arbitrator. For avoidance

of doubt, the following shall not be considered withholding of performance: (a) Continental halting development activities post termination in accordance with this Agreement, subject to Continental's obligations under Section 20.7 and subject to Continental completing PPAP for [HW Gen] Components that were within three (3) months of PPAP completion at the time of termination; (b) Continental failing to deliver Aurora's full order of any [HW Gen] AD Kits or [HW Gen] Components where such orders are subject to supply shortages due to a Force Majeure Event and Continental delivers to Aurora partial quantities based on Continental's reasonable allocation process used to supply Continental's OEM customers as defined in Appendix R; (c) Continental cannot perform due to a Force Majeure Event and Continental has followed the procedures of Appendix P; or (d) Continental withholds performance due to Aurora's non-payment for which Continental would otherwise have a termination right pursuant to Section 20.5.

20.9 Effects of Termination.

20.9.1 Upon Aurora's termination of this Agreement pursuant to Section 20.4.1 or 20.4.2, or payment of amounts due in Section 20.6, Aurora's obligation to reimburse Continental for Development Costs will terminate. In the event of Aurora's termination pursuant to Section 20.4.3, Aurora shall pay [***].

20.9.2 The termination of this Agreement will not release either Party from any outstanding obligations under this Agreement accruing prior to such termination, except as stated in Section 20.9.1, and will not limit a Party from pursuing any other remedies available to it.

20.9.3 The rights and obligations of the Parties that would by their nature continue beyond the expiration or earlier termination will survive any termination or expiration of this Agreement, including:

(a) Section 8 (Product Quality and Manufacturing Processes), Section 9 (Bailed Property; Software; and Security Procedures), Section 10.5 (Transferable Tooling), Section 12 (Intellectual Property Rights), Section 14 (Payment Terms; Records; Taxes) for amounts incurred prior to the expiration or earlier termination, Section 16 (Products Liability; Limited Warranty; Indemnity; Limitation of Liability; Insurance), Section 18 (Exchange of Information; Information Security), Section 19 (Representations and Warranties), Section 20.7 (Continuity and Assurance of Supply), Section 20.8 (No Withholding of Performance), Section 20.9 (Effects of Termination), Section 21 (Dispute Resolution; Arbitration), and Section 22 (Miscellaneous),

(b) For the duration of the Support Term of [HW Gen] AD Kits provided prior to such expiration or earlier termination only:

Section 3 (Production of [HW Gen] AD Kits), Section 6 (OEM Supply), Section 7 (Hardware Services), Section 13.1 (Relationship Management), Section 13.3 (Reports/Audits/Inspections), Section 15 (Regulatory Compliance), and Section 17 (Marketing and Communications; Incident Response),

(c) Appendix A (Definitions), Appendix I (Economic Framework and Price Per Mile Calculation) for amounts incurred prior to the expiration or earlier termination, Appendix M (Products Liability and Cybersecurity Liability Matters), Appendix N (Insurance Requirements),

(d) For the duration of the Support Term of [HW Gen] AD Kits provided prior to such expiration or earlier termination only: Appendix D (Authorized Vendor List), Appendix E (Directed Suppliers), Appendix H (AD Kit Costs), Appendix J (Hardware Services), Appendix K (Relationship Management), Appendix O (Security Procedures), Appendix P (Continental Disaster Recovery and Business Continuity Plans), Appendix Q (OEM Supply), Appendix S (Joint Communications Plan), Appendix W (Third Party Software Addendum), Appendix X (Codes of Conduct), Appendix Y (Software Update Process), and

(e) any other provision that, in order to give proper effect to the intent of such Section or Appendix in (a) or (b) above, should survive such expiration or termination.

20.9.4 The exclusivity obligations of Section 11 shall survive termination of the Agreement pursuant to Section 20.4 solely as set forth in Section 11.

21. Dispute Resolution; Arbitration

21.1 Dispute Resolution. Upon a dispute between the Parties relating to this Agreement (including their failure to agree on matters requiring mutual approval), except for disputes subject to Appendix M and subject to the provisions of the Business Review Process set forth in Appendix K if applicable, the Parties shall implement the following escalation procedure before either Party initiates arbitration or pursues other available remedies, except that either Party may: (a) seek injunctive relief from a court where appropriate (including in order to maintain the status quo) while this escalation procedure is being followed; or (b) initiate arbitration if the expiration of the statute of limitations for a cause of action is imminent (the "Dispute Resolution Process"):

21.1.1 A Party (the "Requesting Party") may invoke this Section 21.1 by submitting a notice to the other Party (the "Responding Party") and describing the matter in dispute (the "Disputed Matter") in such notice.

The Responding Party shall respond to this notice within five (5) Business Days after receipt and the Parties shall attempt to resolve the Disputed Matter in good faith.

21.1.2 If the Parties are unable to resolve the Disputed Matter within five (5) Business Days after the Responding Party's response, then the Requesting Party shall arrange a first meeting to be held at a mutually convenient time and place (in-person or via telephone or video conference) but in no event later than ten (10) Business Days after the end of this five (5) Business Day period. The Parties, including their respective Steering Committee members, shall participate in this first meeting and shall attempt to resolve the Disputed Matter in good faith.

21.1.3 If the Parties are unable to resolve the Disputed Matter within five (5) Business Days after the first meeting, then the Requesting Party shall arrange a second meeting to be held at a mutually convenient time and place (in-person or via telephone or video conference) but in no event later than thirty (30) Business Days after the end of this five (5) Business Day period, and the Chief Executive Officer and Steering Committee members of each Party shall attend this second meeting.

21.1.4 If the Parties are unable to resolve the Disputed Matter within five (5) Business Days after this second meeting, then either Party may commence confidential and binding arbitration in accordance with Section 21.2.

21.2 Arbitration. If no mutually acceptable settlement of such dispute is reached through the Dispute Resolution Process in Section 21.1, then the Parties agree that any dispute arising out of or in relation to this Agreement or the rights and obligations hereunder must be arbitrated in the English language before three arbitrators under the administration of Judicial Arbitration and Mediation Services, Inc. (JAMS) under its Comprehensive Arbitration Rules and Procedures and pursuant to the Expedited Procedures thereunder ("Rules"). Each Party shall appoint one arbitrator within fifteen (15) calendar days of receipt of the notice of the Party requesting arbitration and the arbitrators so selected shall, within fifteen (15) calendar days of their appointment, then select the third arbitrator. Upon failure of a Party (or the Parties) to appoint an arbitrator (or of the arbitrators selected to appoint a third arbitrator) as contemplated in the foregoing sentence, JAMS shall appoint the arbitrator. The seat of and location for the arbitration will be in Delaware. A Party may seek interim injunctive relief under these Rules and before any court having jurisdiction, and each Party hereby submits to the personal jurisdiction of any court reasonably chosen by the initiating Party for such purposes. The initiating Party shall reimburse the other Party's costs if the court declines jurisdiction. The arbitral panel will be empowered to grant injunctive relief upon application. Awards of the arbitral panel will be enforceable in any court having jurisdiction, and each Party hereby submits to the personal

jurisdiction of any court reasonably chosen by the enforcing Party for such purposes. The enforcing Party shall reimburse the other Party's costs if the court declines jurisdiction.

22. Miscellaneous

22.1 Governing Law; Venue. This Agreement and the rights and obligations of the Parties under this Agreement are governed by and construed in accordance with the laws of the State of Delaware, without giving effect to the principles thereof relating to the conflicts of laws, and excluding the United Nations Convention on Contracts for the International Sale of Goods. All disputes hereunder must be resolved by the binding arbitration provisions stated in Section 21.2 to the maximum extent permitted by Applicable Law, except that either Party may elect to seek injunctive or similar relief in any court having jurisdiction over the other Party.

22.2 Anti-Bribery. Each Party shall comply with all applicable commercial and public anti-bribery Applicable Laws in connection with this Agreement, including the U.S. Foreign Corrupt Practices Act of 1977, the UK Bribery Act of 2010, all of which in general prohibit corrupt offers of anything of value, either directly or indirectly to anyone, including Government Officials, to obtain or keep business or to secure any other improper commercial advantage. "Government Officials" include any government employee; candidate for public office; and employee of government-owned or government-controlled companies, public international organizations, and political parties. Furthermore, neither Party will make any facilitation payments, which are payments to induce officials to perform routine functions they are otherwise obligated to perform. Each Party shall use all Commercially Reasonable Efforts to comply with the other Party's due diligence process related to compliance with Applicable Laws, including providing requested information.

22.3 No Discrimination. Neither Party will discriminate on the basis of age, race, creed, color, religion, sex, sexual orientation, gender identity, national origin, disability, marital or veteran status, or any other basis that is prohibited by Applicable Law, in connection with this Agreement.

22.4 Aurora and Continental Supplier Code of Conduct. The Parties have implemented Codes of Conducts, as attached as Appendix X to this Agreement (hereinafter "CoC") that as of the Effective Date are substantially equivalent in content and scope. The Parties acknowledge and agree that neither Party requires the other to adhere to such Party's CoC. The Parties further acknowledge and agree that they have the authority to bind their respective subsidiaries to the terms and conditions of this Agreement. The Parties agree to adhere to their own CoC in all business relations with the other Party and they expect their business partners to adhere to similar standards of ethical behavior; provided that in the event of a conflict between this Agreement and the applicable CoC, the terms of this

Agreement shall apply with respect to the Parties' performance of this Agreement. Furthermore, if needed for compliance purposes, the Parties will, acting reasonably and in good faith, provide documentation intended to verify that a Party is complying with its respective CoC. Each Party shall have the right to make reasonable changes to their respective CoC and will provide any such updated CoC upon request.

22.5 Waiver and Amendment. No modification, amendment or supplement to, or waiver of any provision of, this Agreement will be effective unless in writing, specifying the Sections of this Agreement being affected, and signed by an authorized representative of each Party (i.e., President/CEOs (or other officer(s) to whom the President/CEO has delegated such authority in writing)). No failure or delay by either Party in exercising any right, power or remedy under this Agreement will operate as a waiver of any such right, power or remedy, nor will any single or partial exercise of any right, power or remedy hereunder preclude any other or further exercise thereof or the exercise of any other right, power or remedy.

22.6 Assignment. Neither Party may assign this Agreement or any of its rights, or delegate any of its obligations, under this Agreement without the prior written consent of the other Party, except Aurora may assign this Agreement, together with all of its rights and obligations under this Agreement, without Continental's written consent, to its successor entity, whether by merger, reincorporation, reorganization, sale of all or substantially all of its assets or otherwise. Any purported or attempted assignment, transfer or delegation in violation of this Section is void and will have no force or effect. No transfer (including to a successor or Affiliate) will relieve the transferring Party of any of its obligations under this Agreement unless the non-transferring Party enters into a novation releasing the transferring Party of its obligations hereunder, which shall be in the non-transferring Party's sole discretion.

22.7 Notices. All notices, notifications, requests, demands or determinations for termination or damages or claims provided by either Party must be in English, in writing and delivered in hard copy by one of the following methods, and will be deemed delivered upon receipt: (a) by hand, (b) by a reputable express courier with a reliable system for tracking delivery, or (c) by registered or certified mail, return receipt requested, postage prepaid. Unless otherwise notified, notices will be delivered as follows:

If to Continental:
[***]

If to Aurora:
[***]

Normal operating business communications will be sent by e-mail or first class mail, which need not be confirmed by registered mail, and will be addressed to individual contacts at the respective Party as agreed in advance by the Parties from time to time.

22.8 Independent Contractors. The Parties are independent contractors. Neither Party will be deemed to be a joint venturer, agent, partner or legal representative of the other for any purpose and neither Party will have any right, power, or authority to create any obligation or responsibility on behalf of the other Party unless that Party specifically consents in writing.

22.9 Performance Through Affiliates and Contractors. Continental shall not use any Affiliate operating outside [***] without explicit written permission from Aurora. Each Party will be fully responsible to the other Party for the acts and omissions of all parties acting on its behalf. Notwithstanding the foregoing, neither Party shall retain or utilize Affiliates or Suppliers in contravention of an express provision of this Agreement that prohibits such retention. Continental hereby waives, and releases Aurora Indemnified Parties from any liability resulting from any and all Supplier Claims brought against Continental.

22.10 Severability. If any provision of this Agreement is held to be invalid or otherwise unenforceable by a court, there will be added automatically as a part of this Agreement a new provision as similar in terms to the invalid or unenforceable provision as may be possible. The remaining provisions of this Agreement will remain in full force and effect.

22.11 Complete Understanding. Except as otherwise expressly provided in this Agreement, this Agreement and the attached Appendices constitutes the final, complete and exclusive agreement between the Parties with respect to the subject matter hereof, and supersedes all prior or contemporaneous agreements or understanding, whether verbal or written. [***].

22.12 No Conflicting Terms. In ordering and invoicing hereunder, Aurora and Continental may use their standard forms, but no terms or conditions stated in any such forms will apply or otherwise be construed to amend, modify, or add to the terms of this Agreement.

22.13 Further Assurances. Each Party shall execute and deliver the additional documents and take the further actions as may be reasonably required to carry out the provisions of this Agreement and give effect to the transactions contemplated hereby.

22.14 Third Party Beneficiaries. This Agreement is for the sole benefit of the Parties and their respective successors and permitted assigns and, except for the rights of the Aurora Indemnified Parties and Continental Indemnified Parties under Section 16, nothing herein, express or implied, is intended to or will confer upon any other Person any legal or equitable right, benefit or remedy.

22.15 Cumulative Remedies. All rights and remedies provided in this Agreement are cumulative and not exclusive, and the exercise by a Party of any right or remedy does not preclude the exercise of any other rights or remedies that are available at law, in equity, or otherwise.

22.16 Construction. The word "including" is not intended to be exclusive and means "including, but not limited to." The word "or" is not intended to be exclusive unless the context clearly requires otherwise. All references to an Appendix in this Agreement will include subsequent iterations of that same Appendix. For example, a reference to Appendix B will mean Appendix B-1, Appendix B-2, Appendix B-3, and so forth. Each Party and its counsel have carefully reviewed this Agreement, and, accordingly, no rule of construction to the effect that any ambiguities in this Agreement are to be construed against the drafting Party will apply in the interpretation of this Agreement. The Parties intend that: (a) the Main Agreement Terms, the Appendices, and the other written exhibits or attachments executed by the Parties under this Agreement, be interpreted as an integrated whole; and (b) an Appendix or other executed document under this Agreement will not be interpreted to modify a provision of the Main Agreement Terms unless it specifically identifies the section number of the provision and states the nature of the modification. In the event of any conflict between the documents constituting this Agreement, such documents shall be read and interpreted in such a way as to give the maximum effect to all such documents; provided, however, that in the event of an irreconcilable conflict, the Main Agreement Terms shall take precedence over the Appendices. Notwithstanding the foregoing, in the event of an irreconcilable conflict, any amendments to this Agreement and/or the Appendices shall take precedence based on their recency of execution (i.e., documents executed most recently shall take precedence) provided however, for the avoidance of doubt, that the Main Agreement Terms (and any amendments to the Main Agreement Terms) shall always take precedence over the Appendices (including any more recent amendments to the Appendices).

22.17 Force Majeure Event. Except for Continental's failure to implement and maintain the procedures set forth in Appendix P, neither Party will be in breach of this Agreement on account of any delay or failure to perform as required by this Agreement to the extent that the delay or failure to perform is due to a Force Majeure Event; provided, that: (a) the affected Party provides timely notice of any event or circumstance that it believes is or might become a Force Majeure Event, and in no event later than five (5) calendar days following actual knowledge of the condition; and (b) the affected Party must use all Commercially Reasonable Efforts to mitigate the effects of the Force Majeure Event. The suspension of performance will be of no greater scope and of no longer duration than is reasonably required by the Force Majeure Event. No obligations of the affected Party that arose before the occurrence of the Force Majeure Event will be excused as a result of the occurrence. When the affected Party is able to resume

performance of its obligations under this Agreement, it shall give the other Party notice to that effect and shall promptly resume performance.

22.18 Counterparts; Electronic Copies. This Agreement may be executed in counterparts, each of which will constitute an original, and all of which will constitute one agreement. Delivery of an executed counterpart by facsimile, electronic mail in portable document format (.pdf), or by any other electronic means intended to preserve the original graphic and pictorial appearance of a document, has the same effect as delivery of an executed original of this Agreement.

[*Signature Page Follows*]

IN WITNESS WHEREOF, by affixing their signatures below, the Parties through their duly authorized representatives execute this Agreement.

AURORA INNOVATION, INC.

By: /s/ Chris Urmson
Name: Chris Urmson
Title: CEO
Date: 4/26/2023

AURORA OPERATIONS, INC.

By: /s/ Chris Urmson
Name: Chris Urmson
Title: CEO
Date: 4/26/2023

CONTINENTAL AUTOMOTIVE TECHNOLOGIES GMBH

By: /s/ Andreas Listl
Name: Andreas Listl
Title: Managing Director
Date: 4/26/2023

By: /s/ Nicole Werner
Name: Nicole Werner
Title: Managing Director
Date: 4/26/2023

CONTINENTAL AUTONOMOUS MOBILITY GMBH

By: /s/ Frank Petznick
Name: Frank Petznick
Title: Managing Director CAM GmbH
Date: 4/26/2023

By: /s/ Marcel Geisler
Name: Marcel Geisler
Title: Managing Director ADC GmbH
Date: 4/26/2023

APPENDIX A

DEFINITIONS

"A Level Component"	[***]
"Acquiror"	is defined in the definition of Change of Control.
"ADAS ROFN Period"	is defined in Section 11.9.
[***]	[***]
"ADAS System"	means any technology or system (including all related hardware, software and other components) that enables a Vehicle to achieve SAE Level 1 through SAE Level 3, or that is designed or engineered to enable a Vehicle to achieve SAE Level 1 through SAE Level 3, but that is not a SAE Level 4 System.
[***]	[***]
[***]	[***]
"Addition"	is defined in Section 9.6.
"Affiliate"	Affiliate of a Person means: (i) in the case of Aurora, [***]; and (ii) in the case of Continental, [***] [***] If after the Effective Date a Person ceases to satisfy this definition with respect to a Party, it will cease to be treated as an Affiliate under this Agreement and will not have any obligations or rights under this Agreement, except that such Person will continue to be treated as an Aurora Indemnified Party or Continental Indemnified Party, as applicable. If after the Effective Date a Person satisfies this definition with respect to a Party it will be treated as an Affiliate in all respects for as long as it satisfies this definition.
"Agreement"	means the Main Agreement Terms, the Appendices, and the other written exhibits or attachments executed by the Parties under this Agreement.
"Applicable Law"	means the laws of any Authority having jurisdiction over the applicable matters, including the laws and regulations of each applicable country and any political subdivision thereof.
"Apportionment Proceeding"	is defined in Appendix M.
"[HW Gen] 1.0 Extension"	is defined in Section 20.3.2.
"[HW Gen] AD Kit"	means the combination of all Integrated Modules, made up of [HW Gen] Components, to implement a Covered [HW Gen] of the Aurora Driver on a Vehicle.
"[HW Gen] AD Kit Costs"	is defined in Section 3.6.

"[HW Gen] Component" or "[HW Gen] AD Kit Component"	is defined in Section 2.1. Where applicable, a reference to [HW Gen] Components may include one or more distinct [HW Gen] Components or the applicable Integrated Module or [HW Gen] AD Kit as a whole.
"[HW Kit 0.9]"	means a subset of the Aurora Driver hardware kit that precedes [HW Kit 1.0] and is concurrent with Aurora's [Prev Gen HW] Vehicle program. The Parties will mutually agree on which [HW Gen] Components or Integrated Modules for [HW Kit 1.0] can be made available to source during the [Prev Gen HW] generation, and such [HW Gen] Components or Integrated Modules shall be deemed the "[HW Kit 0.9]". The final definition of this generation of Aurora Driver hardware kit will be in Appendix T: [HW Gen 0.9] Development Plan with the scope of work defined by additional component development plans in Appendix T which will supersede this definition once executed.
"[HW Kit 0.9] Development Plan"	is defined in Section 20.2.
"[HW Gen] Component Development Plans"	means Appendices C-02 through C-19
"[HW Kit 1.0]"	means the set of components, deliverables, and requirements for the Aurora Driver hardware kit generation defined in Appendix C-01, with additional [HW Gen] Component Development Plans contained in [HW Kit 1.0] defined in Appendices C-02 to C-19. These development plans shall be finalized by the C01-M1 Continental Milestone with subsequent changes managed in accordance with this Agreement. The timing for this Aurora Driver hardware kit generation is defined in Appendix F in Continental Milestones C01-M2 to C01-M9 and the production life of the Vehicle generation spans through [***].

"[HW Kit 1.1]"	means the Aurora Driver hardware kit generation that immediately succeeds [HW Kit 1.0] that constitutes a major update (ie., not minor bug fixes, individual [HW Gen] Component replacements, etc.) from [HW Kit 1.0]. Such major update is intended to achieve a material improvement (cost, performance, reliability, and/or other factors) from [HW Kit 1.0] to improve the business case of the Aurora Driver. Potential targeted improvements include reducing the total cost of ownership, enabling ODD expansions, reducing operational and service costs and time required, and addressing any issues found in the field in [HW Kit 1.0]. The business case improvements enabled by all new [HW Kit 1.1] AD Kit Components should enable Aurora and Continental to remain competitive in the marketplace and continue expanding the Aurora Offerings. Aurora and Continental will jointly determine the scope of this program, considering the overall commercial benefits in relation to the required investment for change, in the [HW Kit 1.1] Development Plan. At signing, the reference timing for this generation of the Aurora Driver hardware kit, also called [***], is provided in Appendix C-01 in milestones [***]. The final definition of this generation of Aurora Driver hardware kit will be in Appendix U-01: [HW Kit 1.1] Development Plan with the scope of work defined by additional component development plans in Appendix U, which will supersede this definition upon execution of the [HW Kit 1.1] Development Plan.
"[HW Kit 1.1] Definition Deadline"	is defined in Section 20.3.3.
"[HW Kit 1.1] Development Plan"	is defined in Section 20.3.1.
"Authority"	means any statutory, governmental, public, or quasi-public authority at any level (including central, state, local government or municipal) of the applicable jurisdiction.
"Aurora"	is defined in the preamble.
"Aurora Services"	means Aurora's suite of tools, systems, and operational support that integrates an Aurora Offering into a customer's business
"Aurora Defended Claim"	is defined in Section 16.3.1.
[***]	[***]

"Aurora Driver"	means the software, data services, and hardware, including the sensors, computer, and the network connections, and components required for their support, mounting or integration, used by Aurora to enable autonomous functionality.
"Aurora Offerings"	means Aurora's subscription offering for driving tasks, including access to the Aurora Driver and Aurora Services, including Aurora's Aurora Horizon and Aurora Connect offerings.
"Aurora Horizon"	means Aurora's subscription offering for driving tasks within supported trucking applications, including access to the Aurora Driver and Aurora Services.
"Aurora Connect"	means Aurora's subscription offering for driving tasks within supported passenger car applications, including access to the Aurora Driver and Aurora Services.
[***]	[***]
"Aurora Indemnified Parties"	means Aurora Innovation, Inc. and its Affiliates and their respective partners, shareholders, members, officers, directors, employees, agents, and Customers.
"Aurora Key Personnel"	is defined in Section 13.2.2.
"Aurora Lidar"	is defined in the definition of [***].
"Aurora Milestones"	is defined in Section 4.2.
"Aurora Responsibilities"	is defined in Appendix M.
[***]	[***]
"Aurora Services"	means the suite of tools, systems, and operational support that integrates Aurora Horizon or Aurora Connect into a Customer's business.
"Aurora Software"	is defined in Section 9.3.
"AVL"	means the approved vendor list, which will include manufacturer, part number, and distributor.
"B Level Component"	[***]
"Background Technology"	means, with respect to a Party, all Technology authored, invented or developed by that Party prior to or independent of this Agreement.
"Bailed Property"	is defined in Section 9.1.
"Bespoke [HW Gen] Component"	[***]
"Buffer Period"	is defined in Appendix F.
"Business Day"	means a day other than a Saturday, Sunday, bank holiday, or a public holiday in the United States of America.
"Business Review Process"	defined in Appendix K.
"C Level Component"	[***]

"Change of Control"	means any transaction, or series of transactions, in which: (a) a Person or group of Persons ("Acquiror") that immediately prior to such transaction or series of transactions did not Control a Party subsequently obtains Control of such Party by any means, including by operation of law, stock purchase or sale, merger, or other form of corporate transaction, but expressly excluding: (i) any Control obtained by an Acquiror that was an Affiliate of such Party immediately prior to such transaction or series of transactions; and (ii) an initial public offering or similar event; or (b) all or substantially all of the assets of a Party are sold or transferred (whether directly or indirectly, including by exclusive license) to any Acquiror, but expressly excluding any Acquiror that was an Affiliate of such Party immediately prior to such transaction or series of transactions.
"Claim"	means any third party action, suit, arbitration, claim, threat of claim, notice of intent to file claim, or notice that a Person is contemplating the filing of a claim and the like.
"CoC"	is defined in Section 22.4.
"Commercially Reasonable Efforts" or "commercially reasonable efforts"	means diligently, promptly and in good faith taking all actions which are reasonable, necessary and appropriate to accomplish the objective (given the totality of the circumstances) requiring the use of commercially reasonable efforts, but shall not include any obligation (a) to make any payment, incur any costs, commit available resources, or forego the receipt of any payment, which in any case is unreasonable in amount in light of the required objective, (b) to initiate any lawsuit or other proceeding to achieve the required objective, or (c) to take any action which is unlawful.
"Computer System"	is defined in Appendix M.
"Confidential Information"	is defined in Section 18.2.
"Continental"	is defined in the preamble.
[***]	[***]
[***]	[***]
"Continental Defended Claim"	is defined in Section 16.4.1.
[***]	[***]
[***]	[***]
"Continental Indemnified Parties"	means Continental AG and its Affiliates and their respective partners, shareholders, members, officers, directors, employees, and agents.
"Continental Key Personnel"	is defined in Section 13.2.1.
"Continental Milestones"	is defined in Section 4.1.

[***]	[***]
"Continental Responsibilities"	is defined in Appendix M.
[***]	[***]
"Continental Software"	is defined in Section 9.4.
"Control"	means (a) the direct or indirect ownership or control of greater than fifty percent (50%) of the voting stock or other voting ownership interest of a party, or (b) the sole power to elect, appoint, or cause the election or appointment of, directly or indirectly, at least a majority of the members of the board of directors (or such other governing body that exercises a similar level of control) of a Party.
"Copyleft Materials"	is defined in Section 2.5.
"Covered [HW Gen]s"	is defined in Section 20.2.
"Covered Matter"	is defined in Appendix M.
"Crisis Management Process"	is defined in Section 17.3.
"Critical Company"	is defined in Sections 11.13.3(a) and 11.13.3(b), as applicable.
"Customer"	means any: (a) customer or potential customer (including an OEM) for the supply of [HW Gen] AD Kits; (b) customer or potential customer for the supply of Vehicles with an [HW Gen] AD Kit installed; or (c) end user of a Vehicle with an [HW Gen] AD Kit installed.
"Customer Identification"	is defined in Section 8.11.2.
"Cybersecurity Liability Matters"	is defined in Appendix M.
"Deliverables"	is defined in Section 2.3.
"Delivery Date"	is defined in Section 6.6.5.
"Developed Technology"	means the Aurora Developed Technology, the Continental Developed Technology, and the Jointly Developed Technology.
"Development Costs"	is defined in Section 2.7.
"Development Plan(s)"	is defined in Section 2.1.
"Development Services"	is defined in Section 2.2.
"Directed Buy Component"	means an [HW Gen] Component subject to a RASI F (i.e., RASI in Appendix B-6) pursuant to the applicable Development Plan.
"Directed Suppliers"	is defined in Section 3.2.1.
"Disclosing Party"	is defined in Section 18.2.
"Dispute Resolution Process"	is defined in Section 21.1.
"Disputed Matter"	is defined in Section 21.1.1.
"Effective Date"	is defined in the preamble.
"ECO"	is defined in Section 3.5.2.
"Epidemic Failure"	is defined in Section 8.13.1.

[***]	[***]
"Export Controls Laws"	is defined in Section 19.1.7.
"Feedback"	is defined in Section 12.6.
"Final Repudiation Award Amount"	is defined in Section 16.6.4(b).
"Firmware"	means software, in source code or object code format, installed on and intended for use on a hardware component for the purpose of allowing the intended function of such hardware component.
"FMVSS"	means Federal Motor Vehicle Safety Standards, as defined in 49 U.S.C. § 30102.
"Force Majeure Event"	[***]
[***]	[***]
"Generally Accepted Industry Standard(s)"	is defined in Section 2.3.
"Government Officials"	is defined in Section 22.2.
"Hardware Services"	is defined in Section 3.1.
"Incident"	is defined in Section 17.3.
"Incoterms"	means the terms defined in the 2020 edition of the Incoterms published by the International Chamber of Commerce, publication number 715S. If the terms of this Agreement are inconsistent with or in conflict with the provisions of the Incoterms, then the terms of this Agreement will prevail.
"Integrated Module"	means an [HW Gen] Component or grouping of [HW Gen] Components that represents a stand-alone module that has set and controlled interfaces directly with the OEM Vehicle platforms, which will be developed, validated, PPAP'd, manufactured, tested/calibrated on the manufacturing line, flashed with the correct software image, delivered to OEM plants, and maintained as service stock at distributed service locations as set forth in this Agreement.
"Intellectual Property Rights"	means all patent rights, registrations, and application, copyright rights, registrations, and applications, mask works, rights in trade secrets, database rights, moral rights, and any other intellectual property rights (registered or unregistered) throughout the world, as may exist now and/or hereafter come into existence, excluding trademarks.
[***]	[***]
[***]	[***]
"IP Steering Committee"	is defined in Section 12.1.
"Joint Marketing Committee"	is defined in Section 17.1.

"Jointly Developed Technology"	means any Technology that is authored, invented or developed jointly by Personnel or agents of both Parties in the course of and in connection with their performance under this Agreement. Whether Technology is solely or jointly (a) invented will be determined by the rules for inventorship under U.S. patent laws; and (b) authored will be determined by the rules for authorship under U.S. copyright laws.
"Jointly Owned Technology"	is defined in Section 12.3.3.
"L4 Entity"	[***]
"L4 ROFN Period"	is defined in Section 11.6.
[***]	[***]
[***]	[***]
[***]	[***]
"Listings"	is defined in Section 8.12.
"Liquidated Damages Amount"	is defined in Section 6.6.3.
"Long Lead 1.1 Investments"	is defined in Section 20.3.4(a).
"Long Lead 1.1 Investments Guidelines"	is defined in Section 20.3.4(a).
"Losses"	means all damages, settlements and fines, and all related costs, expenses, and other charges incurred as a result of a Claim (including reasonable attorneys' fees incurred prior to the indemnifying party assuming the defense of and responsibility for the Claim).
"Main Agreement Terms"	means Sections 1 through 22 of the Strategic Partnership Agreement.
"Milestones"	means Continental Milestones and Aurora Milestones.
"Materials List"	is defined in Section 3.4.
"MOQ"	is defined in Section 3.4.
[***]	[***]
[***]	[***]
"Non Continuance of [HW Kit 1.1]"	is defined in Section 20.3.3.
"OEM"	means a Person that designs, engineers and manufactures Vehicles.
"OEM Supply Agreement"	is defined in Section 6.1.
"OFAC"	means the Office of Foreign Assets Control of the US Department of the Treasury.
"Open Source"	is defined in Section 2.5.
"Order"	is defined in Section 6.6.5.
"Party" or "Parties"	is defined in the preamble.

"Perception"	means Software that detects and classifies objects on the road, while also estimating their speed, heading, and acceleration over time, including through the fusion of data from sensors.
[***]	[***]
"Person"	means an individual, corporation, partnership, joint venture, limited liability company, governmental authority, unincorporated organization, trust, association, or other entity.
"Personnel"	means all employees and Supplemental Workers of a Party (or its Affiliates) in performance of that Party's obligations under this Agreement.
"PPAP"	is defined in Section 8.14.
[***]	is defined in 22.11.
"Production Services"	is defined in Section 3.1.
"Products Liability Matter"	is defined in Appendix M.
"Product Warranties"	is defined in Section 3.7.
[***]	[***]
"QBR"	means quarterly business review.
"Quality Standards"	is defined in Section 8.3.
"Recall"	is defined in Section 8.15.1.
"Receiving Party"	is defined in Section 18.2.
"Regulatory Change"	is defined in Section 3.5.3.
"Reimbursement Authorization"	is defined in Section 10.2.
"Requesting Party"	is defined in Section 21.1.1.
"Responding Party"	is defined in Section 21.1.1.
"Restricted Technology"	is defined in Section 15.3.3.
"Rules"	is defined in Section 21.2.
"SAE Level 1"	means Level 1 autonomous Vehicle functionality as defined by SAE International.
"SAE Level 2"	means Level 2 autonomous Vehicle functionality as defined by SAE International.
"SAE Level 3"	means Level 3 autonomous Vehicle functionality as defined by SAE International.
"SAE Level 4"	means Level 4 autonomous Vehicle functionality as defined by SAE International.
"SAE Level 4 System"	means any technology or system (including all related hardware, software and other components) that enables a Vehicle to achieve SAE Level 4 or SAE Level 5 or that is designed or engineered to enable a Vehicle to achieve SAE Level 4 or SAE Level 5.
"SAE Level 5"	means Level 5 autonomous Vehicle functionality as defined by SAE International.

"Sanctioned Person"	is defined in Section 19.1.7.
"Sanctions"	is defined in Section 19.1.7.
"Scrap"	is defined in Section 3.12.
"Securities Disclosure"	is defined in Section 18.4.2.
"Service Parts"	is defined in Section 3.11.
"Services"	means Development Services, Hardware Services, Support Services and Production Services.
"Significant Change"	is defined in Section 3.3.
"Software"	means computer software source code and executable code, including Firmware.
"SOP"	means start of production (commercial volumes not samples) of the applicable Aurora AD Kit generation in accordance with this Agreement, as defined in Appendix F, unless amended by the Parties in accordance with this Agreement.
"Specifications"	means the specifications in the Development Plans, which will include all [HW Gen] Component specifications and the production environment, testing, packaging, AVL, and delivery requirements, and any Continental specifications approved by Aurora, all as they may be modified from time to time in accordance with this Agreement.
"SQM"	means Aurora's Supplier Quality Manual.
"Standard RASIs"	is defined in Section 2.1.
"Steering Committee"	is defined in Appendix K.
"Subcomponent Set"	means an aggregated list of subcomponents describing a functional group. Such subcomponents can be A, B or C Level Components.
"Supplemental Workers"	means a person who is employed by a third party that is engaged by a Party (or its Affiliates) to perform services for such Party (or its Affiliates).
"Supplier"	means a supplier or contractor engaged by a Party (or its Affiliates) to perform a Party's obligations under this Agreement, including the supply of Tooling, materials, and components for the [HW Gen] Components. To clarify, Continental's Suppliers include the suppliers and contractors set forth in the AVL.
"Supplier Claim"	means a Claim brought by a Supplier against any Person.
"Support Services"	is defined in Appendix J.
"Support Term"	is defined in Section 3.11.
"Technical Data"	is defined in Section 8.5.
"Technical Information"	is defined in Section 8.5.

"Technology"	means the following: (a) works of authorship including notes and records, documentation and computer programs, whether in source code or executable code form; (b) inventions (whether or not patentable), discoveries and improvements; (c) proprietary and confidential information and know how; (d) databases, data compilations and collections and technical data; (e) algorithms, methods and processes; and (f) devices, prototypes, designs and schematics. General business information that is non-technical will not be deemed Technology for the purposes of this Agreement.
"Term"	is defined in Section 20.1.
"Third Party Materials"	is defined in Section 2.4.1.
"Tooling"	means the jigs, dies, gauges and other tools that are necessary for the manufacture and assembly of the [HW Gen] Components, and all related documentation.
"Transferable Tooling"	is defined in Section 10.5.
"Transition Assistance"	is defined in Section 20.7.1.
"Trigger Event"	[***]
"Utilize"	includes: (a) the right to make, have made, use, offer for sale, sell, and import, products and services; and (b) the right to copy, distribute, and make derivative works of, products and services; in each case subject to the terms of Section 12.
"Vehicle"	means a motor vehicle.
[***]	[***]
"Warranty Period"	[***]
"Warranty Start Date"	is defined in the definition of Warranty Period.

5 June, 2023

David Maday

via Aurora Operations, Inc.

Dear David,

This letter agreement (the "**Agreement**") is entered into between David Maday ("**you**") and Aurora Operations, Inc. ("**Aurora**" or "**we**"), effective as of the date signed below (the "**Effective Date**"), to confirm the terms and conditions of your employment with Aurora.

1. *Title/Position*. Subject to approval of the Board of Directors of Aurora Innovation, Inc. ("**Parent**"), you will serve as Aurora's Chief Financial Officer. In this role, you will report to Aurora's Chief Executive Officer and will perform the duties and responsibilities customary for such position and such other related duties as are lawfully assigned. By signing this Agreement, you confirm that you continue to have no contractual commitments or other legal obligations that would prohibit you from performing your duties for Aurora.

2. *Base Salary*. Effective upon your appointment as Chief Financial Officer, your annual base salary will be $500,000, which will be payable, less any applicable withholdings, in accordance with Aurora's normal payroll practices. Your annual base salary will be subject to review and adjustment from time to time by the Compensation Committee (the "**Committee**") of the Board of Directors of Parent, as applicable, in its sole discretion.

3. *Annual Bonus*. Effective for the annual bonus paid in 2024, you will continue to be eligible to receive a target annual bonus equal to 40% of your annualized salary from the preceding calendar year. This bonus is payable in the sole discretion of the Committee, and will be determined based on your individual and Aurora's overall performance. It will be subject to all applicable deductions and withholdings, and to the extent permitted by applicable law, you must be employed by Aurora at the time the bonus is paid in order to be eligible to receive it. Your annual bonus opportunity and the applicable terms and conditions may be adjusted from time to time by the Committee, in its sole discretion.

4. *Equity Awards*.

   a. In connection with your appointment as Chief Financial Officer, it will be recommended to the Committee that you be granted (a) an award of restricted stock units covering 750,000 shares of Parent's Class A Common Stock (the "**RSU Award**"), plus (b) an option to purchase 750,000 shares of Parent's Class A Common Stock, at a price per share equal to the closing price of Parent's Class A Common Stock on the date of the grant (the "**Option Award**"), in each case subject to the terms set forth on Exhibit A hereto.

   b. Your equity awards outstanding as of the Effective Date will continue in effect on their existing terms. You will continue to be eligible to receive additional equity awards pursuant to any plans or arrangements Parent may have in effect from time to time. The Committee will determine in its sole discretion whether you will be granted any such equity awards and the terms of any such award in accordance with the terms of any applicable plan or arrangement that may be in effect from time to time.

5. *Employee Benefits*. You will continue to be eligible to participate in the benefit plans and programs established by Aurora for its employees from time to time, subject to their applicable terms and conditions, including without limitation any eligibility requirements. Aurora reserves the right to modify, amend, suspend or terminate the benefit plans and programs it offers to its employees at any time.

6. *Proprietary Agreement.* Your acceptance of this Agreement confirms that the terms of the Property Information and Inventions Agreement you previously signed with Aurora dated July 28, 2020 (the "**PIIA**") still apply.

7. *At-Will Employment*. Aurora is an "at-will" employer. Your employment with Aurora will be for no specific period of time. Your employment with Aurora will be "at will," meaning that either you or Aurora may terminate your employment at any time and for any reason, or no reason. Any contrary representations that may have been made to you are hereby superseded. This is the full and complete agreement between you and Aurora on this term. Aurora may modify your job duties, title, reporting relationships, compensation and benefits, as well as its personnel policies and procedures from time to time as necessary and in its sole discretion. However, the "at will" nature of your employment may only be changed in an express written agreement signed by you and a duly authorized officer of Aurora (other than you).

8. *Miscellaneous*. This Agreement, together with the PIIA, the Indemnification Agreement, and any outstanding equity awards granted to you by Aurora and the applicable award agreements thereunder, constitute the entire agreement between you and Aurora regarding the terms and conditions of your employment, and they supersede and replace all prior negotiations, representations or agreements between you and Aurora, including, but not limited to Sections 6 and 7 of your original offer letter with Aurora dated July 28, 2020.

We're thrilled for you to continue on the team!

Very truly yours,

AURORA OPERATIONS, INC.

/s/ Chris Urmson

By: Chris Urmson

Title: Chief Executive Officer

I have read and accept this confirmatory employment letter

Signature of Employee:

/s/ David Maday

Dated: 6/9/2023

Exhibit A

Equity Awards Terms and Conditions

As described in the letter agreement to which this Exhibit A is attached (the '**Agreement**"), it will be recommended to the Committee that Parent grant you the RSU Award and the Option Award (together, the "**Equity Awards**"). Capitalized terms used herein that are not otherwise defined shall have the meanings given to them in the Agreement.

1. RSU Award Vesting

The shares subject to the RSU Award will be divided into three grants and will vest as follows:

Number of RSUs	Vesting Commencement Date	Vesting Description*
125,000	May 20, 2023	Fifty percent (50%) of the Restricted Stock Units vest on each Quarterly Vesting Date following the Vesting Commencement Date, subject to your continued status as a service provider through each such date and rounding down to the nearest whole share.
500,000	November 20, 2023	Twelve and one-half percent (12.5%) of the Restricted Stock Units vest on each Quarterly Vesting Date following the Vesting Commencement Date, subject to your continued status as a service provider through each such date and rounding down to the nearest whole share.
125,000	November 20, 2025	Twenty-five percent (25%) of the Restricted Stock Units vest on each Quarterly Vesting Date following the Vesting Commencement Date, subject to your continued status as a service provider through each such date and rounding down to the nearest whole share.

* A "Quarterly Vesting Date" is the first trading day on or after each of February 20, May 20, August 20 and November 20.

2. Option Award Vesting.

The shares subject to the Option Award will be divided into three grants and will vest as follows:

Number of Options	Vesting Commencement Date	Vesting Description
125,000	May 20, 2023	One seventh (1/7) of the shares subject to the Option Award vest each month following the Vesting Commencement Date on the same day of the month as the Vesting Commencement Date, subject to your continued status as a service provider through each such date.
500,000	December 20, 2023	One twenty-fourth (1/24) of the shares subject to the Option Award vest each month following the Vesting Commencement Date on the same day of the month as the Vesting Commencement Date, subject to your continued status as a service provider through each such date.
125,000	December 20, 2025	One twelfth (1/12) of the shares subject to the Option Award vest each month following the Vesting Commencement Date on the same day of the month as the Vesting Commencement Date, subject to your continued status as a service provider through each such date.

3. Other Terms. The Equity Awards shall be subject to the terms and conditions of Parent's 2021 Equity Incentive Plan, Restricted Stock Unit Agreement and Stock Option Agreement (as applicable), including vesting requirements. No right to any equity is earned or accrued until such time that vesting occurs, nor does the grant confer any right to continue vesting or employment.

Exhibit 31.1

CERTIFICATION

I, Chris Urmson, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Aurora Innovation, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 2, 2023

By: /s/ Chris Urmson
Name: Chris Urmson
Title: Chairman and Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION

I, David Maday, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Aurora Innovation, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 2, 2023

By: /s/ David Maday
Name: David Maday
Title: Chief Financial Officer
(Principal Financial Officer)

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Aurora Innovation, Inc. (the "Company") on Form 10-Q for the period ended June 30, 2023 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 2, 2023

By: /s/ Chris Urmson
Name: Chris Urmson
Title: Chairman and Chief Executive Officer
(Principal Executive Officer)

Exhibit 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Aurora Innovation, Inc. (the "Company") on Form 10-Q for the period ended June 30, 2023 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 2, 2023

By: /s/ David Maday
Name: David Maday
Title: Chief Financial Officer
(Principal Financial Officer)