

Evonik strengthens world-scale methionine production hub in the U.S.

- Optimized production setup through construction of a methyl mercaptan plant in Mobile, Alabama
- Consistent implementation of asset strategy, safeguarding supply security in the Americas
- Investment as continued commitment to responsible care and sustainability

Essen, Germany. Evonik will build a methyl mercaptan plant at its site in Mobile, Alabama in the U.S. Methyl mercaptan is an intermediate in the production of MetAMINO® (DL-methionine) and is currently sourced from third parties. This backward integration step strengthens Evonik's site in Mobile as a global, best-in-class methionine hub for reliable and cost-optimized supply to North and South American markets. The plant is scheduled to come on stream in the second half of 2024. The investment budget of the project is approximately EUR 150 million over three years.

"The new methyl mercaptan plant in Mobile is another important step in the consistent implementation of our global methionine asset strategy," says Johann-Caspar Gammel, head of Evonik's Nutrition & Care division. "We are securing our cash flow from the methionine business to finance our growth with system solutions in Nutrition & Care."

The core of the methionine asset strategy are the three world-class production hubs: Mobile, Antwerp (Belgium) and Singapore. Together these hubs serve the expanding global market for DL-methionine. As part of the asset strategy, the smallest methionine plant at the German site in Wesseling was discontinued in 2021. At the same time the European MetAMINO® Verbund was strengthened by investment in intermediates at this site.

The global methionine production hubs in Antwerp and Singapore are already fully backward integrated. This contributes – just like the present investment in Mobile – to improved supply security

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and a market-leading cost position. It also facilitates future and highly efficient debottlenecking over the next years.

"In the market we stand for quality, superior supply reliability, and a high level of safety and technology standards in our assets. The backward integration in Mobile eliminates transportation of hazardous chemicals and shows our continued commitment to responsible care and business sustainability. This ultimately positions us even better as a reliable partner for our customers in the Americas," says Dr. Emmanuel Auer, head of the Animal Nutrition business line at Evonik.

The investment is also a building block of the division's sustainability strategy: it will reduce the carbon footprint of DL-methionine from Mobile by about seven percent. More than 25,000 metric tons of CO₂ equivalents can be saved each year.

Methionine is used in livestock farming to feed animals healthily, efficiently, and sustainably. With its science-based approach, Evonik's Animal Nutrition business line develops products, services and system solutions that help supply a growing world population with healthy, high-quality and affordable animal protein. Animal Nutrition is part of Evonik's Nutrition & Care Division and makes a significant contribution to the profitable growth of Nutrition & Care through its self-financing power.

Company information

Evonik is one of the world leaders in specialty chemicals. The company is active in more than 100 countries around the world and generated sales of €12.2 billion and an operating profit (adjusted EBITDA) of €1.91 billion in 2020. Evonik goes far beyond chemistry to create innovative, profitable and sustainable solutions for customers. About 33,000 employees work together for a common purpose: We want to improve life today and tomorrow.

About Nutrition & Care

The focus of the business of the Nutrition & Care division is on health and quality of life. It develops differentiated solutions for active pharmaceutical ingredients, medical devices, nutrition for humans and animals, personal care, cosmetics, and household cleaning. In these resilient end markets, the division generated sales of around three billion euros in 2020 with about 5,300 employees.

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