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PRESS RELEASE

ITALMATCH CHEMICALS participates in the second IPCEI (Important Project of Common European Interest) aiming at the sustainable development of the Electric Vehicle Battery (EVB) value chain in Europe.

With three innovative projects approved and partially funded by the European Commission program on new generation batteries, Italmatch is positioning on both advanced raw materials and recycling projects. These reaffirm its strategic focus on innovation as well as its commitment to promote sustainability and Circular Economy as business practice, in line with the ESG policy adopted by the Group.

Genoa (Italy) – 6th May 2021 – **Italmatch Chemicals**, a leading global specialty chemical group focused on the production and marketing of performance additives for water and process treatment, lubricants, plastics and oil & gas, is one of the 42 European selected companies to **participate in the second IPCEI** (Important Projects of Common European Interest) for the development of **more innovative and sustainable batteries**. The project will cover the entire battery value chain from the extraction of raw materials to recycling and disposal, applying a perfect concept of circular economy, with a strong focus on sustainability and social value. It will also partner with Europe in electro-mobility mass transition and generate additional structural business growth.

Italmatch Chemicals Group is actively contributing along the entire EV battery value chain, from production to recycling, with its participation in research on Advanced Raw Materials for better performing batteries and in the Recycling of depleted batteries. In particular, Italmatch is involved in “3 work projects” (“WP”).

The first work project aim is to help to establish a **Lithium-Ion Battery electrolyte precursor (LiPF₆) pilot manufacturing plant in Europe**. The project aims to consolidate the necessary technology and develop the entire sustainable supply system, paving the way for the **first-in-its-kind commercial production in Europe**. Italmatch will contribute to fulfilling the local Li-Ion Battery needs by providing a safe and environmentally friendly supply chain of Phosphorus Pentachloride (PCl₅), a fundamental intermediate for LiPF₆'s production in Europe.

The second work project involves exploring and setting up a **pioneering solid electrolytes precursor's pilot plant in Europe** to supply the solid electrolytes producers in Europe with a suitable material, meeting the requirements of the IPCEI circular battery value chain.

The third project will provide a set of innovative **IoT (Internet of Things) integrated chemical technologies** focussing on an efficient **recovery process of Cobalt, Nickel, Manganese and possibly Lithium** from depleted batteries in partnership with several intra-European upstream and downstream participants to the initiative. This process is in line with the ongoing implementation of the EU Battery Directive in a concept of circular economy and environmental sustainability.

Sergio Iorio, CEO of Italmatch Group, stated: *“We are honoured and proud to be selected for such socially important European project affecting our long-term future: contributing to new technologies in EV batteries or recovering raw materials (“P”) from industrial waste are opportunities that perfectly match Italmatch ESG policy, contributing to deliver social value, circularity of economy and sustainability”.*

Carlos Galeano, Beyond Innovation Project Director, stated: *“Italmatch's extensive knowledge on specialty chemistry is a plus in such a complex workstream that involves development of the entire battery supply chain. Since 2018, Italmatch's Beyond Innovation team aims at promoting forward-looking innovations, with a special focus on sustainability. Together with P4 production from secondary raw materials, e-mobility and the recovery out of exhausted massively used tools, including batteries, are the main drivers”.*

Maurizio Turci, Italmatch Chemicals General Manager Corporate and Group CFO, stated: *“Italmatch's growth strategy is strongly linked to the sustainable development of our solutions. The IPCEI project is a medium to long-term project that will support the Group's future profitability and perfectly complies on our sustainability goals. It also will enable new industrial technologies and sectors, in compliance with the European sustainable Agenda and Green New Deals goals”*

About Italmatch Group: *Founded in 1997, Italmatch Chemicals is a leading innovative chemical group, specialising in flame retardants and performance additives for water treatment, oil & gas, and lubricants and plastics, and boasts a wide product range able to fulfil the requirements of the most demanding applications, including personal care.*

The group generates approximately 600 million Euros in sales revenue and operates through seven manufacturing plants in Europe (Italy, Spain, Germany and UK), five in Asia Pacific (China, Japan and India), six in North America (USA) and sales/distribution subsidiaries in Brazil, Belgium, Poland, Singapore and Japan. It employs approx. 1,000 workers. Bain Capital Private Equity, a leading global private investment firm, acquired the majority of Italmatch Chemicals together with the management in October 2018. www.italmatch.com

Cautionary Notice Regarding Forward Looking Statements

This announcement contains statements reflecting assumptions, expectations, projections, intentions or beliefs about future events that are intended as “forward-looking statements”. A number of risks and uncertainties could cause our actual results to differ materially from current projections, forecasts, estimates and expectations relating to us. Any or all of these forward- looking statements may turn out to be wrong. They can be affected by inaccurate assumptions or by known or unknown risks, uncertainties and other factors, many of which are beyond our control.

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