

STOCK STORY: NORTHVOLT

Northvolt's commitment to sustainable battery production may make it critical to the future of the electrical vehicle industry. Investment specialist Claire Shaw explains how the company is driving change in Europe.

Claire Shaw: To drive the energy transition, we are going to need batteries – and lots of them. However, batteries are made from finite materials, and by 2030, 250,000 tons of battery packs could be reaching end-of-life in Europe every year. In order for batteries to be a viable, greener alternative to fossil fuels, battery materials need a recycling solution.

Northvolt is a company embarking on one of the most ambitious renewable energy projects of today – to create the world's greenest batteries. It is at the forefront of developing and producing sustainable lithium-ion batteries for electric vehicles, or EVs, that could efficiently recover battery-grade metals.

One factor that sets Northvolt apart from other battery manufacturers is its commitment to sustainability. Its batteries are manufactured using primarily renewable energy, with a mission to deliver batteries with an 80 per cent lower carbon footprint compared to those made using coal energy. It has also implemented a circular business model, which involves recycling and reusing batteries at the end of their lifespan. By doing this, Northvolt is reducing waste and creating a closed-loop system for its products.

Northvolt has formed exciting collaborations with some of Europe's leading automotive companies, including BMW, Volkswagen and Scania, to produce batteries for their EVs. We believe this commitment to working with industry leaders to drive innovation in the EV market gives Northvolt a strong chance of becoming Europe's regional champion.

By producing sustainable batteries in Europe, Northvolt is helping to reduce the continent's dependence on battery imports from Asia. This not only supports Europe's goal to become more self-sufficient in key industries, but also helps to reduce carbon emissions associated with transportation and production.

Job creation resulting from Northvolt's rapid growth could also help stimulate local economies and provide opportunities for individuals in the renewable energy sector. The company currently employs over 1,600 workers in its factory in Northern Sweden and aims to grow to 3,000 by 2025.

Northvolt's innovative approach to battery production may make it critical to meeting the growing demand for energy storage solutions.



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