

## **Stellantis and LG Energy Solution to Invest Over \$5 Billion CAD in Joint Venture for First Large Scale Lithium-Ion Battery Production Plant in Canada**

- Joint venture company to become first large scale, domestic, electric vehicle battery manufacturing facility in Canada
- Facility to have an annual production capacity in excess of 45 gigawatt hours
- Plant targeted to be operational in 2024 and create an estimated 2,500 new jobs

**Ontario, Canada, March 23, 2022** – [Stellantis N.V.](#) and [LG Energy Solution \(LGES\)](#) today announced they have executed binding, definitive agreements to establish the first large scale, domestic, electric vehicle battery manufacturing facility in Canada. The joint venture company will produce leading edge lithium-ion battery cells and modules to meet a significant portion of Stellantis' vehicle production requirements in North America.

The joint venture company will invest over \$5 billion CAD (\$4.1 billion USD) to establish operations, which will include an all-new battery manufacturing plant located in Windsor, Ontario, Canada. Plant construction activities are scheduled to begin later this year with production operations planned to launch in the first quarter of 2024.

The plant aims to have an annual production capacity in excess of 45 gigawatt hours (GWh) and will create an estimated 2,500 new jobs in Windsor and the surrounding areas. Each of the Municipal, Provincial and Federal levels of the Canadian government have agreed to fully support the successful operation of the joint venture company.

With the battery manufacturing plant located in Windsor, Ontario, home to Canada's largest automotive cluster, Stellantis and LGES expect the plant to serve as a catalyst for the establishment of a strong battery supply chain in the region. Canada is committed to establishing a broad, local battery ecosystem by leveraging, among other things, its leadership in the generation of electricity from renewable sources.

"Our joint venture with LG Energy Solution is yet another stepping stone to achieving our aggressive electrification roadmap in the region aimed at hitting 50% of battery electric vehicle sales in the US and Canada by the end of the decade," said Carlos Tavares, Stellantis CEO. "We are grateful to the Municipal, Provincial and Federal levels of government for their support and commitment to help position Canada as a North American leader in the production of electric vehicle batteries."

"Through this joint venture, LG Energy Solution will be able to position itself as a critical player in building green energy value chains in the region," said Youngsoo Kwon, CEO of LG Energy Solution. "Creating a joint venture battery manufacturing company in Canada, recognized as one of the leading nations in renewable energy resources, is key for LG Energy Solution as we aim to power more electric vehicles around the

world.”

“Today’s announcement of a world leading facility to build electric vehicle batteries in Windsor is an investment in our workers, our communities and our future. Partnerships like these are critical to creating new jobs and putting Canada on the cutting edge of the clean economy. By working together, we are creating thousands of new jobs, making a difference in the lives of people now and making sure that future generations have a clean environment to live in.” – The Rt Honourable Justin Trudeau, Prime Minister of Canada

“Attracting this multi billion-dollar investment will secure Ontario’s place as a North American hub for building the cars and batteries of the future. As we secure game-changing investments, we’re also connecting resources, industries and workers in northern Ontario with the manufacturing might of southern Ontario to build up home-grown supply chains. Every region of Ontario will benefit with thousands of jobs being created and a stronger economy that works for everyone.” – Premier Doug Ford

“Stellantis is Windsor’s largest employer and has a rich history in this community. Chrysler began operations in this community in 1925 and has employed generations of Windsor–Essex workers at its facility. With this announcement, we are securing the future for thousands more local workers and securing Windsor’s strategic location as the home of Canada’s electric vehicle future. As the world pivots to EVs, Windsor will soon be home to the battery manufacturing facility that powers it all.” – Mayor of Windsor, Drew Dilken

As part of the [Dare Forward 2030 strategic plan](#), Stellantis announced plans to have global annual battery electric vehicle sales of five million vehicles by 2030, reaching 100% of passenger car BEV sales mix in Europe and 50% passenger car and light-duty truck BEV sales mix in North America. Stellantis also increased planned battery capacity by 140 GWh to approximately 400 GWh, to be supported by five battery manufacturing plants together with additional supply contracts.

LG Energy Solution, with this latest announcement, has now solidly secured production capacity of over 200 GWh in North America annually, translating into production of 2.5 million high performance electric vehicles. The battery manufacturer has previously announced plans to invest approximately USD 4.6 billion dollars into battery facilities in North America. Globally, LGES is on course to expand its international production network in multiple continents, including countries such as Canada, U.S., Poland, Indonesia, China and South Korea.

The closing is subject to customary closing conditions, including regulatory approvals.

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**About Stellantis**

Stellantis N.V. (NYSE / MTA / Euronext Paris: STLA) is one of the world's leading automakers and a mobility provider. Its storied and iconic brands embody the passion of their visionary founders and today's customers in their innovative products and services, including Abarth, Alfa Romeo, Chrysler, Citroën, Dodge, DS Automobiles, Fiat, Jeep®, Lancia, Maserati, Opel, Peugeot, Ram, Vauxhall, Free2move and Leasys. Powered by our diversity, we lead the way the world moves – aspiring to become the greatest sustainable mobility tech company, not the biggest, while creating added value for all stakeholders as well as the communities in which it operates. For more information, visit [www.stellantis.com](http://www.stellantis.com).

**About LG Energy Solution**

LG Energy Solution (KRX: 373220) is a global leader delivering advanced lithium-ion batteries for Electric Vehicles (EV), Mobility & IT applications, and Energy Storage Systems (ESS). With 30 years of experience in advanced battery technology, it continues to grow rapidly towards the realization of sustainable life. With its robust global network that spans the US, Europe, Asia, and Australia, LG Energy Solution is more committed than ever to developing innovative technologies that will bring the future energy a step closer. Under its ESG vision "We CHARGE toward a better future," LG Energy Solution is doing its utmost to prioritize environment, fulfil social responsibilities and shape sustainable future. For more information, please visit <https://www.lgensol.com>.

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## FORWARD-LOOKING STATEMENTS

*This communication contains forward-looking statements. In particular, statements regarding future events and anticipated results of operations, business strategies, the anticipated benefits of the proposed transaction, future financial and operating results, the anticipated closing date for the proposed transaction and other anticipated aspects of our operations or operating results are forward-looking statements. These statements may include terms such as “may”, “will”, “expect”, “could”, “should”, “intend”, “estimate”, “anticipate”, “believe”, “remain”, “on track”, “design”, “target”, “objective”, “goal”, “forecast”, “projection”, “outlook”, “prospects”, “plan”, or similar terms. Forward-looking statements are not guarantees of future performance. Rather, they are based on Stellantis’ current state of knowledge, future expectations and projections about future events and are by their nature, subject to inherent risks and uncertainties. They relate to events and depend on circumstances that may or may not occur or exist in the future and, as such, undue reliance should not be placed on them.*

*Actual results may differ materially from those expressed in forward-looking statements as a result of a variety of factors, including: the impact of the COVID-19 pandemic, the ability of Stellantis to launch new products successfully and to maintain vehicle shipment volumes; changes in the global financial markets, general economic environment and changes in demand for automotive products, which is subject to cyclicity; changes in local economic and political conditions, changes in trade policy and the imposition of global and regional tariffs or tariffs targeted to the automotive industry, the enactment of tax reforms or other changes in tax laws and regulations; Stellantis’ ability to expand certain of their brands globally; its ability to offer innovative, attractive products; its ability to develop, manufacture and sell vehicles with advanced features including enhanced electrification, connectivity and autonomous-driving characteristics; various types of claims, lawsuits, governmental investigations and other contingencies, including product liability and warranty claims and environmental claims, investigations and lawsuits; material operating expenditures in relation to compliance with environmental, health and safety regulations; the intense level of competition in the automotive industry, which may increase due to consolidation; exposure to shortfalls in the funding of Stellantis’ defined benefit pension plans; the ability to provide or arrange for access to adequate financing for dealers and retail customers and associated risks related to the establishment and operations of financial services companies; the ability to access funding to execute Stellantis’ business plans and improve its businesses, financial condition and results of operations; a significant malfunction, disruption or security breach compromising information technology systems or the electronic control systems contained in Stellantis’ vehicles; Stellantis’ ability to realize anticipated benefits from joint venture arrangements; disruptions arising from political, social and economic instability; risks associated with our relationships with employees, dealers and suppliers; increases in costs, disruptions of supply or shortages of raw materials, parts, components and systems used in Stellantis’ vehicles; developments in labor and industrial relations and developments in applicable labor laws; exchange rate fluctuations, interest rate changes, credit risk and other market risks; political and civil unrest; earthquakes or other disasters; and other risks and uncertainties.*

*Any forward-looking statements contained in this communication speak only as of the date of this document and Stellantis disclaims any obligation to update or revise publicly forward-looking statements. Further information concerning Stellantis and its businesses, including factors that could materially affect Stellantis’ financial results, is included in Stellantis’ reports and filings with the U.S. Securities and Exchange Commission and AFM.*