



FAVOURABLE LOCATION

SIBUR will set up a logistics hub for polymer products in the Kaluga Region.

THE HUB HAS A DESIGN CAPACITY OF 670 KTPA THAT MAY BE FURTHER EXPANDED. THE CONTAINER YARD AND THE UPGRADED STORAGE AREA WILL BE ABLE TO ACCOMMODATE OVER 40,000 TONNES OF POLYMERS, AND ENSURE TIMELY DELIVERIES TO CUSTOMERS.

The construction of a large logistics hub was launched at the Freight Village Vorsino. The hub is to be used for SIBUR's polymer products distribution, including those to be delivered from ZapSibNeftekhim, whose construction is scheduled for completion in 2019. The amount of SIBUR's products distributed via the hub is planned to be 500 ktpa.

Products will be delivered from the Company's production sites in dry bulk containers, a mode of transportation unique in Russia. This method helps to transport more containerised cargo (compared to the conventional transportation in pallets) thus increasing transportation efficiency and cutting packaging costs. SIBUR will use the hub to ship its products to the Central Federal District and considering the opportunity of developing the rail transit corridor to East Europe.

"The new hub and polymer processing cluster will contribute to the development of the Kaluga Region's modern facilities processing polymers and manufacturing end products for the automotive industry, healthcare, utilities and other sectors. Here, we are betting on small and medium businesses. The project will attract Russian and international investments and expertise, and have a multiplier effect on the regional economy," noted Anatoly Artamonov, the Kaluga Region's Governor.

Alexey Kozlov, SIBUR's Managing Director, said, "Our intent is to improve the availability of polymers to our existing and prospective clients by setting up dedicated transshipment hubs in high-demand regions, including the ones based in industrial parks. The Kaluga Region is the best location for SIBUR's new hub as it lies in the Central European part of Russia and houses a number of rapidly growing facilities in the automotive cluster and the biotechnology, pharmaceuticals and healthcare cluster. Those are key polymer consumers."

