
Renault Group to partner with Terrafame for sustainable nickel supply

- Terrafame will supply Renault Group with low-carbon and fully traceable nickel sulphate for electric vehicle (EV) batteries.
- The partnership supports Renault Group's strategy to offer competitive, sustainable, and 'made in Europe' electric vehicles.
- The partners are taking a concrete step to create a sustainable and fully transparent European battery value chain.

Boulogne-Billancourt, October 8th, 2021 – Renault Group, a top automotive player and pioneer in the European EV market, and Terrafame, a company operating one of the world's largest production lines for EV battery chemicals in Finland, have signed a Memorandum of Understanding (MoU) for a future supply of nickel sulphate. With this agreement, Renault Group will secure a significant annual supply of nickel sulphate from Terrafame, representing up to 15 GWh of annual capacity. The cooperation will begin by paying particular attention to sustainability systems and defining detailed metrics for traceability beyond solutions currently used for EV battery chemicals production.

Renault Group is spearheading the deployment of **higher performing, low-carbon and reusable batteries** while building a unique and leading electric ecosystem in Northern France known as Renault ElectriCity. Combined with the recent partnership with Vulcan to secure low-carbon lithium and the alliance with Veolia & Solvay to recycle battery materials in a closed loop, this new agreement marks another step towards the **reduction of the environmental footprint of EVs** throughout their life cycle and towards the **objective of carbon neutrality for the Group in Europe by 2040**.

Gianluca De Ficchy, Alliance EVP, Purchasing and Managing Director of Alliance Purchasing Organization at Renault Group, explains: *"Partnership with Terrafame is an important component in realizing our commitment to reach 30% emissions reduction in our supply chain by 2030. Low carbon footprint and traceability of battery chemicals are crucial factors to us, and Terrafame has a clear edge on sustainability through its unique production method. The carbon footprint of nickel sulphate produced by Terrafame is more than 60% smaller than the industry average."*

Joni Lukkaroinen, CEO of Terrafame, states: *"We are very proud to be able to strengthen the sustainable European battery value chain together with Renault Group through this partnership, and highly impressed by the level of ambition that Renault has in relation to clean and sustainable transport. For Terrafame, this sets proper guidelines for the coming decade and could well mean a commitment of supplying nickel sulphate for up to 300,000 EVs annually. We are looking forward to many years of fruitful cooperation in helping to decarbonize mobility and transport."*

The direct partnership between a leading OEM manufacturer such as Renault Group and an operator focused on upstream production like Terrafame is a game-changer in the battery materials value chain. Terrafame's bioleaching-based production process uses about 90% less energy in the production of nickel sulphate than the industry average. In addition, Terrafame's integrated production process begins and ends on one industrial site from a mine to battery chemicals production. These unique and energy-efficient features enable a fast track to implementing sustainability systems and creating full transparency throughout the entire value chain. Apart from the detailed metrics, a commitment over the entire supply chain simplifies risk management and pricing mechanisms for all parties involved.

The memorandum is not exhaustive but reflects the parties' mutual understanding and common intention to deepen their cooperation over battery raw materials. The parties seek to introduce a set of binding agreements involving also other actors in the EV battery value chain to take part in this development step.

About Terrafame

Terrafame enhances low-carbon mobility by supplying global battery industry with responsibly produced battery chemicals. At its industrial site in Finland, Terrafame operates one of the world's largest production lines for battery chemicals used in electric vehicle (EV) batteries. The plant has capacity to supply nickel sulphate for about one million electric cars per year. The carbon footprint of the nickel sulphate produced by Terrafame is one of the lowest in the industry. Terrafame's integrated production process – which begins in its own mine and ends with battery chemicals on one industrial site – is unique and energy-efficient. It provides customers with a transparent, traceable, and truly European battery chemicals production chain.

In 2020, Terrafame's net sales amounted to EUR 338 million. Terrafame is the largest nickel producer in Europe by volume. The company's industrial site employs approximately 1,600 people, of which about half are employees of its partner companies.

About Renault Group

Renault Group is at the forefront of a mobility that is reinventing itself. Strengthened by its alliance with Nissan and Mitsubishi Motors, and its unique expertise in electrification, Renault Group comprises 5 complementary brands - Renault, Dacia, LADA, Alpine and Mobilize - offering sustainable and innovative mobility solutions to its customers. Established in more than 130 countries, the Group has sold 2.9 million vehicles in 2020. It employs more than 170,000 people who embody its Purpose every day, so that mobility brings people closer. Ready to pursue challenges both on the road and in competition, Renault Group is committed to an ambitious transformation that will generate value. This is centred on the development of new technologies and services, and a new range of even more competitive, balanced, and electrified vehicles. In line with environmental challenges, the Group's ambition is to achieve carbon neutrality in Europe by 2040.

<https://www.renaultgroup.com/en/>

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