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Elli enters the industrial energy storage business

- **Stationary large-scale storage systems are an important component in tomorrow's energy system. The demand for storage solutions will increase throughout Europe in the coming years, with experts expecting growth by a factor of 100 in Germany alone.**
- **Elli will develop and operate energy storage projects on an industrial scale together with partners. The company is thus opening up a new business area and further expanding its range of energy services.**
- **In the first step, individual projects with up to 350 MW of capacity and 700 MWh of storage capacity are planned. A first storage project could be launched in Germany as early as 2025.**

Wolfsburg, June 7, 2024 – The Volkswagen Group is entering a new business segment with the Elli charging and energy brand and will develop, build and operate large-scale stationary storage systems together with partners along the value chain. In the future, Elli's industrial energy storage systems will be used to supply customers and for arbitrage transactions on the electricity market. In this way, Elli is driving the transformation into a smart energy company and making a significant contribution to stabilizing and increasing the efficiency of the power grids. First Elli battery storage projects could be set up as early as next year.

The largest projects in the Elli project pipeline currently have a capacity of up to 350 MW and a storage capacity of 700 MWh. Such projects would almost double the total storage capacity installed in Germany, which currently amounts around one GWh. "Germany and Europe need sufficient storage solutions to meet the increasing demand and to compensate for the volatile feed-in of renewable energies. Our investment in stationary battery storage systems is therefore a significant contribution to the sustainable transformation of the energy supply," says Volkswagen Group Board Member for Technology Thomas Schmall.

The need for storage solutions is enormous: In 2023 alone, around 10,500 GWh were not generated from renewable electricity sources in Germany due to a lack of intermediate storage options.¹ This amount of electricity would have been enough to power more than 3.2 million electric vehicles with electricity from renewable sources for a year. In order to compensate for the volatility of renewable energies, Fraunhofer Institute estimates a demand for battery storage systems of over 100 GWh by 2030.²

By entering the business of industrial energy storage, Elli confirms its leading role in the mobility and energy transition. "We see high financial potential in this business area and the opportunity to develop Elli into a holistic energy provider in Europe," explains Giovanni Palazzo, CEO Elli.

You can find out more about charging and energy at www.volkswagen-group.com and www.elli.eco.

¹⁾ www.bundesnetzagentur.de, Quarterly report on grid congestion management | 06/2024

²⁾ Fraunhofer Institute for Solar Energy Systems, ISE, www.ise.fraunhofer.de, 2.5.2022

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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 114 production facilities in 19 European countries and 10 countries in the Americas, Asia and Africa. With around 684,000 employees worldwide. The Group's vehicles are sold in over 150 countries.

With an unrivalled 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.

In 2023, the total number of vehicles delivered to customers by the Group globally was 9.2 million (2022: 8.3 million). Group sales revenue in 2023 totaled EUR 322.3 billion (2022: EUR 279.1 billion). The operating result before special items in 2023 amounted to EUR 22.6 billion (2022: EUR 22.5 billion).

About Elli:

The Elli brand, with around 370 employees, takes care of customers' needs at the interface between energy and mobility. Elli, as part of the Volkswagen Group, offers a broad range of energy and charging solutions in Europe and acts as a mobility service provider. The current product portfolio includes charging solutions for private customers and companies – from the company's own home chargers and the flexible fast-charging stations (Flexpoles) to charging services and innovative smart green electricity tariffs. For charging in public spaces, Elli provides digital solutions and services for a seamless charging experience. Elli, which was founded in 2018, has offices in Berlin, Wolfsburg and Munich.