

Panasonic, Equinor and Hydro to explore potential for European battery business

Leading technology company Panasonic, energy company Equinor and industrial group Hydro have signed a Memorandum of Understanding (MoU) to form a strategic partnership to explore possibilities for establishing a sustainable and cost-competitive European battery business.

The companies will work together towards summer 2021 to assess the market for lithium-ion batteries in Europe and mature the business case for a green battery business located in Norway. The companies intend that this initiative is based on Panasonic's leading technology and targets the European market for electric vehicles and other applications.

The companies will also investigate the potential for an integrated battery value chain and for co-location of supply chain partners. The findings from this initial exploratory phase will form the basis for subsequent decisions.

Panasonic's plan for expanding its footprint in the European lithium-ion battery market

Mototsugu Sato, Executive Vice President of Panasonic says the company sees the strategic partnership with Equinor and Hydro as a potential basis for future development and growth in the energy/battery sector in the European region.

“This collaboration combines Panasonic's position as an innovative technology company and leader in lithium-ion batteries, with the deep industrial experience of Equinor and Hydro, both strong global players, to potentially pave way for a robust and sustainable battery business in Norway. Panasonic has powered the last two revolutions in the automotive industry – first by powering hybrids and now, by powering multiple generations of all electric vehicles. We are pleased to enter into this initiative to explore implementing sustainable, highly advanced technology and supply chains to deliver on the exacting needs of lithium-ion battery customers and support the renewable energy sector in the European region.”

Ambition to create a profitable, sustainable business

“Our companies seek to be leaders in the energy transition. The creation of this world-class battery partnership demonstrates Equinor's ambition to become a broad energy company. We believe that battery storage will play an increasingly important role in bringing energy systems to net zero emissions. By pooling our different areas of energy expertise, our companies will seek to create a battery business that is profitable, scalable and sustainable,” says Al Cook, Executive Vice President of Global Strategy & Business Development in Equinor.

Electrification is a fundamental element in Europe's transition towards net zero emissions in 2050, and batteries are expected to play a vital role in this, especially in the transportation sector, where demand is growing rapidly.

“We expect battery production to grow rapidly as a solution to the world's number one challenge, climate change. We have already seen in recent years that Hydro's unique combination of capabilities from renewable energy and processing industries provide a strong foundation for partnerships for exploring growth opportunities in the battery industry,” says Arvid Moss, Executive Vice President of Energy and Corporate Development in Hydro.

“We believe the combined strengths of Panasonic, Equinor and Hydro represent an attractive starting point for exploring the possibilities for a profitable and sustainable battery business in Norway, where we have a strong foothold, renewable power base and close proximity to the European market,” he says.

Preliminary findings expected around mid-2021

As part of this initial phase, the companies will directly engage potential customers in Europe's automotive and non-automotive industries and enter into dialogue with relevant authorities in Norway and in Europe aiming at ensuring competitive framework conditions for this joint battery initiative. Preliminary findings are expected around mid-2021.

To contact the project, visit www.jointbatteryinitiative.com

About Panasonic

Panasonic Corporation is a worldwide leader in the development of diverse electronics technologies and solutions for customers in the consumer electronics, housing, automotive, and B2B businesses. The company, which celebrated its 100th anniversary in 2018, has expanded globally and now operates 528 subsidiaries and 72 associated companies worldwide. The mission at Panasonic is to make the world's safest, highest quality, and lowest cost batteries. Through this effort, Panasonic will create a clean energy society, and our products will change society's use of and perceptions of electric power. Committed to pursuing new value through innovation across divisional lines, the company uses its technologies to create a better life and a better world for its customers. To learn more about Panasonic:

<https://www.panasonic.com/>.

About Equinor

Equinor is an international energy company developing oil, gas, wind and solar power in more than 30 countries worldwide. As the largest operator in Norway, a leading international offshore operator and a growing force in renewables, we are committed to a low carbon future and shaping the future of energy. We aim to reach net-zero by 2050 and we are committed to creating long-term value in support of the Paris Agreement. To learn more about Equinor, visit <https://www.equinor.com/>.

About Hydro

Based in Norway and with around 35,000 employees and operations in around 40 countries, Hydro is rooted in more than a century of experience in renewable energy, industrial technology scaling, innovation and operational excellence. Our purpose is to create a more viable society by developing natural resources into products and solutions in innovative and efficient ways. To learn more about Hydro, visit

<https://www.hydro.com/>.