

Umicore announces partnership with LG Chem for the supply of NMC cathode materials

Umicore and LG Chem have concluded a multi-year strategic supply agreement for NMC (Nickel Manganese Cobalt) cathode materials to serve LG Chem's needs out of Umicore plants in Poland, Korea and China. The supply agreement takes effect in 2020 and covers a total volume of 125,000 metric tonnes to be delivered over several years. The companies are also entering a technology licensing arrangement covering fundamental IP rights.

This supply agreement will support LG Chem in meeting the growing demand for rechargeable lithium-ion batteries as car manufacturers are expanding their offering of longer-range electric vehicle models in several regions. LG Chem will benefit from Umicore's experience of close to two decades in developing and producing cost-optimized cathode materials allowing long driving ranges, faster charge and low battery degradation. Most of the volumes covered by this agreement will be supplied from Umicore's greenfield facility in Poland. Umicore will be the first company to supply cathode materials to its global customers with identical quality and performance from its different production plants across regions.

The technology agreement provides for a cross-licensing set-up allowing both companies to further assert their IP leadership. As a result of this agreement, both companies will share user rights on a selection of fundamental global patents for different high-end NMC cathode materials used in automotive and energy storage applications.

Umicore is also assisting LG Chem in closing the loop by recycling its production residues and the companies are currently discussing the terms of a long-term cooperation in battery recycling.

This partnership between two leaders in their part of the lithium-ion battery value chain demonstrates their commitment to build a sizable, global and sustainable industrial footprint to produce high-performance and cost-competitive lithium-ion batteries for fast-growing automotive electrification.

Marc Grynberg, CEO commented: "Umicore is committed to enabling the transition to electrified mobility and this comprehensive agreement with LG Chem provides a significant step in the deployment of our strategy. This is also a strong signal of recognition of our product and process expertise and our ability to meet the stringent and outstanding performance and quality standards of LG Chem."

Conference call

Marc Grynberg will host a conference call tomorrow, **Tuesday 24 September, at 09:00 am CEST** to address your questions.



The conference call can be accessed using the following dial-in numbers (**conference ID 9617659**):

Belgium	+32 (0) 10391206
France	+33 (0) 170732727
Germany	+49 (0) 6922224910
Netherlands	+31 (0) 207157366
UK	+44 (0) 8444933857
USA	+ 1 9177200178
International	+44 (0) 203 0095710

We recommend that participants start dialing in 5 to 10 minutes prior to the scheduled call.

About Umicore

Umicore is a global materials technology and recycling 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 € 1.6 billion (turnover of € 7.6 billion) in the first half of 2019 and currently employs 10,700 people.

About LG Chem

LG Chem is Korea's largest diversified chemical company which operates four main business portfolios: Petrochemicals, Energy Solutions, Advanced Materials and Life Sciences. The chemical business manufactures a wide range of petrochemical products from high-value added to commodity goods. LG Chem also extends its chemical expertise into high-tech areas such as lithium-ion batteries, industrial & automotive materials, drugs & vaccines to deliver broad range of differentiated solutions for our customers. Throughout multiple production facilities and extensive distribution network worldwide, LG Chem employs approximately 35,000 people and generated sales of KRW 28.2 trillion in 2018. For more information, please visit www.lgchem.com.



For more information

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