

PRESS RELEASE



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Ricardo to assess feasibility of a UK-based battery manufacturing facility for niche volume electrified vehicle manufacturers

Ricardo will leverage its expertise in niche volume manufacturing, battery R&D, second life and recycling, complex supply chain management and strategic consultancy to 'level up' the UK supply chain in critical electric vehicle components

As part of its mission to support the decarbonisation of the global transport and energy sectors, Ricardo, a world-class environmental, engineering and strategic consulting company, has announced that it has received Government funding to assess the commercial viability of a facility to assemble battery packs for UK manufacturers which produce fewer than 10,000 electrified vehicles per year.

These UK electrified vehicle manufacturers include some of the world's best known prestige brands which create their luxury cars, special vehicles, or off-highway machines for a customer base in the low thousands. This compares with the hundreds of thousands or millions of vehicles produced for the mass market. Funded by the Advanced Propulsion Centre's Automotive Transformation Fund supported by the Department for Business, Energy and Industrial Strategy, the economic study will consider how to meet the particular battery hardware needs of these diverse manufacturers across a wide range of business sectors, by ensuring a UK supply chain in electric vehicle components.

Martin Starkey, Managing Director for Ricardo Performance Products said: "The UK automotive industry has a diverse mix of sector-leading manufacturers. The volume requirements and flexible product specifications of niche volume manufacturers are not aligned with the high-volume outputs from emerging 'gigafactories'. A niche volume battery manufacturing facility will help to establish a robust supply chain for these critical electrification components. In doing so, it will deliver national competitive advantage for the UK, and support the mass adoption of electrification by making it more affordable, helping to contribute to the green bounce back through sustainable practices. Ricardo's future manufacturing strategy is very much aligned to this emerging need for electrified vehicle components. Leveraging our proven track record in industrialising technology, we are very pleased to have received the funding, which will enable us to pursue this strategy, and help the UK reach its ambitious targets to achieve its net zero goals."

Automotive Transformation Director at the APC, Julian Hetherington said: "As part of the second round of feasibility study funding by the Automotive Transformation Fund, we are pleased to make a funding award to Ricardo. This funding is a great start in supporting companies like Ricardo as they advance their future product development and manufacturing processes for a future net-zero vehicle supply chain."

As part of the study, Ricardo will assess how the proposed facility could help minimise the risk of scaling up the innovation of new battery concepts to niche volumes. Harnessing its world-renowned expertise in batteries, the company will also explore opportunities to minimise the environmental impact of battery pack manufacture through 'second life processing' and recycling of core elements from construction.

This award of funding adds further to Ricardo's credentials in boosting the UK's electric vehicle manufacturing sector. Ricardo is leading the UK-ALUMOTOR consortium, supported by the Driving



Electric Revolution Challenge fund through UK Research and Innovation, which will establish a UK supply chain for electric machines to deliver next generation sustainable electric motors.

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About Ricardo

Ricardo plc is a world-class environmental, engineering and strategic consulting company listed on the London Stock Exchange. With over 100 years of engineering excellence, we provide exceptional levels of expertise in delivering leading edge and innovative cross sector sustainable products and solutions, helping our global customers increase efficiencies, achieve growth and create a clear and safer future. Our mission is clear -- to create a world fit for the future. For more information visit www.ricardo.com

About the Advanced Propulsion Centre

The Advanced Propulsion Centre (APC) collaborates with UK government, the automotive industry and academia to accelerate the industrialisation of technologies, supporting the transition to deliver net-zero emission vehicles.

Since its foundation in 2013, APC has funded 150 low-carbon projects involving 375 partners, working with companies of all sizes, and has helped to create or safeguard over 50,000 jobs in the UK. The technologies developed in these projects are projected to save over 260 million tonnes of CO₂, the equivalent of removing the lifetime emissions from 10.2 million cars.

With its deep sector expertise and cutting-edge knowledge of new propulsion technologies, APC's role in building and advising project consortia helps projects start more quickly and deliver increased value. In the longer term, its work to drive innovation and encourage collaboration is building the foundations for a successful and sustainable UK automotive industry.

In 2019 the UK government committed the Automotive Transformation Fund (ATF) to accelerate the development of a net-zero vehicle supply chain, enabling UK-based manufacturers to serve global markets. ATF investments are awarded through the APC to support strategically important UK capital and R&D investments that will enable companies involved in batteries, motors and drives, power electronics, fuel cells, recycling, and associated supply chains to anchor their future.

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