

## PowerCo and Umicore get official “go” to start joint venture for EU battery materials production

- **Green light for unprecedented cooperation in the European automotive industry**
- **Full regulatory approvals obtained resulting in the official establishment of the joint venture for large-scale production of cathode materials and precursors in Europe**

**Brussels/Salzgitter, 23 March 2023 – PowerCo, the new battery company of the Volkswagen Group, and Belgian circular technology group Umicore have obtained full regulatory approvals for their joint venture announced in September 2022. The partners can now swiftly proceed to prepare for large-scale industrial production of cathode active materials (CAM) and precursor materials (PCAM) in Europe.**



**From left to right: Thomas Schmall, Group Board Member for Technology at Volkswagen AG and Chairman of the Supervisory Board of PowerCo SE, Jörg Teichmann, PowerCo Chief Procurement Officer, Ralph Kiessling, EVP Energy & Surface Technologies at Umicore, Umicore CEO Mathias Miedreich**

Cathode active materials are the key technological lever for battery performance, as well as the single biggest contributor to overall battery cost. They are thus strategically important input materials central to battery value creation, and crucial for a successful powertrain transition towards e-mobility.

From 2025 onwards, the joint venture set up by PowerCo and Umicore will supply PowerCo's European battery cell factories with key materials

for production. Headquartered in Brussels, the joint venture will cover a large part of PowerCo's EU demand and provide Umicore with secured access to an important part of the European demand for EV cathode materials.

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The joint venture is on track to produce, by the end of the decade, CAM and PCAM for a targeted 160 GWh cell capacity per year, which is equivalent to an annual production capacity capable of powering about 2.2 million full electric vehicles. The partners will therefore be important contributors to the green mobility transition and the further development of a local, sustainable, and fully integrated European battery supply chain.

The production site search is ongoing. The location of the site and the name of the joint venture will be disclosed in due course.

*<sup>1</sup> ID. Buzz Pro - power consumption in kWh/100 km: combined 21.8 - 20.6 (WLTP); CO<sub>2</sub> emissions combined in g/km: 0. Efficiency class: A+++; WLTP range: 402 to 423 km.*

*<sup>2</sup> ID. Buzz Cargo - power consumption in kWh/100 km: combined 22.2 - 20.4 (WLTP); CO<sub>2</sub> emissions in g/km: combined 0. Efficiency class: A+++; WLTP range: 402 to 425 km.*



**Volkswagen AG**

**Volkswagen Group Technology | Spokesperson Battery**

**Contact** Dr. Stefan Ernst

**Phone** +49-5361-9-960976

**E-mail** [stefan.ernst1@volkswagen.de](mailto:stefan.ernst1@volkswagen.de) | [www.volkswagen-newsroom.com](http://www.volkswagen-newsroom.com)



**Umicore**

**Director External Relations**

**Contact** Marjolein Scheers

**Phone** +32 2 227 71 47

**E-mail** [marjolein.scheers@eu.umicore.com](mailto:marjolein.scheers@eu.umicore.com) | [www.umicore.com](http://www.umicore.com)

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## **About PowerCo:**

The Volkswagen Group is bundling its global battery activities in the European company (SE) PowerCo. From Salzgitter, the company manages international factory operations, the further development of cell technology, the vertical integration of the value chain and the supply of machinery and equipment to the factories. Looking ahead, further products such as major storage systems for the energy grid are planned. Since its launch in July 2022, PowerCo has already decided three gigafactory locations: Salzgitter in Germany, Valencia in Spain and St. Thomas in Canada. The company plans to set up cell factories with a total capacity of 240 GWh/year in 2030.

## **About Umicore:**

Umicore is the circular materials technology Group. It focuses on application areas where its expertise in materials science, chemistry and metallurgy makes a real difference. Its activities are organised in three business groups: Catalysis, Energy & Surface Technologies and Recycling. Each business group is divided into market-focused business units offering materials and solutions that are at the cutting edge of new technological developments and essential to everyday life.

Umicore generates the majority of its revenues and dedicates most of its R&D efforts to clean mobility materials and recycling. Umicore's overriding goal of sustainable value creation is based on an ambition to develop, produce and recycle materials in a way that fulfils its mission: materials for a better life.

Umicore's industrial and commercial operations as well as R&D activities are located across the world to best serve its global customer base. The Group generated revenues (excluding metal) of € 4.2 billion (turnover of € 25.4 billion) in 2022 and currently employs more than 11,000 people.

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