

Origin Materials Announces \$750 Million Sustainable Materials Facility in Ascension Parish

Gov. John Bel Edwards and Origin Materials, a carbon-negative materials company committed to leading the global transition to sustainable materials, announced that the company plans an investment of at least \$750 million to develop a biomass manufacturing facility in Ascension Parish that will result in 1,057 new direct and indirect jobs.

The plant in Geismar will utilize sustainable wood residue – sourced partly from Louisiana’s timber mills and managed forests – to produce plant-based polyethylene terephthalate (PET) used in packaging, textiles, apparel and other applications. Hydrothermal carbon, which can be used in fuel pellets, also will be produced at the site. Made with renewable feedstocks, Origin’s patented technology platform is designed to reduce the carbon emitted during the production of widely used products ranging from food and beverage containers to parts for the automotive industry.

The project will create 200 new direct jobs with an average annual salary of more than \$90,000 plus benefits. Louisiana Economic Development estimates an additional 857 indirect jobs will result in Louisiana’s Capital Region. The company estimates 500 construction jobs will result at the peak of development for the new facility.

“I welcome Origin Materials’ plans for a new facility in Louisiana,” Gov. John Bel Edwards said. “Their unique process of developing PET products from renewable wood fibers is yet another example of how the global shift toward sustainability

can be a catalyst for economic investment and job creation in our state. The company's carbon-negative mission aligns with our Climate Action Plan's approach to limiting the severity of climate change while maintaining economic competitiveness in a low-carbon future."

The plant will be located on an LED Certified Site – the 150-acre Parks Geismar site in Ascension Parish – signifying that it has been deemed development-ready after an extensive review. The company expects construction to begin in mid-2023 and for the plant to be mechanically completed and operational by mid-2025.

"The demand for 'net zero'-enabling materials is extremely strong, and we believe this plant will be instrumental in addressing demand for our products in the United States and internationally," Origin Materials Co-Founder and Co-CEO John Bissell said. "We are grateful for the partnership of Louisiana Economic Development, the Baton Rouge Area Chamber and Ascension Parish for the support they have provided in the site selection process. The local talent is world-class across refining, forestry and agronomy, feedstock logistics and chemicals. The site sits along the Mississippi River with easy access to barge and rail and plentiful local wood residue feedstock. The proposed incentive package for building in the area is compelling and the local industrial cluster can provide access to hydrogen, ethylene, water treatment and more."

Headquartered in West Sacramento, California, Origin Materials was founded in 2008. The company has partnered with leading consumer brands including Danone, Nestlé Waters and PepsiCo in its creation of recyclable, plant-based PET plastic consumer products, as well as Ford Motor Company and global chemical companies. This largest-of-its-kind Geismar-based facility will join the company's network of locations, including its West Sacramento-based pilot facility and its Ontario, Canada-based production site, which is currently under construction.

“As Ascension Parish transitions toward a greener future, we look forward to welcoming Origin Materials to our business community,” said Ascension Parish President Clint Cointment. “This project is significant in an emerging bio-based chemical market as well as an investment in our local labor force.”

To secure the project, the State of Louisiana is offering Origin Materials a competitive incentive package that includes the services of LED FastStart, ranked the No. 1 statewide workforce development program in the nation for the past 12 years. Additionally, the company would be eligible for a \$6 million performance-based award to be paid out over six years, to reimburse site infrastructure costs. The company is also expected to utilize the state’s Quality Jobs and Industrial Tax Exemption programs.

“This project points to a future of transformational changes in the manufacturing of chemicals and plastics,” Baton Rouge Area Chamber President and CEO Adam Knapp said. “Origin Materials’ decision to locate its largest plant-based plastics operation here speaks to our region’s continued advantages for workforce and supply chain, even as technologies change for the future. AEDC and LED have been excellent partners in their work to support the company’s decision to locate in the Capital Region.”