

Press Release

BOROUGE SUCCESSFULLY STARTS UP ITS FIFTH POLYPROPYLENE UNIT IN RUWAIS BOOSTING ANNUAL POLYOLEFIN CAPACITY TO MEET GROWING GLOBAL DEMAND

Borouge is a key enabler of the UAE's industrial growth and diversification strategy supporting local industrial supply chains and exporting polyolefin solutions to customers globally

Another important milestone on Borouge's growth journey following the recent Final Investment Decision for Borouge 4

New unit expands Borouge's polypropylene (PP) capacity by more than 25% to meet the growing global demand for products in sectors including advanced packaging and infrastructure

PP5 to produce products which are versatile and readily recyclable material

30% of all installed equipment in PP5 was 'Made in UAE' and overall In Country Value (ICV) programme score of more than 60% during construction phases

Abu Dhabi, United Arab Emirates – 24 February 2022: Borouge, a joint venture between ADNOC and Borealis that provides innovative, value creating polyolefin solutions, has announced the successful start-up of its new fifth polypropylene unit (PP5) in Ruwais. The new unit will contribute to boosting the UAE's production of polypropylene to meet the growing global demand for manufactured products in the recyclable advanced packaging, infrastructure and other industrial sectors.

Hazeem Sultan Al Suwaidi, CEO of Abu Dhabi Polymers Company (Borouge) said: "This marks further progress on Borouge's growth journey and the development of Ruwais into a dynamic, global hub for downstream activity, enabling the UAE's long-term industrial growth and economic diversification. Our PP5 unit, will enable us to meet our customers' increasing demand for polypropylene solutions, especially in the packaging and infrastructure sectors across our key markets in the Middle East, Asia Pacific and Africa."

Built within the Borouge 3 plant, PP5 is a key milestone in Borouge's 2030 growth strategy. The new unit will deliver 480,000 tonnes per year (t/y) and contribute to increasing Borouge's polypropylene production capacity by more than 25% to 2.24 million t/y, and its total polymer capacity of polyolefins by 11% from 4.5 to 5 million t/y. The new facility will have the annual capacity to manufacture raw materials to produce enough pipes for the water supply networks for the equivalent of 6,500 Burj Khalifa buildings. The start-up of PP5 follows soon after the announcement of the Final Investment Decision for the world-scale Borouge 4 expansion which makes Borouge's Abu Dhabi manufacturing facilities the world's largest single-site polyolefin complex.

Rainer Hoefling, CEO Borouge Pte, commented: "We work closely with our customers and value chain partners to achieve their circular economy commitments through several initiatives. These include the development of mono-material packaging solutions that are designed for recyclability. We will be able to provide solutions that drive total cost benefits for customers by leveraging Borstar® technology to deliver unparalleled cycle time improvements, reduced warpage, and energy efficiency."

Demand for products manufactured from polypropylene is set to rise in the coming decades as it is a versatile and readily recyclable material. The new PP5 unit will strengthen Borouge's offering of sustainable, innovative and differentiated products to meet emerging demand. Polypropylene will be used by customers and value chain partners to manufacture recyclable packaging and to create pipes that are strong, durable and lightweight, for the infrastructure sector.

PP5 supports the UAE In-Country Value and 'Make It In the Emirates' programmes

Borouge's PP5 project has successfully achieved an In-Country Value score of more than 60%, indicating the level of sourcing from UAE companies and 'Made in UAE' content. All steel structures, piping and fittings were procured in country. A total of 30% of all installed equipment, was 'Made in UAE' and all subcontract services were sourced from the local market.

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Borouge is proud to support the new 10-year strategy being implemented by the Ministry of Industry and Advanced Technology (MoIAT) and the company is committed to playing a key role in achieving economic sustainable development in the UAE, unlocking new opportunities to 'Make It In The Emirates'.

Construction of the PP5 unit started in December 2018 and has been successfully completed during the global COVID-19 pandemic. More than one hundred Borouge employees and four thousand contractors worked on the project. Construction was delivered safely and on time with more than 24 million safe man hours recorded. The commissioning of the unit started at the end of 2021.

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About Borouge

A joint venture between ADNOC and Borealis, Borouge is a leading petrochemicals company that provides innovative plastics solutions for the energy, infrastructure, mobility, packaging, healthcare and agriculture industries. Following the fourth world-scale expansion, Borouge will become the world's largest single-site polyolefin complex by 2025, with an overall production capacity of 6.4 million tonnes annually
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