Capital Markets Day 2022

Wednesday, 22nd June 2022

Q&A

Evelien Goovaerts: Thank you, Filip. You can stay on stage.

Filip Platteeuw: Okay.

Evelien Goovaerts: And then, I will ask Frank and Mathias to also join you. We will open the floor for questions. Here, we don't need a microphone in the room, but we do need it for the people following online. So when you have a question, raise your hand, and then either me or my colleague in the back, we'll bring the microphone your way.

For the people who have raised questions online, please continue to do so. I saw there were already some questions on sessions that we will be hosting this afternoon. So I will park these questions. And I see some people laughing here in the audience. Please keep your questions on Rechargeable Battery Materials and the other businesses for this afternoon.

And then, we are ready for the first question.

Gunther Zechman (Bernstein): Thanks very much. If I can just start with two, please? You speak about uninterrupted value creation. Can you just outline for us, please, what that means for ROCE progression between now and your 2026 ambition, and also when it's trough ROCE in your projections?

And then, secondly, just a clarification point, Filip, on your last slide about the funding of the investments. You speak about the optionality of capital markets funding. Can you just clarify whether you're talking about debt capital markets or also potentially equity capital markets, please?

Filip Platteeuw: Yeah. Sure, two financial questions. So on the first question, so what we mean is that in the plan, we see our return on capital employed on the Group level being above our cost of capital, basically above the 12.5%. So what you see happening is that there is still a dilution in E&ST because of the investment so that will continue. But you see the other businesses making up for that, despite even the metal price assumption, the investments in Battery Recycling. So it means that across the plan, on a Group level, we have a return above 12.5%. And that we see increasing then in the second half of the decade, once RBM comes onstream and will, by itself, also go to 12.5%, that on a Group level, your return in the plan goes to 15%. If that clarifies?

Gunther Zechman: So the cost of capital you put at 12.5%?

Filip Platteeuw: No. So the cost of capital, pre-tax, is somewhat below 10%. That's what we have assumed. Return on… There's something wrong with my mic, sorry. The return on capital employed in the plan is above 12.5% across the plan, on Group level, with the dilution still in E&ST; and increases to 15%, based upon the payback in the second half of the decade in Rechargeable Battery Materials. Is that clear?

Gunther Zechman: Yes.

Filip Platteeuw: Okay.

Gunther Zechman: And on the funding, please?

Filip Platteeuw: And on the funding, indeed, it's capital markets. So it means it can be, yeah, equity side. It can be debt side. So, indeed, as you know, there's quite a lot of instruments available to us. Again, this is the optional. I think we don't want to – we really want to focus on pulling all the levers – the good levers we have. But we're listed, so it is a certain optionality, but it can be different forms, indeed. It doesn't have to be an equity raise or…

Sebastian Bray (Berenberg Bank): Thank you. Good morning. Could I ask about the definition of EBITDA being consolidated and potentially the impact of the co-funding arrangements? Because my understanding of what happens with the VW [inaudible] 50-50 sales and EBIT joint venture. If it turns out that partners step in to fund a large amount of the €5 billion CAPEX guided, is they have a chance that they actually are allocated some of the EBITDA that you've been talking about in the slides, in the sense that if they say, 'Okay, we put up €2.5 billion,' or however much it is, 'Therefore, we get 50% of the EBITDA that's shown on a fully consolidated basis.' Or am I interpreting this all wrong?

Filip Platteeuw: Yeah. If I get your question right, then my answer would be that because, indeed, there is certain uncertainty in terms of the accounting treatments. What we have done here for the plan, just to simplify it, is apply a look-through, if you can call it. If there would be 50-50 or whatever, it will be proportional. So we presented things in a proportional way because I think that's the economic reality behind that.

And then, what the actual accounting metrics will be, that is too early to tell. That will depend on the ongoing negotiations and maybe future partnerships. Again, partnership does not only mean joint ventures. It can be other forms as well. But so, in the numbers, we've applied a look-through from that perspective.

Sebastian Bray: So it's not 100% of the EBITDA that you expect to come on that?

Filip Platteeuw: No, no, no, it's just a proportion. At the Umicore, I would say, part is included, yeah.

Sebastian Bray: But is the €5 billion the Umicore part of the CAPEX or…?

Filip Platteeuw: Exactly, that is the same approach. That is what we need to fund as Umicore.

Sebastian Bray: So just to clarify, the total CAPEX and the EBITDA that would be associated with the totality of the projects in which Umicore is involved would be higher than what is shown on the slides, as a result?

Filip Platteeuw: That would be higher.

Sebastian Bray: And sorry, then two quick follow-up questions. The free cash flow target for Autocatalysis, is that pre-tax, pre-interest, pre-adjustments?

Filip Platteeuw: Yes.

Sebastian Gray: And secondly, the gigawatt hours that Mathias showed in his earlier presentation, is that capacity or production, on a historical basis?

Mathias Miedreich: This is capacity.

Sebastian Gray: It's capacity?

Mathias Miedreich: This is capacity.

Sebastian Gray: Thank you.

Mathias Miedreich: And we have – Ralph will give a more in-depth view on that capacity ramp-up as well.

Riya Kotecha (Bank of America Merrill Lynch): Hi. I have two initial questions, please. So first, I'd like to understand the decision and your rationale for ramping up investments four times versus your historical cutbacks in the RBM space. Was it from a perspective of increasing competition, where you have Asian players coming into the European market and your need to defend market share? Or is it from the demand side where you're getting OEMs really coming to you and asking for volumes or offtakes?

And then, related to that, you mentioned that strong contracts underpin through your value creation and growth prospects. But in 2018, when you raised capital to fund the first expansion, you guided that there would be contracts too. However, in December 2021, we saw that that wasn't the case. And actually, the contracts and orders were cancelled. So is not a massive blow-up, increase in CAPEX somewhat more of a risky approach? Or how are you able to secure those volumes?

Mathias Miedreich: Right.

Riya Kotecha: Thanks.

Mathias Miedreich: Yeah, very good question, indeed. So the – what we have done here in the plan forward, in terms of capacities, and then underlying CAPEX for the E&ST is a bottom-up approach. So it's exactly what the customers – and mainly the OEM customers, but also the cell customers – tell us what is their need in the different regions. So we have not been doing that from a top-down view, in terms of we had a certain market share assumption in mind and that's why we need to do it. It's a bottom-up approach.

And that's very much linked to your second question as well; what is different to previous announcement of that kind? The contracts we're talking about have much more skin in the game, if you want, with the counterpart. So when we – in the extreme case, if we talk about the joint venture where, in theory, you have a, let's talk about a 50-50 joint venture with a customer, the customer has as much skin in the game as Umicore. And this is a much stronger, first of all, bond, but secondly, also a securitisation of, if you want, market share or offtake.

Riya Kotecha: Okay, thanks very much. I just have one quick follow-up. So I understand from the volume perspective that perhaps you're able to secure that, but how are you thinking about it from the pricing perspective?

Mathias Miedreich: Right.

Riya Kotecha: Is that something you're able to lock in? And how do you see the trajectory of that going across a decade then?

Mathias Miedreich: Yeah, that's also a very good question. Because we had – not so much now, but maybe six months ago, there was a debate if, is – and Ralph will address it in detail – is the cathode active material market, is it a commodity market with low returns and a low prices and a price pressure that the OEMs traditionally apply to the Tier-1 suppliers?

Now, what I've tried to explain in the beginning is that there are several new points to this equation. The pain points that the OEMs need to solve: availability of materials, the ESG constraint, circularity, all I mentioned. And what we currently see is that companies that can solve these points, they can achieve a premium also on pricing. And this is not an assumption, it's the reality we see. And I'm personally involved in some of the discussions, of course, because of the magnitude of that kind of agreements.

And so, I would say we are quite confident that agreements we are doing, and that's what Filip said many times, those significant CAPEX are conditional to those agreements. And with that, if you question about risk, I think we have a quite good feeling that we can secure the risk with these agreements in a good way.

And now, we have to prioritise this section because we have been so much over there already.

Jean-Baptiste Rolland (Crédit Suisse): Hi. Thank you for taking my question. I wanted to ask you what has changed, versus 2018, for you to decide, as it sounds, use equity as the last resort towards your primary funding strategy, versus in 2018, it was to resort to capital raise? That's my first question.

And the second one is in relation to the CAPEX that you're talking about, if you're going to share the CAPEX, I'm wondering how will your returns be split. Because logically, if you take less risk, your returns may be compressed. Otherwise, it's not clear to me what would be the interest of your customers to have a skin in the game in the JV. I appreciate if you could elaborate on that.

Mathias Miedreich: I will take the second question if you take the first one because I wasn't here in 2018.

Filip Platteeuw: No, indeed. I think what changed is that the – everything that was on the left-hand side of the slide is substantially different than what we had in 2018. If you look at the free cash flow generation, I mean, we explained that the businesses are changing now. Catalysis, then, was still very much in investment phase. Now, it's really transitioning to a free cash flow model. And in Recycling, we have a – clearly more free cash flows there as well. But then, it's really, I would say, the – yeah, and you have the market, in terms of the support for electrification clearly there, and the appetite from an ESG perspective. Those are also things that were not yet there in 2018.

But probably the most significant one is the one in the middle, that this partnership model. And we did not have that in 2018. You referred to it, we had contracts. What we're talking about now is something quite fundamentally different, the skin in the game, the, really, joint interest, and Mathias can tell you that. So I think it's the mix of funding instruments is quite different than what we had in 2018.

Mathias Miedreich: Yeah. And coming to the second point, isn't that a dilutive factor for us if we have less burden on the financing because the customer is co-financing, they want something back from it?

I think it's even – it's true. They want something back. But it's not so much that they want something back which is financially, they want security of supply. They want to have access to our circularity business model. They want to have access to our sustainability roadmap that we can offer to them.

And that's the premium that we can unlock. And it's really counterbalancing the – your perception that we had maybe – the market had a couple of months ago, that this is purely a commodity play, where the more you produce on a low scale, this will be a winning trajectory. No, it will not be. It will be to secure the customers.

You can believe me, in the discussions we have with all of our automotive customers, this topic of how to secure the supply chain is dealt with at CEO level or at a Management Board level of the big OEMs. It's such an important. So to secure that, they're willing to go in these kind of partnerships without a dilution of premiums on our side because we can bring a lot of the solutions to their problems.

And even at the start, when I had my slide at the beginning, I said we have to embrace more this ecosystem approach as Umicore, as a point, we need to work on. Because traditionally, Umicore was not willing or open to this kind of partnerships, right? It was not necessary at a certain point in time, and it was more protective mechanism. But now, as we have shown the willingness to open up, which was not the case in the past, this is really appreciated by our customers.

Nicola Tang (BNP Paribas Exane): Thank you. I wanted to clarify on the CAPEX, specifically talking about North America and RBM. What is factored into that number, you know? Is it this co-funding agreement? And I was just wondering that if actually, a co-funding agreement doesn't materialise, is there a risk that the CAPEX could be higher, for North America specifically?

And the second question is thinking about OPEX more than CAPEX. As you talk about that scale-up, how have you thought about the need for more OPEX potentially in those growth businesses against the reduction in fixed – or in costs in the Catalysis side?

Mathias Miedreich: Yeah, that's a very good point. So the North America expansion is today factored in as an Umicore standalone activity. We, of course, have included other elements of the chart. The – how you call it, your last column? – the funding – public funding opportunities that are available. But it's an Umicore finance, so it's included in that envelope. If we would find co-funding opportunities, which we are not excluding at this point in time, it would be an upside to the number.

Now, the question of OPEX. You see that in our RISE strategy, the last one is E: excellence in execution. And this is exactly addressing two things. It's to keep the promise to our customer that we can deliver the promise we give to them, in terms of yes, we will put the capacities in place, but also it takes care of the operational excellence and the OPEX side of things.

You will see later in the presentation of Ralph – and in all of the presentations, but it's especially in Ralph, we will look at this – is how can we – by not only – every time we build a new plant for cathode material, to invent it new, but to build a standardised manufacturing system with standardised footprints – not footprints, layouts in the plants, standardised operating models.

And then, we take the lessons learned and the improvements we have done in other factories from the beginning to have a lower starting point in OPEX for the new activities. And in Automotive Catalyst, of course, this has been a long tradition, being exposed to the automotive OEMs. That reflects to, every year, go down with your operation costs.

Now, on the last topic on Recycling. Precious Metal Recycling is under, if you want, pressure in a certain way, by normalising PGM prices. So also, there, we're not starting now. It's already a journey that has happened. We started two years ago to work on further improvements of the logistic flows in our Hoboken plant, for example, to reduce the cost that we have in internal handling, etc. All that we can do to influence also the OPEX cost.

And, again, here with Battery Recycling, we already start on the lessons learned that we've taken away. So we made the math on the cost development. And we see that we have quite a good plan to reduce also OPEX over time and not have the OPEX – leave it out of the equation because we believe growth will be so much, we don't have to care about it. No, it's from the beginning, very tightly managed.

Farzad Kassam (Millennium Capital): Hi. Just a couple of questions. One is on your margin headwind. So in terms of percentage, could you just tell us how much could be allocated to normalising PGM prices until 2026? And how much could you allocate to underutilisation costs because of the ramp-up of the CAPEX?

Mathias Miedreich: Difficult to really quantify. But I would say, starting last year, in 2021, we quantify the exceptional, I would say, tailwind from record precious metal prices at €270 million on the Group level. And that you see in the shaded bubbles in 2020, that's basically the difference that is shown. So that gives you an idea of the orders of magnitude if you bring that down.

So I would say in Recycling, the dilution you see is basically that, with the exception of return on capital employed because there we have the capital employed from Battery Recycling. But if you take 2026 and Recycling, that is metal prices, and that continues then into 2030. For Catalysis, that is also partly at play, but I would say less important.

The other side of the equation, which are the start-up costs, the investments, etc., that is really concentrated in E&ST. I would say if you talk about dilution, that's in E&ST. There is some, obviously also, in Battery Recycling – in Recycling. But in the overall scheme of things, that is the dilution effect in E&ST. The metal prices are mostly in Recycling and somewhat in Catalysis, but to really pull it apart is not as straightforward.

Farzad Kassam: And on the contracts for E&ST, you mentioned it's going to be multiple years. I guess the suggestion is not going to be one-year contracts. Could you just give us an idea on when you need to secure these contracts before which you start hitting the ground, in terms of CAPEX, etc., and so on?

Mathias Miedreich: Right.

Farzad Kassam: Could you just give us some colour?

Mathias Miedreich: So this is an extremely good question because you've seen that we have put the phase that we're currently in now, 2021, 2022, 2023, as the key phase of change in the market where we can utilise our value proposition. And I think this is exactly the time. It's this year and next year where we will secure these contracts to be ready, to be ramped up with the ambitious plans that we have, going forward. And I'm confident that we can, over the course of this year already and then beginning of next year, share more about that step-by-step, as we go down the road.

Now, if you want to quantify it in a time horizon, then you could say the pure length of a project, you can say it's two and a half years; two and a half years from we decide to do it and it's operational.

Now, as we have said, we have a staged approach. So that does not mean at the moment we decided to do an investment or to do a capacity expansion, that we need to put the investment. There is a significant amount of engineering that you do before. And that takes a very good time, during which, you can still – you could still say, 'No, I stop,' and you have not spent a lot of money.

And then, the real CAPEX investment is coming much more closer to the step-up. And one part, of course, of our, if you want, risk management model for the whole equation is also to have very frequent gateways to check on the assumptions that we did when we have launched those projects, if they are still in place or if they need to be adjusted. Because as we said, we have one threshold that we will not pass, which is value creation for the investments.

Farzad Kassam: So one last question, which is, in terms of return on investment, what sort of pricing are you assuming, going forward? Because up till now, we've – I mean, we've seen one major exit from the industry who were late to the game. But in the past, we've seen a lot of value being eroded because of pricing. What's changed now that you're confident that you can put in €5 billion of CAPEX and gain that?

Mathias Miedreich: Right, right. Absolutely. And that's a repetitive question that we have also asked ourselves a lot when developing the strategy. And the answer to it is that, of course, there is an element of the price will go down if the market demand is increasing because you have more production, more players in the market, etc. That's a general – that's a law for the industry.

But in this specific case, this industry works – as we see now in the last six months or so or the 12 months – works a little bit different because it's not only to be able to buy something on the spot market, it's to secure supply, sustainable supply, that has a circularity – meets the circularity requirement. And there are not so many options the market can go in this full attempt.

What we have tried to say in the beginning and we will, through the course of the day, give you more examples of what are the reasons on the different pain points of our customers, why we can achieve a premium versus just the underlying raw market dynamics. And for us, a proof of concept of that is those agreements we do with customers that go beyond a pure one-year short-term spot, I think this – we will not see this at all into the future. It will be always long term. It will be secured. It will be skin in the game. And it will be based on a value proposition that is more than just the production of bulk material.

Geoff Haire (UBS): Hi. I've got a couple of questions. I was just wondering, in terms of the offer of circularity within Battery Materials, there's obviously a few other companies that are starting to do that, who probably have deeper financial pockets than Umicore does and may not need partnership. So why would OEMs want to be spending their own money, whenever they don't, with other players who offer the same offer?

Filip, I was wondering if you could give us some idea of where you think maximum leverage for the Group would be, where you feel comfortable with that on the investment grid.

And then just on the VW joint venture, can you confirm whether that's signed up and completed? If not, will you come back to give us financial details once it is? Thank you.

Mathias Miedreich: So I will take the first and the last question and the middle is – maybe I answer both of them first. So Battery Recycling, I don't want to steal the thunder of Kurt later but what we have today is technology that is, as we think, superior in the market, in terms of ability to pay – so it means the cost side of things – but as well, in terms of an ESG perspective, the CO_2 footprint of the activities. And that's already one of the reasons why – but not only OEMs, OEMs and cell makers are interested to be part of our ecosystem.

The second part of it is because we have decades of experience in that field – in recycling, in itself, and in lithium-ion battery recycling since ten years. So we think we know what we talk about and our customers see that as well.

And the last thing is that for us, you cannot – or, let's say, the winning model cannot be to separate cathode active material manufacturing and battery recycling. Why? Because the requirement of the output of battery recycling needs to be battery-grade material. And you need to understand what is battery-grade material and you have to have the ability to close the loop. On the other hand, the input streams that you will have for battery recycling will be so diverse, so you will have different stuff that you have to recycle – and Kurt will focus on that – so that your technology has to be able to convert a very broad stream of input in something that is very, very narrow, which is battery-grade material. And I think this could be combination between our know-how in CAM production and the long recycling activities is very attractive for our customers.

But Kurt, again, will go in much more detail on that. We have a deep – we have also – we will show you a benchmark of technologies that we have done – a study on the market that probably will speak for itself.

Here's a question, maybe just on the average question, Geoff.

Filip Platteeuw: I wouldn't want to put a straight number on it, but investment grade, typically it's, I would say, 2.5, 3 times. I think the interpretation of that will depend also on the underlying business, on the contracts, on the risk appreciation of what is in that funding. So that's, I think, what is investment grade.

Mathias Miedreich: Right. Coming back to Volkswagen topic, today, we have not closed that activity yet. I can tell you that we are well on track versus what we have communicated earlier, the timelines we had in place. It was just a matter of when we have positioned this Capital Market Day versus our timeline that we have agreed. So it's a little bit early. It would have been great if we would be able to share more. I can only give you so much confidence that we are – on the milestones that we have set ourselves with our partner, we are on track. And as soon as it is signed and announced, we will give you more details.

Now, of course, more details than today, what is that level of details will also depend on the agreement we have with our partner in this regards, but it will be more than today.

Stijn Demeester (ING): Yes. Good morning. Two questions. First one is maybe a clarification on capital employed. Does the old rules still apply that €1 of CAPEX equals €1 of working capital investment? And is that included in your definition of capital employed?

And then the second question is on CAPEX intensity. Can you talk about how you see that CAPEX per gigawatt hour for North America versus past expansions in Asia and in Europe? Has that fundamentally changed over time?

Mathias Miedreich: I will take it. I will take the second one. And if you can go for the first.

Filip Platteeuw: Yeah. On the first one, our capital employed includes working capital, that's, I would say, indeed an obvious one. That rule does not apply as a rule anymore. That's the thing with – once you give that guidance, it's valid for a certain point in time, and that was for RBM, right? This was only for RBM. Recycling, we have a model which is very light in working capital. And we think, for example, battery materials – battery recycling should be something similar in terms of business model.

But it does not, as such, apply as a rule because when we talk about partnerships, it covers the supply chain. So it's not just limited to the investments in the CAPEX. It can be also on raw material sourcing, on – so no, that rule does no longer apply. In any case, also, it's dependent on the underlying metal prices. So that's the thing with once you give a rule, there's so many factors into that. But no, I would not apply that rule anymore.

What you've seen in the numbers is when you take CAPEX and working capital together for the Group, you're at €6 billion to €7 billion. So that gives you an indication, let's say, of the relative proportion of CAPEX versus working capital. Also, don't forget that working capital in Catalysis and Recycling is subject to metal prices. And the model that we have in Catalysis going forward is a free cash flow model so clearly, also, there will be a release of working capital just from that factor. So there's quite a number of moving parts into that guidance.

Mathias Miedreich: To answer to your second question, then we will have these two gentlemen because they were already raising their hand for a long time. I think we don't have a lot of time for more questions. Yes, the CAPEX density in North America will be lower than previously. But it's nothing to do with North America. It's the progression of our developments. And Ralph will explain that also with our standardised model of cathode manufacturing plants that we will then not reinvent in North America, but we will already use – we have several steps of investments planned. We will already use an advanced step of that implemented as a baseline in North America, which will – compared to an average in the Group, will be lower than that. But we have more details in the presentation.

So let's have the two last questions over there.

Charles Bentley (Jefferies): Thanks. So if I take the 2030 targets, assume €6 billion of incremental revenue, 20% EBITDA margins, and then assume the incremental investment, I get to EBIT lower or perhaps equal to 2021. Would you agree with that?

And then, secondly, just a couple on cathode materials. So how many players do you think this market can hold? So, if I take something like a three terawatt hour market by 2030, assume a third of that's LFP, it gets you to something like a 20% market share. Do you think that's realistic?

And then also just a point of clarification on the conversion that you're using for gigawatt hours to kilotons for these periods, that would be really helpful.

And then kind of finally, sorry, on CAPEX. The slide says greater than €5 billion. Is that – it says €5 billion in the floor and it could be higher. Could it be materially higher? Just any views on that? Thank you.

Mathias Miedreich: Do you want to start?

Filip Platteeuw: Yeah, I can start. And sorry, because I now forgot your first question.

Mathias Miedreich: First question was EBITDA question.

Filip Platteeuw: Yeah, yeah, EBITDA question. Sorry for that. So, look, it's given me… depreciation 2026, around €0.5 billion. I think that's what I would give today as a guidance. Again, it's a plan, which means that we said €1.5 billion of EBITDA, €0.5 billion of D&A. So you get to something which is similar, slightly above what we had in 2021, that would be in the plan. And then in 2030, definitely higher. So higher EBIT. So no, there is EBIT growth in the plan, I will say, obviously, for 2030.

Mathias Miedreich: So coming back to your market question of how many players can this market digest. And I have to admire the model that you have calculated our market share, because it's pretty well aligned with what we see ourself. And we think this is a realistic value. So you could project yourself into a much higher market share from the market growth and the potential that you have.

But as we said, it is a selective strategy forward. We have selected several regions, first of all, and then several value propositions that we have our market segments – so LFP, for example, not others – where we say there is a very big chance for us to win, to win at attractive margins. And if you add all this up, bottom up, you come to something close to 20%. And we think that the overall market is absolutely able to digest it. There will be different segments and Ralph will come to that as well.

Remind me of your last question.

Charles Bentley: It was just on CAPEX [inaudible].

Filip Platteeuw: Yeah. It means what it says but I mean, it's somewhat above €5 billion, so we're not – otherwise we would have used a different metric on the slides.

Charles Bentley: Sorry, [inaudible].

Mathias Miedreich: I want to put this to Ralph’s presentation to answer in his Q&A, because it's not so straightforward. There's not one value, is my point. There are several values. I promise that it’s the last question.

Ranulf Orr (Citi): Thank you. I'll just keep it to one. So could you just help understand what proportion, going forward, of the 2026 and the 2030 capacity volumes are actually covered by contracts that you consider skin in the game and clarify what that actually means with your customers? Is that co-investment? How much will be take-or-pay contracts and the like? Thank you.

Mathias Miedreich: Yeah, that's a good question. And I would like to answer it in the following way. If you just look to our ambition that we have for 2030 of, we say more than

400 gigawatt hours of capacity and if you look to – you mirror to that, the ambitions that we have communicated with the partners that we have already been announcing to be partnering, you are already around 50% of the 2030 value. So that's, as we think, a quite strong value.

The other portion that I want to say, we have said earlier this year that the year 2022 is the year where we are progressing very successfully on advanced qualifications. And at the time, we said high nickel – it was more focused on the high-nickel questions but advanced qualifications with several customers. And after we have said that, the first one that we have announced was ACC. And I can tell you there's several more in the queue and they will then, as we said, continue after or starting in 2024, to ramp up towards 2026, and then we have this 50% that you can take into account, as ambitions from our partners, in 2030.

Evelien Goovaerts: Thank you. I'm afraid we will have to wrap up this Q&A session. For the people who ask questions online, we will come back to you at a later time. And please continue to raise your questions. We have a bit more than a 15-minute break before we continue with the rest of the presentations. Thank you.

Mathias Miedreich: Thank you.

[BREAK]