



26.06.2023

## **Grupa Azoty Group launches polypropylene production at Polimery Police – the largest propylene and polypropylene plant in Central and Eastern Europe**

**Polimery Police, one of the largest projects in the European chemical industry, begins to manufacture polypropylene under the Gryfilen® brand. The new plant of the Grupa Azoty Group will produce 437,000 tonnes of polypropylene and 429,000 tonnes of propylene annually. Sale of the Gryfilen® polypropylene in the European market will start in August 2023. The Polimery Police project's budget is over PLN 7.2 billion.**

**According to the project's schedule, polypropylene production is to be launched during the plant's commissioning phase. The plant's production capacity will be gradually increased until its target parameters are achieved.**

Polimery Police is Grupa Azoty Group's new chemical complex based on state-of-the-art solutions: the Oleflex UOP technology for the production of polymer-quality propylene using the propane dehydrogenation (PDH) method and the Unipol GRACE technology for the production of polypropylene. These technologies help achieve, among others, low consumption of raw materials and energy. The polypropylene plant ensures high flexibility of production, which is particularly important in the evolving and strongly competitive European plastics market, where a top quality and highly-customised product is in great demand.

The Polimery Police complex also includes an Offshore Gas Terminal, complete with handling and storage infrastructure for sourcing production feedstock (propane and ethylene) by sea. The gas terminal is a key element of the Polimery Police project – it expands the commercial offering using sea transport not only for the Group companies, but ultimately also for third parties.

The project is of strategic importance to the Polish industry as it significantly increases Poland's plastics production capacity and reduces its trade gap in this area. With the new Offshore Gas Terminal, of European importance, Polimery Police also increases Poland's energy and raw material independence. Thanks to its location in Police, the project enables the deliveries of raw materials (propane and ethylene) by sea and will give the Grupa Azoty Group more flexibility in sourcing supplies from around the world, which is critical in light of the recent geopolitical developments and the ensuing changes in the sources of raw material supplies.

*“Polimery Police, one of the largest industrial projects, is a venture that could not be overlooked. I am positive that it will be here for many future generations. I would like to thank all those who have contributed to its completion,”* said **Prime Minister Mateusz Morawiecki**.

*“The launch of polypropylene production at Polimery Police will considerably strengthen Grupa Azoty Group’s position on the European plastics market, placing Poland among the European leaders in polypropylene production. Production in West Pomerania will be a springboard for further development of Poland’s industrial sector and will stimulate the growth of related industries, including those involving plastics processing. The new production plant employs highly qualified engineers, and the plant itself provides a perfect platform for the development of Polish science in the area of new technologies. The importance of Polimery Police is twofold: first, it is the production of plastics, second – the production of hydrogen, that is the fuel of the future. It is estimated that the annual output of hydrogen to be obtained in the propane dehydrogenation process will reach nearly 17,000 tonnes. Hydrogen production in Police will consolidate the strong position enjoyed by the Grupa Azoty Group in hydrogen technologies,”* said **Tomasz Hinc, President of the Grupa Azoty S.A.**

**Management Board.**

The polypropylene manufactured under the Gryfilen® brand will ultimately comprise a portfolio of more than 30 products, including homopolymers, impact copolymers and random copolymers, which find application in such industries as the automotive, packaging, and home appliance sector. Gryfilen® has a very low volatile substance content and is free of phthalates and bisphenol A (BPA). It is also characterised by a minimal absorption of flavours or odours, which is vital in food industry applications. Polypropylene is a very easily and fully recyclable plastic, which makes it perfectly compatible with the EU’s Circular Economy objectives.

The Polimery Police complex is being constructed under an EPC contract. The contract was signed on May 11th 2019 between Grupa Azoty Polyolefins S.A. and its Korean partner Hyundai Engineering Company, Ltd., while a formal handover of the construction site to the General Contractor took place on January 7th 2020. All work is scheduled for completion in the second half of 2023.