QuantumScape and Fluence to Collaborate on Stationary Storage with Solid-State Lithium-Metal Technology

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Strategic Relationship Brings Next-Gen Battery Technology to New Sector

SAN JOSE, Calif. – January 13, 2022 – QuantumScape Corporation (NYSE: QS) and Fluence Energy Inc. (NASDAQ: FLNC) today announced a multi-year agreement to introduce solid-state lithium-metal battery technology to stationary energy storage applications. The strategic relationship brings together two companies leading in technology innovation focused on accelerating clean energy adoption and reducing global carbon emissions. The companies will collaborate on what they believe to be a first-of-its-kind solution to incorporate QuantumScape's battery technology into Fluence stationary energy storage products as specific technical and commercial milestones are met.

Stationary energy storage installations are expected to grow by more than 2,000% from 2020 to 2030, representing a $385 billion* global market opportunity. The transition to cleaner energy systems will require cost-effective technologies that increase energy reliability and grid resilience, and better manage demand to cover deficits and prevent power outages. As a leader in stationary storage, Fluence has consistently pioneered new applications for battery-based storage on the electric grid, from replacing natural gas peaker plants to enhancing transmission networks. QuantumScape's solid-state lithium-metal technology has the potential to improve these solutions by offering higher energy density battery cells that can store more energy in less space than today's leading lithium-ion batteries.

"Fluence and QuantumScape share the same mission to reduce global greenhouse gas emissions through innovation and adoption of energy storage technologies, so our collaboration is a natural fit," said Jagdeep Singh, co-founder and CEO of QuantumScape. "While we have historically focused on automotive applications, we believe our battery technology is broadly applicable and can play a role in other sectors contributing to a lower-carbon future."

"We are delighted to work with QuantumScape to bring the benefits of solid-state lithium-metal batteries to the stationary storage space," said Manuel Perez Dubuc, CEO of Fluence. "As the team that invented battery-based energy storage on electric grids, it's no surprise that Fluence is working with QuantumScape, the clear leader in the solid-state battery space, to bring its innovation to the power grid. Fluence's technology-agnostic platform is also particularly suited to early adoption of next-gen technologies like this that have the potential to increase the adoption of stationary storage."

Along with the agreement, which reserves batteries produced by QuantumScape's pre-pilot production facility, QS-0, the companies will work together to validate and test QuantumScape solid-state battery cells for use in Fluence's proprietary stationary storage products. The companies expect to enter into a large-scale supply agreement in the course of the collaboration.

QuantumScape is on a mission to revolutionize energy storage and enable a lower-carbon future. The Fluence relationship is the first non-automotive agreement announced by the company. QuantumScape has announced three partnerships with major global automotive manufacturers, including the Volkswagen Group. Over the last six months, QuantumScape has also unveiled several significant technological advancements that have led to increased interest from automotive manufacturers and companies in other industries looking for high-performing next-generation energy storage.

*UBS (Jan 2022). Q-Series Redux: Energy storage – an accelerator of net zero target with US$385bn market potential in 2030.

About QuantumScape Corporation
QuantumScape is a leader in developing next-generation solid-state lithium-metal batteries for electric vehicles. The company is on a mission to revolutionize energy storage to enable a sustainable future. For more information, please visit www.quantumscape.com.

About Fluence
Fluence is a global market leader in energy storage products and services, and digital applications for renewables and storage. As of September 30, 2021, the company has more than 3.6 GW of energy storage deployed or contracted in 30 markets globally, and more than 4.7 GW of wind, solar, and storage assets optimized or contracted in Australia and California. Through our products, services and AI-enabled Fluence IQ platform, Fluence is helping customers around the world drive more resilient electric grids and a more sustainable future. For more information, please visit fluenceenergy.com.

Forward-Looking Statements
The information in this press release includes a "forward-looking statement" within the meaning of Section 27A of the Securities Act and Section 21E of the Securities Exchange Act of 1934, as amended. All statements, other than statements of present or historical fact included in this press release, including, without limitation, regarding the development, timeline and performance of QuantumScape's and Fluence's products and technology are forward-looking statements.

These forward-looking statements involve significant risks and uncertainties that could cause the actual results to differ materially from the expected results. Most of these factors are outside QuantumScape's and Fluence's control and are difficult to predict. Factors that may cause such differences in expected results include, but are not limited to the following: (i) each company may face significant barriers and delays in its attempts to scale and complete development of their respective technology and products and related manufacturing processes, and development may not be successful, (ii) each company may be unable to adequately control the costs of manufacturing of their respective products, and (iii) the companies may face significant barriers and delays in their attempts to obtain any necessary regulatory approval or integrate together their respective technologies and products as intended under the announced collaboration. QuantumScape and Fluence caution that the foregoing list of factors is not exclusive. Additional information about factors that could materially affect QuantumScape and Fluence is set forth under the "Risk Factors" section in their respective Annual Report on Form 10-K and Quarterly Reports on Form 10-Q filed with the Securities and Exchange Commission, and available on the SEC's website at www.sec.gov.

Except as otherwise required by applicable law, QuantumScape and Fluence disclaims any duty to update any forward-looking statements, all of which are expressly qualified by the statements in this section, to reflect events or circumstances after the date of this press release. Should underlying assumptions prove incorrect, actual results and projections could different materially from those expressed in any forward-looking statements.

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