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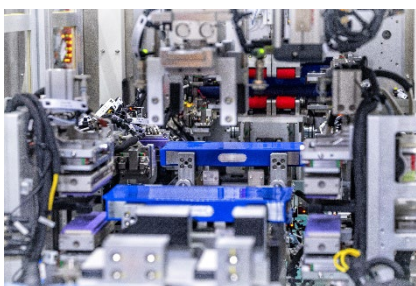
## Start of European battery cell production: PowerCo commissions Salzgitter gigafactory

- **PowerCo delivers: Production of the first unified cells successfully started**
- **Salzgitter Gigafactory sets new standards in sustainability, digitalization and scaling**
- **Volkswagen Group consistently expands its position in battery technology**
- **VW CEO Oliver Blume: "We are taking the key future technologies into our own hands – PowerCo delivers and is a central component of our strategy as a Global Automotive Tech Driver."**

**Salzgitter, December 17, 2025 – PowerCo SE today commissioned the Salzgitter gigafactory as planned and produced the first Unified Cells "made in Europe". The commencement of production marks a milestone for the Volkswagen Group and the European battery industry: PowerCo is designing, developing and producing battery cells entirely in Europe for the first time, thus strengthening the company's technological sovereignty. The cells will now be delivered to the Volkswagen Group brands for final road tests. Their debut is planned for next year in the Electric Urban Car Family of Volkswagen, ŠKODA and SEAT/CUPRA.**



Stacking of battery cells in the Salzgitter Gigafactory



End of line in the Salzgitter Gigafactory

Oliver Blume, CEO of the Volkswagen Group, states: "The PowerCo Gigafactory in Salzgitter sends a strong technological signal for Europe and serves as a cornerstone on our path to becoming a global automotive tech leader. We are the first European carmaker to establish our own battery cell development and production. This step strengthens our position and independence in the global competition."

**Technological leap in battery technology**

Within the Volkswagen Group, PowerCo is expected to cover around 50 percent of the demand for Unified Cells, with the other half supplied by external suppliers. The standardized cell architecture enables worldwide use across all brands and regions and offers economies of scale, cost advantages and technological flexibility – from lithium iron phosphate (LFP) to nickel-manganese-cobalt (NMC) and solid state, all relevant cell technologies are possible.

The first PowerCo Unified Cell is based on NMC technology and is one of the most powerful battery cells in the volume segment. Compared to previous cells, it delivers around 10 percent more energy density. Furthermore, it is perfectly synchronized with Volkswagen's new cell-to-pack battery system and thus offers advantages in range, efficiency and performance. It is produced in Salzgitter. More variants will follow, for example the PowerCo Unified Cell with LFP technology.

Thomas Schmall, Group Board Member for Technology, emphasizes: "With PowerCo, we are consistently expanding our know-how in battery technology. In combination with the new battery system, the Unified Cell "made in Salzgitter" brings a real technological leap for our customers. This puts us in the driver's seat when it comes to a key technology for e-mobility."

**Salzgitter becomes Europe's leading battery center**

Production of the PowerCo Unified Cell will be gradually ramped up in the coming year. In the first step, an annual production capacity of up to 20 GWh will be built up in Salzgitter, which can be expanded to up to 40 GWh if required. Salzgitter will serve as the lead plant for the following PowerCo gigafactories in Valencia (Spain) and St. Thomas (Canada), all of which are based on PowerCo's standard factory concept. The experience gained in Salzgitter will then be transferred to Valencia and St. Thomas. The exchange of know-how and personnel has already begun.

At the same time, the Research & Development center in Salzgitter continues to grow: Since 2022, the laboratory, testing and development capacities have been strategically expanded. Another test field is currently under construction, which is scheduled to go into operation at the beginning of 2026. As a result, Salzgitter is increasingly developing into the leading battery hub in Europe.

Frank Blome, CEO PowerCo SE, says: "In just three years, we have built an entirely new company, developed a competitive product, and completed a cell factory along with its upstream supply chain. At the same time, we are already constructing the next cell factories in Spain and Canada. In short: we deliver. This achievement is the result of an outstanding team effort by many colleagues at PowerCo and Volkswagen – and I'm deeply grateful for that."

**New standards in sustainability and digitalization**

The Gigafactory Salzgitter is also setting new standards for low-CO<sub>2</sub> cell production. Production is running entirely with renewable energy from wind and solar. For the first time, the energy-intensive clean and drying rooms will also be operated with green electricity. In the industry, fossil fuels are typically used for this purpose. In total, the Salzgitter Gigafactory emits up to 115,000 tons less CO<sub>2</sub> annually than comparable, conventional factories.

Highly automated production combined with comprehensive real-time data analysis is the key to continuously improving process stability, efficiency and quality. Thousands of data points from machine and building monitoring enable seamless traceability and form the basis for AI-supported quality control.

### Facts & Figures on Salzgitter Gigafactory

<b>Groundbreaking:</b>	July 2022
<b>Area:</b>	69,000 square metres – equivalent to approx. 10 football pitches
<b>Dimensions:</b>	approx. 600 m length, 350 m width, 30 m height
<b>Concept:</b>	Standard factory, blueprint for further cell factories (Valencia, St. Thomas)
<b>Max. Capacity:</b>	40 GWh, first expansion stage with 20 GWh 20 GWh = approx. 250,000 electric vehicles (depending on battery size)
<b>Energy:</b>	Renewable energy from wind and solar power
<b>Product:</b>	PowerCo Unified Cell, prismatic cell format, can accommodate different cell chemistries (Salzgitter: NMC)

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**About the Volkswagen Group:**

The Volkswagen Group is one of the world's leading car makers, headquartered in Wolfsburg, Germany. It operates globally, with 115 production facilities in 17 European countries and 10 countries in the Americas, Asia and Africa. With around 680,000 employees worldwide. The Group's vehicles are sold in over 150 countries.

With a comprehensive portfolio of strong global brands, leading technologies at scale, innovative ideas to tap into future profit pools and an entrepreneurial leadership team, the Volkswagen Group is committed to shaping the future of mobility through investments in electric and autonomous driving vehicles, digitalization and sustainability. The goal: As a "Global Automotive Tech Driver", to make the best automotive technologies accessible to customers worldwide - from entry-level mobility to the luxury segment.

In 2024, the total number of vehicles delivered to customers by the Group globally was 9.0 million (2023: 9.2 million). Group sales revenue in 2024 totaled EUR 324.7 billion (2023: EUR 322.3 billion). The operating result in 2024 amounted to EUR 19.1 billion (2023: EUR 22.5 billion).

**About PowerCo:**

PowerCo is a global battery cell manufacturer that was founded by the Volkswagen Group in 2022. Headquartered in Salzgitter, the company is responsible for the development and production of battery cells as well as the vertical integration of the value chain. PowerCo is currently building a total of three cell factories with a total volume of up to 200 gigawatt-hours per year: Salzgitter in Germany, Valencia in Spain and St. Thomas in Canada.

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**THE GLOBAL AUTOMOTIVE TECH DRIVER.**

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