

tozero and Huayou Joint Press Release

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For immediate release

tozero and Huayou Recycling, the recycling arm of Huayou Cobalt, one of the world's largest lithium-ion battery cathode manufacturers, forge partnership to truly bring lithium-ion battery waste to zero in Europe



Left to right: Dr. Ksenija Milicevic Neumann CTO tozero, Sarah Fleischer CEO tozero, Bao Wei General Manager Huayou Recycling, Wei Zhang Managing Director Europe & America Huayou Cobalt

MUNICH - Munich-based climate tech startup tozero and Huayou Recycling proudly announce the signing of a partnership for the recycling of battery waste in Europe. The partnership will have a significant impact on the region's battery industry, addressing the challenges posed by the growing electrification of the European eMobility landscape and the accompanying surge in battery waste.

Under the terms of the partnership agreement, Huayou Recycling will supply tozero with battery waste from end-of-life EV batteries and battery production scrap. tozero's state-of-the-art recycling plant in Munich, operational since April 2023, will utilize this input to recover all critical raw materials necessary for the production of new batteries. The two companies will also jointly explore the potential of leveraging their respective recycling technologies to serve their customer base with a closed-loop battery material solution to significantly reduce the environmental footprint of new batteries.

"We're pioneering a new era in the fight against battery waste, a challenge that affects the world at large," said Sarah Fleischer, Co-founder and CEO of tozero. "By collaborating as a global force, we aim to set an example for the industry, demonstrating the transformative power of partnerships in addressing pressing environmental issues."

Wei Bao, General Manager of Huayou Recycling, expressed optimism about the collaboration, stating, "We are glad to see that more and more innovative companies are rising and joining force with us in this great mission of sustainability. As a long-established leading battery recycler, we believe that by combining our strengths and resources with tozero, we can truly bring lithium-ion battery waste to zero."

The European continent is on the brink of a transformative shift towards electrification and is on its way to becoming the first net-zero continent by 2050. Current market projections indicate a monumental twenty-fold increase in Lithium-Ion battery (LiB) production by 2030, accompanied by a daunting 740% surge in battery waste from 2022 to 2030. This growth presents a formidable challenge for sustainability efforts. Anticipated global lithium shortages of 52% by 2030, coupled with increasing social and geopolitical pressure, necessitate the European battery industry to seek alternative local sources of critical raw materials to maintain production targets and achieve the overarching goal to reach net zero.

“If we manage to properly recycle locally accumulated battery waste, we can easily contribute beyond 50% of Europe’s demand on lithium - the white gold - locally by 2040,” claims Sarah Fleischer. tozero and Huayou continue their investments to bolster the availability of necessary critical materials for the production of batteries in Europe over the coming decade. By 2027 tozero will operate Europe’s largest battery recycling facility with an annual capacity to recycle 90,000t of lithium-ion batteries enabling the provision of 6,000t of locally sourced lithium. Simultaneously, Huayou Cobalt, the parent company of Huayou Recycling, is allocating a substantial investment of 1.5 billion Euros to establish its first European cathode active material production facility in Hungary to serve its local customer base.

About Huayou Recycling

Huayou Recycling operates recycling facilities all over the world. It’s the recycling division of Huayou Cobalt, who is one of the largest electric vehicle lithium-ion battery material producers in the world. Having recycling plants with 65,000-ton battery waste treatment capacity, Huayou Cobalt has established in-depth partnerships with BMW, Volkswagen, LG Energy Solution, POSCO, Envision and many other well-known OEMs and battery manufacturers worldwide, and has built up joint ventures with LG Energy Solution and POSCO for lithium-ion battery recycling.

About tozero

tozero is a Munich-based startup co-founded by Sarah Fleischer and Dr. Ksenija Milicevic Neumann. The company's mission is to establish Europe's leading lithium-ion battery recycling plant, focused on recovering critical raw materials such as lithium, nickel, cobalt, and graphite in a sustainable way. By reintroducing these materials into the supply chain, tozero aims to support the manufacturing of new batteries while promoting a circular economy, ultimately securing the critical raw materials required for the transformation of Europe into the first net-zero continent by 2050. tozero closed a 3.5 Million Euro Pre-Seed funding round in 2022 led by Atlantic Labs alongside Possible Ventures and Verve Ventures, and supported by high profile Business Angels including the former VW Group Board Member Jochem Heizmann.

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