

Umicore, AESC sign long-term agreement on EV battery materials in North America

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The supply agreement between Umicore and AESC for CAM will run from 2026 to 2035

Umicore and AESC have signed a 10-year agreement whereby Umicore will supply high-nickel battery materials for the production of electric vehicle batteries at AESC's US manufacturing facilities, the two companies said in a joint announcement on October 16.



Source: Getty Images/Petmal

Additionally, Umicore and AESC are committed to strengthening their partnership with Umicore leading the development of cathode materials, which are critical to AESC's pioneering next-generation battery technologies.

The supply agreement between Umicore and AESC for cathode active materials (CAM) will run from 2026 to 2035 and marks an important milestone for Umicore's decision to build a carbon-neutral plant for battery materials in Loyalist, Ontario, to serve the North-American region.

According to the two companies, the said agreement secures an annual volume offtake equivalent to 50 GWh of CAM by the end of the decade. The battery materials will power the EVs produced by AESC's customers in the region, including BMW Group.

Under the agreed terms, AESC is slated to begin receiving supplies in 2026 from Umicore's factory in Cheonan, South Korea, complemented by supplies from the Loyalist plant once it starts production that same year.

Commenting on the new partnership, Umicore CEO Mathias Miedreich said, "We are very proud to join forces with AESC and to support AESC and its customers with their global success and expansion. Our shared commitment to the principles of local-for-local battery value chains unites our efforts towards clean electric mobility. Moreover, this partnership highlights the success of our global strategy to pioneer sustainable battery materials value chains close to our customers and validates our leadership and the reliability of our battery technologies."

Shoichi Matsumoto, CEO of AESC, said, "As we maintain a steadfast commitment to the development of cutting-edge EV battery technology, we are thrilled to partner with Umicore. This partnership and the supply chain enhancements it brings will allow our company to leverage Umicore's proven ability to provide critical, high-quality materials at scale and advance our leadership in developing advanced and reliable EV batteries. As we fortify our manufacturing presence in the U.S., a key, fast-growing market for EVs, and strengthen our [research and development] capabilities worldwide, this partnership further positions AESC as the partner of choice for the global automotive industry."

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