

Press release

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Umicore streamlines its Cobalt & Specialty Materials activities

As part of the ongoing reassessment of its global production footprint, Umicore plans to streamline its cobalt activities in the business unit Cobalt & Specialty Materials with the aim of strengthening the business unit's competitive position.

Cobalt & Specialty Materials is a leader in the refining, production and distribution of cobalt and nickel specialty chemicals for a wide-range of non-battery related applications. Over the past few years, the business unit has been facing increasing competition in several of its end markets and more recently in its cobalt refining activities due to the emergence of large-scale cobalt refineries. Against this backdrop, Umicore plans to consolidate part of the business unit's core activities in Kokkola, Finland and Nashville, US in order to achieve synergies and strengthen the unit's competitive position.

According to this plan, the cobalt refining and part of the cobalt transformation activities of the Olen plant in Belgium will be moved to the recently acquired Kokkola refinery in Finland. This state-of-the-art refinery is one of the largest cobalt refineries globally and allows the business unit to produce at larger and more competitive scale. The transfer of the activities is anticipated to be finalized by mid-2023 and will entail a reduction of 165 positions in Olen through natural attrition.

In the US, the business unit will discontinue operations in Arab, Alabama, and consolidate activities in the plant in Nashville, Tennessee. The closing of the Arab plant will impact 42 positions. Earlier in the year, the business unit also closed its cobalt, nickel and rhenium refining and recycling plant in Wickliffe, Ohio.

It is anticipated that the above mentioned footprint adjustments and related charges would lead to approximately € 55 million one-off adjustments to EBIT, the vast majority of which is non-cash in nature.

For more information

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Umicore profile

Umicore is a global materials technology and recycling group. It focuses on application areas where its expertise in materials science, chemistry and metallurgy makes a real difference. Its activities are organised in three business groups: Catalysis, Energy & Surface Technologies and Recycling. Each business group is divided into market-focused business units offering materials and solutions that are at the cutting edge of new technological developments and essential to everyday life.

Umicore generates the majority of its revenues and dedicates most of its R&D efforts to clean mobility materials and recycling. Umicore's overriding goal of sustainable value creation is based on an ambition to develop, produce and recycle materials in a way that fulfils its mission: materials for a better life.

Umicore's industrial and commercial operations as well as R&D activities are located across the world to best serve its global customer base. The Group generated revenues (excluding metal) of € 1.6 billion (turnover of € 10.0 billion) in the first half of 2020 and currently employs just below 11,000 people.