

Commercial Inflection Point Scale

Elemental Excelerator's Commercial Inflection Point (CIP) scale is a framework used to indicate a technology's degree of commercial readiness. Elemental's CIP is modified from the widely accepted <u>Technology Readiness Levels</u> (TRLs) and ARENA's <u>Commercial Readiness Index</u> (CRI) framework, and is designed to categorize technology maturity as it fits within our evaluation criteria. The scale is numbered 1 to 9, with 9 being the most commercially mature .

| Commercial Inflection Point (CIP) | Description |
|-------------------------------------|--|
| 1 - Pre-Prototype / Research | Solution is in the early stages of ideation and development. Commercial applications have been identified and technology solutions are being explored |
| 2 – Prototype Proof of Feasibility | Solution components and processes are being designed and tested in a lab setting. Modeled systems are confirming technology viability. |
| 3 - Prototype Beta Test | Working prototype is being tested with a small potential customer base before being released to real world settings. The technology is ready for demonstration in an operational environment, but commercial drivers are untested and unproven. |
| 4 – Initial Pilot | The technology is operating in a real world setting with some early technical and commercial results. |
| 5 - Initial Commercial Deployment | Small commercial scale-ups have been funded through government grants, investors or customers. Data and results are not yet in the public domain. |
| 6 - Two+ Commercial Deployments | Technology is deployed in domestic markets with at least two paying customers. Data and financial results from these projects is leading to greater commercial interest. |
| 7 - Multiple Commercial Deployments | Solution is deployed in domestic markets with multiple customers and compelling results. Development risk is medium-to-low and expansion plans to get to scale are underway. |
| 8 - Market Competitor | The technology sales process is highly repeatable and scalable, with competition emerging across all areas of the supply chain. Development risk is low and the next iteration of technology is clear and defined. Solution is seen as a major competitor in the space. |
| 9 - Market Creator | Considered as a 'bankable' grade asset class with known standards and performance expectations. Technology performance, pricing, and other typical market forces are driving commercial strategy in multiple markets. |