



FOR IMMEDIATE RELEASE: May 5, 2022

Orion Announces Plans to Build Only Acetylene-based Conductive Additives Plant in U.S.

HOUSTON – [Orion Engineered Carbons](#) (NYSE: OEC), a specialty chemical company, today announced plans to build the only plant in the U.S. producing acetylene-based conductive additives – a critical link in the value chain for lithium-ion batteries, high-voltage cables and other products powering the global transition to electrification and renewable energy.

Orion’s planned facility in La Porte, Texas, south of Houston, will be backed by a long-term agreement for acetylene supplied from a neighboring site owned by Equistar Chemicals LP, a subsidiary of LyondellBasell.

Acetylene is a colorless gas widely used as a chemical building block. Orion’s production process turns acetylene into a powder, which is added to lithium-ion batteries, enhancing electrical conductivity and extending the lifetime of the most valuable component of an electric vehicle. The material plays a similar role in high-voltage cables used for wind and solar farms.

Orion will invest between \$120 million and \$140 million in the facility, expected to start up in the second half of 2024. The investment should increase the company’s conductive additives capacity by approximately 12 kilotons per year.



“With this investment, we will quadruple our effective manufacturing capacity of acetylene-based conductive additives,” said Corning Painter, Orion’s CEO. “We are already experiencing high demand for this material, so expanding capacity for it is one of our top investment priorities and a major milestone in our growth plans. This is a very big day for Orion.”

The company, which has a similar plant in France with locally supplied acetylene gas from LyondellBasell, is the sole producer of acetylene-based conductive additives in the European Union.

The U.S. plant will bring new technology and high-skilled jobs to the country and positively impact long-term job creation for the local community. Demand for battery additives is expected to grow rapidly amid a global boom in the construction of gigafactories making lithium-ion batteries.



The facility, which will have a favorable environmental profile, will be subject to obtaining the routine regulatory approvals.

“Batteries will continue to play an increasingly vital role in the world’s shift toward clean energy,” Painter said. “By being a key supplier of materials to the battery industry, we’re living up to our mission of delivering solutions for a more sustainable future.”

Orion will hold its first quarter earnings conference call tomorrow, Friday, May 6, 2022, at 8:30 a.m. (EDT) and will provide additional details of this announcement during the call. The dial-in details for the live conference call are as follows:

U.S. Toll Free:	1-877-407-4018
International:	1-201-689-8471

A replay of the conference call may be accessed by phone at the following numbers through May 12, 2022:

U.S. Toll Free:	1-844-512-2921
International:	1-412-317-6671
Conference ID:	13727988

Photos: The attached images show Orion’s plant in Berre-l’Etang, France. The facility produces acetylene-based conductive additives.

About Orion Engineered Carbons

Orion Engineered Carbons (NYSE: OEC) is a leading global supplier of carbon black, a solid form of carbon produced as powder or pellets. The material is made to customers’ exacting specifications for tires, coatings, ink, batteries, plastics and numerous other specialty, high-performance applications. Carbon black is used to tint, colorize, provide reinforcement, conduct electricity, increase durability, and add UV protection. Orion has innovation centers on three continents and 14 plants worldwide, offering the most diverse variety of production processes in the industry. The company’s corporate lineage goes back more than 160 years to Germany, where it operates the world’s longest-running carbon black plant. Orion is a leading innovator, applying a deep understanding of customers’ needs to deliver sustainable solutions. For more information, please visit orioncarbons.com.

Forward-Looking Statements



This document contains certain forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. Forward-looking statements are statements of future expectations that are based on current expectations and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in these statements. You should not place undue reliance on forward-looking statements. Each forward-looking statement speaks only as of the date of the particular statement. New risk factors and uncertainties emerge from time to time and it is not possible to predict all risk factors and uncertainties, nor can we assess the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements. We undertake no obligation to publicly update or revise any forward-looking statement as a result of new information, future events or other information, other than as required by applicable law.

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