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Where tomorrow begins: Borealis inaugurates revolutionary catalyst plant at Linz location

Pioneering Borealis Sirius catalyst technology enables ideal adaptation of plastics end products

Borealis, a leading provider of innovative solutions in the fields of polyolefins, base chemicals and fertilizers, inaugurated a new catalyst plant at their Linz location on June 3, 2013. The company has invested EUR 100 million in the construction of this facility which will produce chemical substances – so-called catalysts – utilising the proprietary Borealis Sirius catalyst technology. Catalysts enable a precise alignment of plastics properties with varying demands and requirements and help determine, among other things, the hardness, plasticity and/or elasticity of end products. The start-up of the plant will create 35 new jobs at the Linz location and strengthen Borealis' position along the entire plastics value chain: from research and development into and production of own catalysts, to application-oriented development of innovative end products in close co-operation with Borealis customers. Furthermore, the patented Borealis Sirius catalyst technology enhances the profitability and sustainability of the company in the plastics manufacturing sector.

The opening of the new catalyst plant in Linz is a central pillar of the growth strategy within the Borealis polyolefins business segment. Since 2007, the company has already invested EUR 50 million in the development of its Innovation Headquarters in Linz, inaugurated in 2009. The construction of the catalyst plant involves an additional investment of EUR 100 million. Upon commencement of full operations at the plant, 35 new employees will join the existing 1,250 currently employed in Linz.

Innovative catalyst technology safeguards Borealis leadership role

The opportunity to produce catalysts not only for the company's own use, but also to continue to develop new and improved catalysts is of prime importance for Borealis. "Research and innovation is the key to our successful Value Creation through Innovation strategy," emphasises

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Borealis Chief Executive Mark Garrett. "With today's inauguration of the new plant, we are not only strengthening our research expertise, but also our overall leadership role in the area of catalysts. We are positioning ourselves as a powerful partner in innovation in the development of high-quality product solutions," Mark Garrett explains. "This investment is yet another building block in our global growth strategy and will consolidate our position in Europe."

Catalysts enable ideal adaptation of desired plastics product

Catalysts are substances required in small quantities for the production of plastics. In value-adding processing, catalysts assist in the transformation of simple raw materials into complex molecules which exhibit a variety of properties for diverse applications. To a great extent they determine the final properties of a product, e.g. hardness, plasticity and/or elasticity.

"Catalysts make it possible to form plastics more precisely. This of course means we can accommodate our customers' demands and requirements more precisely as well, which is why catalysts play a vital role in the development of innovative plastics solutions," says Alfred Stern, Borealis Executive Vice President Polyolefins. "The new facility in Linz will make it possible for us to build on the basic research carried out at our Innovation Centre in Porvoo, Finland by further refining catalysts developed there until they are market-ready. This is an essential step in the development of catalysts and determines the quality and versatility of the final product," Stern adds.

"In a sense, one could describe catalysts as the 'heart' of certain polymerisation processes. The new Linz plant enables us to produce catalysts for our own needs, for both production and R&D, and thus maintain total control within Borealis across the entire value chain," Alfred Stern continues. "This gives us both an edge in innovation and a competitive advantage in the market."

Thanks to these high-performance catalysts, Borealis can produce in such a way that conserves resources, because larger and higher-quality volumes can be produced using less material. By-products are avoided and specific energy requirements reduced. Thus overall, efficiency and

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sustainability in chemical manufacturing processes are significantly increased.

Linz as research centre for plastics in Europe

"With this new facility and investment, Borealis is definitively establishing Linz as a research centre for plastics in Europe," says Gerhard Roiss, CEO of OMV. "I personally find it very gratifying that Linz has seen such positive development in recent years and has now become such a promising research location. The three main factors which have brought this about: first, its heritage as a traditional location for the chemical industry in the 1950s, then the expansion of research and processing in the 1990s, and now, the impact of Borealis research activities in Linz including the promotion of university research," Gerhard Roiss continues.

Construction of the new Borealis Sirius catalyst plant was completed within only two years. "The decision in favour of Linz was made on the basis of a pan-European competition for this location," Gerhard Roiss explains. "And once again, the province of Upper Austria proved its ability to recognize pioneering developments when they see them and to take the necessary support decisions very quickly. This is yet another milestone for the Austrian plastics industry. Furthermore, the plant will act as a stimulus for the rest of the Upper Austrian economy as well as its R&D and science landscape."

Strong stimulus for R&D, science and the economy in Upper Austria

"With its production expansion in Linz Borealis is providing additional economic stimulus for Upper Austria. Companies like Borealis drive research and development, and as numerous studies have clearly shown, companies which invest significant amounts in R&D create more jobs than other companies," says Reinhold Mitterlehner, Austrian Federal Minister of Economy. "Exploiting synergies between science and industry is especially vital for the long-term development and success of business locations," Reinhold Mitterlehner concludes.

The province of Upper Austria took decisive support measures to ensure that Borealis decided in favour of the province. Research grants, the promotion of plastics competence at the JKU Linz as well as general

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economic subsidies are part of the comprehensive package offered by the province of Upper Austria.

"Bolstering the field of polymer chemistry at Johannes Kepler University (JKU) Linz also enhances the appeal of Upper Austria as a location for science and research," says Doris Hummer, member of Upper Austrian parliament and Upper Austrian Science & Research Minister. "Five new institutes of international calibre, all focused on the common theme of plastics and polymers, have now been founded at JKU. In the last five years alone, the province of Upper Austria has invested more than EUR 9 million in creating the requisite research infrastructure," Hummer explains. "The next step will be the creation of a centre for industrial catalysts at JKU. The centre will be funded by the province of Upper Austria and will function as the scientific counterpart to the Borealis Sirius catalyst plant. Even at this early stage, around 200 students are already participating in the programme and by the end phase we expect this number to rise to around 400."

"Borealis is a prime example of the ideal partner for Upper Austria as a location for science and research. The close collaboration between science, business and industry has a long tradition in this province," Doris Hummer continues. "And everyone benefits from such collaboration – not only those studying or working at universities but also the scientists at Borealis themselves. Researchers work in fertile environments, and students benefit from the close proximity to research practice."

"The establishment of plastics and polymer sciences at JKU has been achieved at a pace unparalleled in international higher education. This illustrates just how much is possible when determined and dedicated partners like Borealis, JKU and the province of Upper Austria team up to pursue common goals," Doris Hummer concludes.

Linz is largest location within the global Borealis Group

The biggest location within the worldwide Borealis Group is in fact Linz, where approximately 1,250 employees from around 50 different countries are dedicated to producing cutting-edge plastics solutions. In 2009, Borealis opened its global research and development centre, the

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Innovation Headquarters (IHQ) in Linz. Over 450 international experts from over 30 nations work at IHQ Linz in an effort to transform innovative ideas into market-ready success stories. Focus lies on plastics solutions for infrastructure (pipe systems, energy and communication cables), automotive and advanced packaging industries.

Schwechat: one of the most important plastics production facilities in Europe

Schwechat, near Vienna, is the second major Borealis location in Austria. Here, production is limited to that of so-called polyolefins, e.g. plastics which are meltable and ultimately formable once a certain temperature range has been reached. Around a million tonnes of polyolefins are manufactured each year at Borealis, and the Schwechat plant is in fact one of Europe's most modern and important plastics production facilities. In total, around 550 people work in Schwechat in the departments of production, health, safety and the environment, maintenance, procurement, finance and controlling, quality control, logistics, human resources and legal.

More on Borealis Sirius catalyst technology

The Borealis Sirius catalyst technology is at the forefront of polyolefin technology thanks to its outstanding performance and its many advantages in terms of sustainability. Developed by Borealis, the proprietary technology Sirius makes it possible to produce chemical substances – so-called catalysts – with novel properties and in a significantly more efficient way than with conventional technologies. Catalysts determine to a great extent the properties of a final product, for example plasticity, elasticity, or rigidity. Thanks to the high degree of innovation found in this product, the Borealis Sirius catalyst technology is protected by 60 international patents.

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The new Borealis Sirius catalyst plant in Linz, Austria



from left to right: Mark Garrett, Borealis Chief Executive; Reinhold Mitterlehner, Austrian Federal Minister of the Economy; Gerhard Roiss, OMV Chief Executive

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Borealis is a leading provider of innovative solutions in the fields of polyolefins, base chemicals and fertilizers. Borealis is headquartered in Vienna, Austria, and operates in over 120 countries with around 5,300 employees worldwide, generating EUR 7.5 billion in sales revenue in 2012. The International Petroleum Investment Company (IPIC) of Abu Dhabi owns 64% of the company, the remaining 36% is owned by OMV, the leading energy group in the European growth belt. Borealis provides services and products to customers around the world in collaboration with Borouge, a joint venture with the Abu Dhabi National Oil Company (ADNOC).

Building on the unique Borstar[®] and Borlink[™] technologies and 50 years of experience in polyolefins, Borealis and Borouge support key industries including infrastructure, automotive and advanced packaging. The Borouge plant expansion in Abu Dhabi will be fully operational by mid-2014 with a total annual capacity of 4.5 million tonnes. After this Borealis and Borouge will have approximately 8 million tonnes of polyolefin capacity.

Borealis offers a wide range of base chemicals, including melamine, phenol, acetone, ethylene and propylene servicing a wide range of industries. Together with Borouge the two companies will produce approximately 6 million tonnes of Base Chemicals in 2014.

Borealis also creates real value for the agricultural industry with a large portfolio of fertilizers. The company distributes approximately 2.1 million tonnes per year.

Borealis and Borouge aim to proactively benefit society by taking on real societal challenges and offering real solutions. Both companies are committed to the principles of Responsible Care[®], an initiative to improve safety performance within the chemical industry, and contribute to solve the world's water and sanitation challenges through product innovation and their Water for the World[™] programme.

For more information visit:

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