

**Panasonic Energy Reports Technological and Commercial Progress
with Canada's NMG on Development of Graphite Material to
Enhance Supply Chain for EV Batteries in North America**

A Japan-Canada Private-sector collaboration is on track to ensure the processing of Canadian natural graphite into battery materials, aiming for a low-environmental-impact supply chain in North America

Osaka, Japan, September 22, 2023 - Panasonic Energy Co., Ltd., a Panasonic Group Company, today reported progress with [Nouveau Monde Graphite Inc.](#) ("NMG") ([NYSE: NMG](#), [TSX.V: NOU](#)), a Canadian anode active material manufacturer, on strengthening technological and commercial collaborations regarding natural graphite to enhance the supply chain for lithium-ion batteries for electric vehicles (EVs) in North America. Complementing the previously announced Memorandum of Understanding concerning an offtake arrangement with NMG, Panasonic Energy is actively engaged with NMG to align the production of carbon-neutral graphite into a battery material that satisfies Panasonic Energy's specifications for the purpose of developing an integrated production business in clean graphite for lithium-ion batteries in North America.

Such collaboration underpins efforts to establish the first Canadian production of natural graphite mined and refined locally into an anode active material for EV lithium-ion batteries.

To meet the growing global demand for EVs, Panasonic Energy has been working to expand production of EV batteries in North America, increase the percentage of materials procured in North America, and establish a sustainable supply chain. Panasonic Energy signed a Memorandum of Understanding with NMG regarding an offtake agreement in October 2022 to cooperate toward material procurement (MOU). Technology development is well advanced to produce quality anode active material for battery materials. Panasonic Energy and NMG will further collaborate toward mass production of a highly competitive anode active material in line with the battery performance sought by Panasonic Energy, including high capacity, high reliability, and quick charging.

This supports ongoing commercial discussions for a definitive offtake agreement targeting NMG's integrated "mine-to-battery-materials" business in North America, whereby graphite mined at NMG's Matawinie Mine, in Quebec, is processed into anode active material at its battery materials plant in Bécancour, Quebec. In Canada, where the use of clean energy is widespread, a high percentage of electricity is derived from renewable energy sources. In Quebec, renewable energy sources account for 99% of electricity supply. The use of NMG's carbon-neutral graphite material will enhance the supply chain for battery production in North America and will help attain Panasonic Energy's target to halve its carbon footprint by the fiscal year ending March 2031.

Kazuo Tadanobu, President and CEO of Panasonic Energy, stated, “The Japanese and Canadian governments signed a Memorandum of Cooperation (MOC) to deepen their bilateral partnership. I welcome the leadership demonstrated by the two governments to establish a sustainable and reliable battery supply chain. Panasonic Energy will help strengthen bilateral cooperation in the private sector, including through the partnership with NMG, to contribute to the industrial development of the two countries.”

Eric Desaulniers, Founder, President and CEO of NMG, added: “Our collaboration with Panasonic Energy is a key condition for success to refine performance and efficiency of our production, define long-term sales mechanisms to capture market growth, tap into trade partnerships, and optimize our financial structure for project financing. Intergovernmental cooperation paired with industrial collaboration as we see today form the bedrock of tomorrow’s clean energy economy; NMG is part of this generational transition toward a low-carbon future.”

With its superior technology and extensive experience in battery development and manufacturing, Panasonic Energy will continue to drive the growth of the lithium-ion battery industry and accelerate its efforts to achieve zero emissions in the future, toward the goal of realizing a society where the pursuit of happiness and a sustainable environment are in complete harmony.

About Panasonic Energy Co., Ltd.

Panasonic Energy Co., Ltd., established in April 2022 as part of the Panasonic Group's switch to an operating company system, provides innovative battery technology-based products and solutions globally. Through its automotive lithium-ion batteries, storage battery systems and dry batteries, the company brings safe, reliable, and convenient power to a broad range of business areas, from mobility and social infrastructure to medical and consumer products. Panasonic Energy is committed to contributing to a society that realizes happiness and environmental sustainability, and through its business activities the Company aims to address societal issues while taking the lead on environmental initiatives. For more details, please visit <https://www.panasonic.com/global/energy/>

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