



2025 SUSTAINABILITY REPORT

Shaping the Future with Responsible Chemistry



IN THE NAME OF ALLAH, THE MOST GRACIOUS, THE MOST MERCIFUL



King Salman bin Abdulaziz Al Saud
The Custodian of the Two Holy Mosques



His Royal Highness Prince Mohammed bin Salman bin Abdulaziz Al Saud
Crown Prince and Prime Minister

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About the Report

GRI 2-2, 2-3

Welcome to Sadara Chemical Company's 2025 Sustainability Report, marking the company's eighth consecutive disclosure of its environmental, social, and governance (ESG) performance. Sadara continues to advance its sustainability agenda in support of long-term business resilience, stakeholder value creation, and the Kingdom of Saudi Arabia's development objectives. This report has been reviewed and validated by Sadara's Reporting and Disclosure Committee to ensure accuracy, consistency, and alignment with applicable sustainability reporting standards and frameworks.

Report Boundary

The scope of this report covers all Sadara facilities, including the chemical manufacturing complex and the Sadara Business Complex (SBC), both located in Jubail Industrial City.

Reporting Period

The 2025 Sustainability Report presents Sadara's sustainability performance for the period from 1 January 2025 to 31 December 2025.

Reporting Standards and Guidance

This report has been prepared in accordance with the Global Reporting Initiative (GRI) standards and aligned with the Saudi Exchange (Tadawul) ESG Disclosure Guidelines and the Gulf Cooperation Council (GCC) Unified ESG Metrics for Listed Companies. In addition, disclosures build on the alignment established in the 2025 Sustainability Report with the United Nations Sustainable Development Goals (UN SDGs), International Financial Reporting Standards (IFRS), and Saudi Vision 2030.

Restatements of Information

In this report, any data that has been restated is clearly identified and disclosed through footnotes accompanying the relevant data tables.

External Assurance

Please see [Appendix E](#).

Feedback

Sadara welcomes stakeholder feedback to support the continuous improvement of future editions of this report. Comments and inquiries may be directed to: sustainability@sadara.com

Stakeholders are also invited to share their feedback by scanning the QR code provided.



Cautionary Message

When used herein, the words "anticipate," "believe," "could," "estimate," "expect," "going forward," "intend," "may," "ought to," "plan," "project," "seek," "should," "will," "would" and similar expressions, as they relate to Sadara Chemical Company's management, are intended to identify forward-looking statements. These forward-looking statements reflect the company's views at the time such statements were made with respect to future events, by their nature involve both known and unknown risks and uncertainties and are not a guarantee of future performance or developments. Subject to the requirements of the applicable laws and regulations, Sadara Chemical Company does not intend and disclaims any obligation to update or otherwise revise such forward-looking statements, whether as a result of new information, future events or otherwise.

A Message from the CEO

GRI 2-22



Looking back on 2025, Sadara operated in a global environment defined by rapid change, growing interconnection, and increasing expectations for responsible performance. In this environment, our focus remained clear: operating safely, strengthening resilience, and creating long-term value for our stakeholders.

At Sadara, sustainability is not treated as a standalone initiative. It is embedded in how we operate, how we make decisions, and how we prepare the company for the future. This report reflects our progress in integrating sustainability across our operations, governance, and strategy.

A major milestone during the year was the launch of “The Next Chapter” strategy, which marks an important phase in Sadara’s evolution. By placing sustainability, operational excellence, and value creation at the core of our strategy, we are positioning the company to contribute meaningfully to Saudi Vision 2030, support industrial growth in the Kingdom, and deliver long-term value to our stakeholders.

Execution remains central to our progress. Through Sadara’s Transformation Program, we continued to translate strategy into measurable results. In 2025, the program delivered approximately ₪128 million in financial impact, demonstrating how disciplined initiatives in operational efficiency, energy optimization, and reliability can generate tangible business value.

Operational excellence and environmental stewardship also advanced significantly during the year. The completion of the Boilers Fuel Switch Project, transitioning from heavy fuel oil to natural gas, reduced greenhouse gas emissions by approximately 239 thousand metric tons of CO₂ annually, while improving energy efficiency and eliminating environmentally harmful waste streams. In addition, strong compliance with the High Intensity Electricity Tariff (HIET) resulted in electricity cost savings of approximately ₪237 million in 2025. These efforts were recognized through the Saudi Energy Efficiency Center Energy Efficiency Award, as well as the Aramco CEO Excellence Award in Environment and Climate Protection.

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Safety continues to be the foundation of everything we do. In 2025, Sadara achieved the lowest Total Recordable Injury Rate in its history at 0.02, while also recording the highest number of safe working hours ever at 21.52 million hours. These results reflect a deeply embedded safety culture, disciplined operational practices, and strong leadership accountability across the organization.

Our commitment to people extends beyond safety. Through the Sadara Home Owners Program, more than 300 Saudi employees benefited from access to home financing and residential opportunities in Jubail Industrial City, supporting long-term stability and quality of life for our workforce.

Sadara also continued to contribute to industrial development and economic diversification in the Kingdom. Our investment in PlasChem Park, including a long-term MDI supply agreement with Oasis Pioneers Industrial Co. Ltd, supports downstream manufacturing, strengthens local value chains, and contributes to the goals of the National Industrial Strategy and Saudi Vision 2030. At the same time, Sadara improved its Local Content Score to 54.46%, based on 2024 performance, reflecting continued progress in strengthening local participation and economic impact.

Beyond our operations, we remain committed to creating positive impact in the communities where we operate. In 2025, Sadara’s social investment and community programs reached ₪20.2 million in community investment / support value, while the Sadara Volunteer Club surpassed our target of 10,000 accumulated volunteer hours over the past five years, demonstrating our employees’ strong commitment to service.

While we are encouraged by this progress, we recognize that sustainability and operational excellence are continuous journeys. Looking ahead, Sadara will remain focused on strengthening performance, advancing digital capabilities, enhancing transparency, and delivering disciplined execution aligned with evolving stakeholder expectations.

I would like to thank our shareholders, Saudi Aramco and Dow, for their continued guidance and support; our leadership team for driving execution; and every Sadara employee whose dedication enables our success. Together, we will continue building a stronger, more resilient, and more sustainable Sadara.

Fayez Alsharif

Chief Executive Officer
Sadara Chemical Company

A Message from the Sustainability Leader

GRI 2-22



Sustainability is integral to Sadara's approach to delivering strong performance, managing risks effectively, and building long-term business resilience. We continue to focus on embedding sustainability into core processes, governance, and day-to-day decision-making to ensure disciplined, responsible, and consistent execution across the organization.

During 2025, we strengthened Sadara's sustainability journey further, by reinforcing coordination across functions, enhancing management systems, and further integrating environmental, social, and governance (ESG) considerations into business processes. This includes implementing the highest international and national standards to maintain robust management systems, regular assurance activities, and continually improving digital reporting tools to strengthen data quality, transparency, and performance oversight.

Throughout the year, these efforts have been translated into tangible progress across key sustainability focus areas. In 2025, we are proud of our people's achievements and overall business performance. Sadara delivered measurable outcomes across its material sustainability priorities, reflected in strong performance in environmental stewardship, energy efficiency, occupational health and safety, digital resilience, and community engagement.

These outcomes were externally recognized through several prestigious awards and certifications. In the area of energy efficiency and climate protection, Sadara received two Responsible Care Excellence Awards in their 6th edition from the Gulf Petrochemicals and Chemicals Association (GPCA), securing first place in the Community Awareness category and second place in the Sustainable Environmental Protection category. The company also received the Association of Energy Engineers (AEE) Award, recognizing its initiatives in emissions reduction, energy optimization and management, resource efficiency, and water stewardship.

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In 2025, we are proud of our people's achievements and overall business performance. Sadara delivered measurable outcomes across its material sustainability priorities, reflected through strong performance in environmental stewardship, energy efficiency, occupational health and safety, digital resilience, and community engagement.

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In occupational health and safety, Sadara obtained the Occupational Safety and Health Compliance Certificate (NCOSH) from the National Council for Occupational Safety and Health under the Ministry of Human Resources and Social Development, reflecting full compliance with national OHS requirements.

2025 also marked strong operational execution, including record annual production across multiple plants and the successful application of innovative asset integrity solutions that extended equipment life and strengthened reliability. Collectively, these achievements were supported by elevated results across Environment, Health, Safety, Security, and Sustainability through both internal and external assurance assessments. Further details on these outcomes are presented in the relevant sections of this report.

Looking ahead, after completing the five-year Sustainability Strategy with excellent gains and identifying further opportunities for improvement, we conclude this chapter successfully. Now, our priority is to be more focused on key areas to create bigger impact by integrating sustainability into performance management, risk oversight, and organizational culture. In my role, I am committed to supporting the business in strengthening corporate performance by incorporating sustainability into how we plan, operate, and measure success. In the coming period, our focus will shift toward implementing more transformative initiatives across a wide range of domains, including the development of new five-year sustainability targets aligned with Saudi Vision 2030.

I would like to thank Sadara's team for their commitment and collaboration, which continue to drive meaningful progress. Together, we will build on this momentum to advance our sustainability agenda across our organization and value chain, delivering lasting impact in the communities where we operate.

Hamoud Alshamlani

EHS&S Executive Director

Sadara: Who We Are

Our Identity and Operations

GRI 2-1, 2-6

Through its progressive leadership and strong operational performance, Sadara Chemical Company plays a key role in advancing Saudi Arabia's downstream industrial strategy and supporting national economic growth.

Sadara Chemical Company is a central pillar of Saudi Arabia's downstream industrial landscape, enabling the production of advanced materials that support domestic and regional demand, industrial localization, and global market growth. Established in 2011 as a joint venture (JV) between the Saudi Arabian Oil Company (Saudi Aramco) and the Dow Chemical Company, Sadara was built with a long-term vision to drive scale, innovation, and value creation across the chemicals industry. Its name, derived from the Arabic term meaning "at the forefront," reflects this founding ambition.

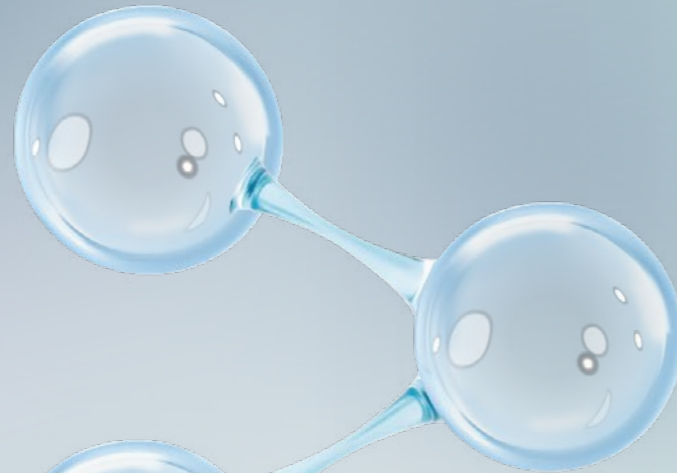
Based in Jubail Industrial City, Sadara operates one of the world's most complex single-phase integrated petrochemical developments. The Sadara Chemical Complex comprises 26 manufacturing plants with a combined production capacity exceeding three million metric tons annually, representing an investment of more than USD 25 billion. This integrated platform enables operational efficiency, product diversity, and reliable supply to regional and international customers.

Sadara's operations are anchored by a Mixed Feed Cracker (MFC) utilizing ethane and natural gasoline as a main feedstock, supported by sophisticated technologies and a differentiated portfolio of high-performance plastics and specialty chemicals. By localizing products that were previously imported, Sadara strengthens domestic value chains and supports customer diversification. In parallel, collaboration with the Royal Commission for Jubail and Yanbu (RCJY) on PlasChem Park continues to expand downstream manufacturing avenues, reinforcing Sadara's contribution to economic diversification and the objectives of Saudi Vision 2030.

Sadara's operations span six core manufacturing domains

Hydrocarbons

Including the MFC and Aromatics.



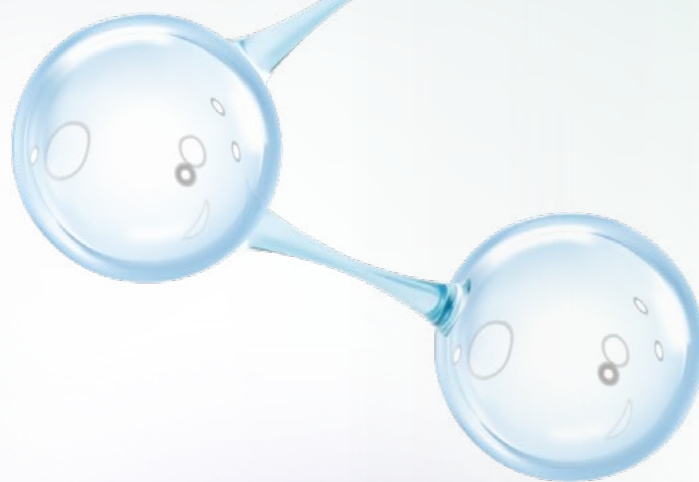
Utilities

Including our Steam Generation Units (SGUs), Infrastructure and Waste Treatment (IWT).



Plastics

Linear Low Density Polyethylene (LLDPE), Low-Density Polyethylene (LDPE), and Elastomers.



Isocyanates

Including Polymeric Methylene Diphenyl Diisocyanate (PMDI), Toluene Diisocyanate (TDI).

Basic Chemicals

Including Amines, Glycols, Ethylene Oxide (EO), Propylene Oxide (PO) and Polyols.

Chlorine

Brine, Chlor-Alkali (CA), Hydrochloric Acid (HCl).

Our Vision, Mission, and Values

Vision

To be the world's premier chemicals manufacturer, admired by its people, customers and respected by society.



Mission

To deliver high-quality chemical products that meet customer needs while operating responsibly and making a positive impact on society.



Values



Safety



Integrity



Teamwork



Efficiency & Effectiveness



Learning & Growth



Our Progress: 2025 Highlights

1st Quarter

Arab Quality Award:
Honored with Arab Quality Award from the Arab Industrial Development, Standardization, and Mining Organization (AIDSMO), a specialized Arab organization operating under the umbrella of the League of Arab States.

2nd Quarter

Aramco Sports Championship:
Claimed first place in Football at the Aramco Sports Championship, highlighting the team's exceptional talent, strong collaboration, and perseverance.

Cybersecurity Excellence:
The CYSEC Best Cyber Security Practice Award was received at CYSEC MENA Forum 2025, recognizing strong cybersecurity governance, controls, and digital resilience.

Women in Supply Chain Award:
Sara Alhababi was named the recipient of this prestigious recognition at the 6th GPCA Supply Chain Excellence Awards. This is a result of her outstanding contributions to material management optimization, cost efficiency, and supply chain resilience.



3rd Quarter

Aramco Downstream President's Excellence Award - Transformation and Business Excellence:
Honored for transforming business strategy through optimized ethylene feedstock allocation and improved asset utilization.

Excellence in Corporate Energy Management Award:
Proudly earned the Regional Award in Corporate Energy Management by the AEE for the Middle East region. The distinguished recognition highlights the sustained commitment to energy efficiency and excellence in a comprehensive Energy Management System (EnMS) implementation.

Aramco CEO's Affiliates Excellence Award:

Honored with Aramco CEO's Affiliates Excellence Award in Environment & Climate category, this reflects the remarkable progress and performance in environmental management, sustainability and climate action.



4th Quarter

Sustainability and Environmental Protection:

Achieved an important sustainability milestone by obtaining the Operation Clean Sweep (OCS) re-certification, this achievement reflects the strong commitment to environmental stewardship and Operational Excellence.

Secured second place in the Sustainable Environmental Protection category at the GPCA Responsible Care® (RC) Excellence Awards, organized by the Gulf Petrochemicals and Chemicals Association (GPCA) recognizing advanced leadership in environmental stewardship.

Community Engagement and Awareness:

Achieved first place in the Community Awareness Award at the GPCA Responsible Care® Excellence Awards, in acknowledgment of community outreach and awareness initiatives.



4th Quarter

Corporate Social Responsibility Leadership:

Awarded the HRSD CSR Gold Award by the Ministry of Human Resources and Social Development, recognizing best practices in corporate social responsibility and sustainable development.



Energy Efficiency Excellence Award:

Won the Energy Efficiency Award in its first edition of 2025 in the "Awareness and Impact" category, presented by the Saudi Efficiency Energy Center (SEEC).



Localization and Local Content:

Honored by the Ministry of Energy with the Localization & Local Content Shield for establishing a dedicated division supporting localization objectives.

MODON Industrial Excellence Award for Social Responsibility:

Honored with the 2025 MODON Industrial Excellence Award in the Social Responsibility category by the Saudi Authority for Industrial Cities and Technology Zones (Modon), recognizing its sustained commitment to community development, governance, and environmental sustainability.



Occupational Health and Safety Recognition:

The Occupational Safety and Health Compliance Certificate was achieved by the National Council for Occupational Safety and Health (NCOSH), under the Ministry of Human Resources and Social Development, reflecting compliance with national occupational health and safety requirements.

RoSPA Gold Award:

Received Gold award from Royal Society for the Prevention of Accidents (RoSPA) for health and safety performance.

Climate Protection and Resource Efficiency:

Three Dow SEED Awards were received for initiatives supporting climate protection and operational efficiency, including:

- Transitioning the Sadara SGU to 100% fuel gas, supporting emissions reduction and energy optimization.
- Reducing methanol consumption through targeted process improvements.
- Optimizing Cooling Tower operations, enabling the shutdown of one cooling water pump and achieving water savings of approximately 5,500 m³/hour of cooling water circulation.

Technology and Innovation Excellence:

Two Dow Technology Center Awards were received for innovation and operational improvements, including:

- Enhancements to Brine Unit centrifuge machines, resulting in reduced maintenance costs, lower plant downtime, minimized salt losses, and reduced demineralized water consumption.
- Recovery of precious metals from used catalysts, supporting material efficiency and circularity.

Operational Performance:

The highest annual production record was achieved across eight plants (BGE, Ethyl Acetate (EAE), PG, Potassium Hydroxide (KOH), PMDI, Methyl Nucleobase (MNB), Aniline, and Formalin), reflecting strong operational reliability and performance.

Asset Integrity and Maintenance Innovation:

For the first time, PMDI heat exchangers were successfully restored using advanced micro-grit blasting technology, improving equipment performance and extending asset life.

Driving Impact: 2025 Sustainability Achievements



GOVERNANCE AND INTEGRITY

100% validity of company

certificates maintained, supporting compliance with international management system standards.

Anti-corruption training participation increased by 692% in 2025 compared with 2024,

reaching 1,172 employees.

GHG intensity integrated into employee compensation KPIs,

linking climate performance with organizational incentives.

97% supplier Code of Conduct acknowledgment,

strengthening ethical and responsible supply chain practices.

14 internal audits and special reviews completed,

with zero overdue management action items.



OCCUPATIONAL HEALTH AND SAFETY

Achieved a Total Recordable Injury Rate (TRIR) of 0.02,

outperforming the 2025 target of 0.06.

100% completion of annual occupational medical examinations

for employees.

Delivered 7,223 safety training sessions

for employees and contractors.

Zero employee and contractor fatalities

maintained across operations.

Conducted 163 emergency response and awareness drills,

achieving 100% response time compliance.



CLIMATE CHANGE AND NATURAL RESOURCE CONSERVATION

Boilers Fuel Switch project completed,

reducing emissions by 138,835 MT CO₂e (~3% of total GHG emissions).

Achieved **10% reduction in GHG intensity vs. 2020 baseline,** exceeding the 5% target.

Delivered **1,782,000 GJ of annual energy savings** through efficiency improvements.

No environmental regulatory fines

recorded during the reporting year.

Received **Five SEED / Dow Technology Center awards**

recognizing emissions reduction and resource efficiency initiatives.



BUSINESS GROWTH AND OPERATIONAL EXCELLENCE

Achieved the highest annual production on record across eight plants,

reflecting strong operational performance.

Transported products across **19.5 million km with zero major transportation incidents.**

2,759 kilotons of annual supply chain lifting achieved, exceeding the target of 2,662 KT.

74,318 finished customer shipments and 8,227 logistics movements completed.

Advanced innovation through **Dow Technology Center awards** recognizing process improvements and material efficiency initiatives.



PEOPLE AND COMMUNITY

100% participation in annual employee medical check-up, outperforming the 2025 target of 95%.

20.2 Million invested in **69 community development** programs tailored to meet local needs across the Kingdom.

3.3% increase in Saudi national employees in 2025 compared with 2024, reaching 2,236 employees.

Won the **Ministry of HRSD's Corporate Social Responsibility Gold Award** recognizing leadership in community engagement and social responsibility.

10,907 accumulated volunteering hours by 2025, a **34% increase** in employee engagement over the previous year.

Achieved first place in the Community Awareness Award at the GPCA RC Excellence Awards.

Advancing our Priorities: Sustainability Focus Areas



Corporate Strategy: The Next Chapter

While Sadara's Sustainability Strategy defines the company's ESG priorities and performance framework, its broader enterprise direction is guided by its transformation program, The Next Chapter, Sadara's corporate strategy for long-term growth, resilience, and value creation. Launched to re-energize the company's vision and strengthen execution, The Next Chapter provides a clear roadmap to navigate evolving market conditions while reinforcing operational discipline and organizational capability.

The strategy is grounded in a holistic assessment of Sadara's current position through five strategic lenses: Value Drivers, Market Scenarios, Competitive Advantage, Capabilities, and ESG. This lens-based approach clarifies where Sadara will compete, how it will win, and how resources will be prioritized to create sustainable, long-term value. By explicitly embedding ESG as a core strategic lens, The Next Chapter reinforces the role of sustainability as an enabler of business performance rather than a standalone agenda.

At the center of The Next Chapter is a strong focus on people, organizational health, and execution excellence. The strategy promotes inclusive leadership, cross-functional alignment, and cultural cohesion to strengthen accountability and accelerate delivery across the enterprise. Governance structures, plans, and budgets are being realigned to ensure consistency between strategic priorities and operational execution, supported by clear performance management mechanisms.

The strategy also recognizes key external and structural challenges shaping Sadara's operating environment, including capital intensity, moderate global petrochemical market growth, volatility in energy and feedstock markets, and increasing competition for skilled talent. Addressing these challenges requires disciplined capital allocation, operational efficiency, and sustained investment in capability building, analytics, tools, coaching, and continuous feedback to support long-term resilience and competitiveness.

Looking ahead, The Next Chapter provides the strategic context for the evolution of Sadara's Sustainability Strategy. As the company builds on the successful delivery of its first five-year sustainability cycle, future ESG priorities, targets, and initiatives will be refreshed to align with enterprise-wide objectives, support operational excellence, and strengthen Sadara's long-term sustainability and growth ambitions.

Double Materiality Assessment: Identifying our Key Sustainability Priorities

GRI 2-25, 3-1, 3-2

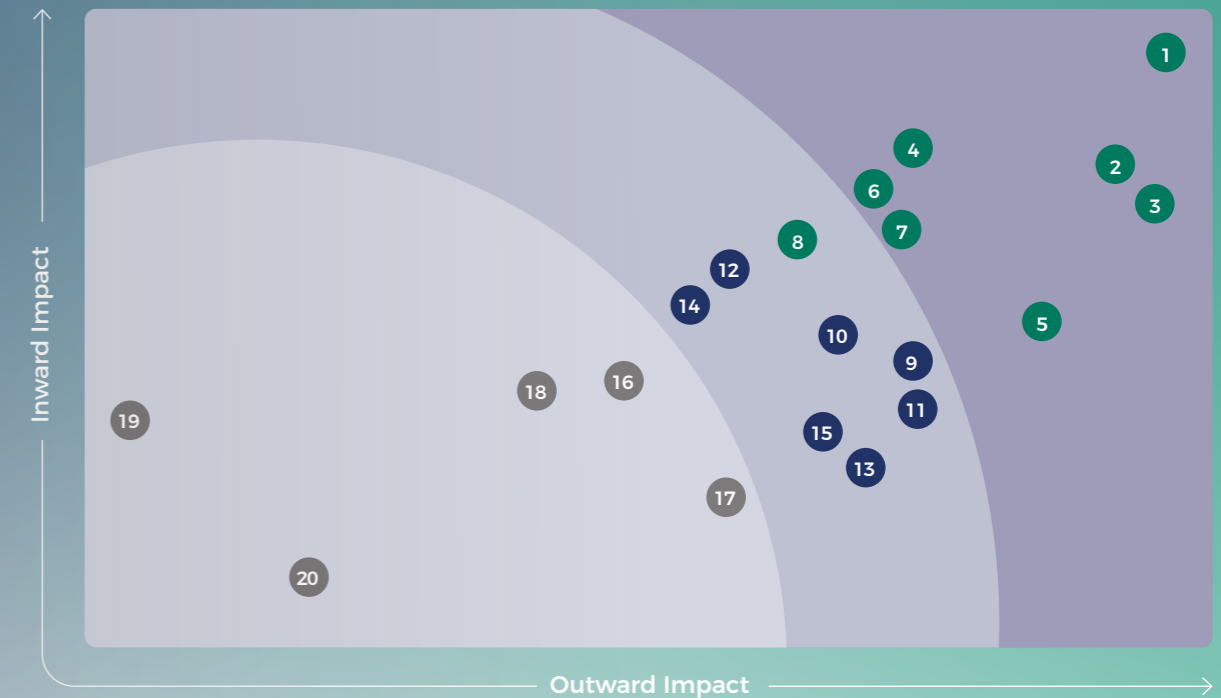
Sadara's sustainability strategy is aligned with stakeholder expectations and informed by evolving sustainability standards, global chemical sector best practices, and emerging industry trends. To maintain this alignment, Sadara periodically conducts materiality assessments to identify and prioritize the ESG topics most relevant to its business and stakeholders.

The current set of material topics is based on Sadara's most recent double materiality assessment conducted in 2024. This assessment continues to serve as the foundation for Sadara's sustainability strategy and disclosures, reflecting both the financial implications of ESG topics on the business and the company's impacts on society and the environment. The assessment was conducted in accordance with the GRI Standards and best practices, and it incorporated stakeholder input and peer benchmarking to ensure relevance and robustness.

Sadara prioritized ESG topics using a double materiality approach based on both impact materiality and financial materiality, in line with the GRI Standards and emerging IFRS Sustainability Disclosure requirements.

The resulting material topics reflect Sadara's operating context, strategic priorities, and forward-looking sustainability focus, and remain relevant for guiding performance, disclosures, and decision-making in 2025 and beyond.

SADARA'S DOUBLE MATERIALITY MATRIX
GRI 3-1, 3-2



Material topics were reviewed by management to ensure alignment with the company's sustainability priorities. As a result, the topic Climate Change and GHG Emissions was elevated as the top priority topic.

Most Important	More Important	Important
1 Occupational Health, Safety & Well-being	9 Air Quality	16 Social Responsibility
2 Economic Impact	10 Customer Relations	17 Risk Management & Business Continuity
3 Product Quality, Safety, & Stewardship	11 Energy Management	18 Circular Economy & Waste Management
4 Climate Change & GHG Emissions	12 Innovation & Digital Transformation	19 Biodiversity
5 Data Privacy & Cybersecurity	13 Talent Development & Employee Experience	20 Diversity & Inclusion
6 Process Safety & Asset Integrity	14 Water Management	
7 Ethics, Governance, & Compliance	15 Supply Chain Management	
8 Human Rights Management		

Understand the Organization's Context

Sadara reviewed its operating context, value chain activities, regulatory environment, and strategic objectives. This step included a review of relevant ESG standards (including GRI), industry best practices, peer benchmarks, and internal documentation to define a comprehensive long list of potential ESG topics.

STEP
1

Identify Actual and Potential Impacts

Sadara assessed the actual and potential impacts of ESG topics on people and the environment across its operations and value chain, focusing on the severity, likelihood, and nature of impacts related to health and safety, human rights, environmental protection, and community well-being.

STEP
2

Assess Financial Risks and Opportunities

Sadara assessed the significance of identified actual and potential impacts associated with ESG topics on the economy, environment, and people across its operations and value chain. The assessment considered the relative importance and potential consequences of impacts, supporting the identification of the most significant impacts for subsequent prioritization.

STEP
3

Prioritize the Most Significant Topics for Reporting

The outcomes of the impact and financial assessments were consolidated into a double materiality matrix, enabling the prioritization and internal validation of ESG topics. The resulting material topics inform Sadara's ESG performance management and sustainability disclosures.

STEP
4

Stakeholder Engagement: Connecting with our Stakeholders

GRI 2-16, 2-29

Sadara recognizes its stakeholders as essential partners in delivering long-term value and sustainable performance. Key stakeholder groups include investors and shareholders, government entities and regulators, employees, customers, suppliers, contractors, local communities, and civil society organizations. Stakeholder perspectives inform strategic priorities, operational planning, and continuous improvement initiatives across the business.

Engagement is embedded into Sadara’s day-to-day operations through structured and ongoing communication, including regular meetings, digital and in-person interactions, and targeted engagement activities. Periodic stakeholder surveys and workshops further capture insights on expectations, emerging risks, and opportunities. All stakeholders are encouraged to share feedback, including inquiries and complaints, through established engagement channels or by contacting Sadara via the [Contact Us](#) page.



Our Strategic Direction: Sustainability Strategy and Framework

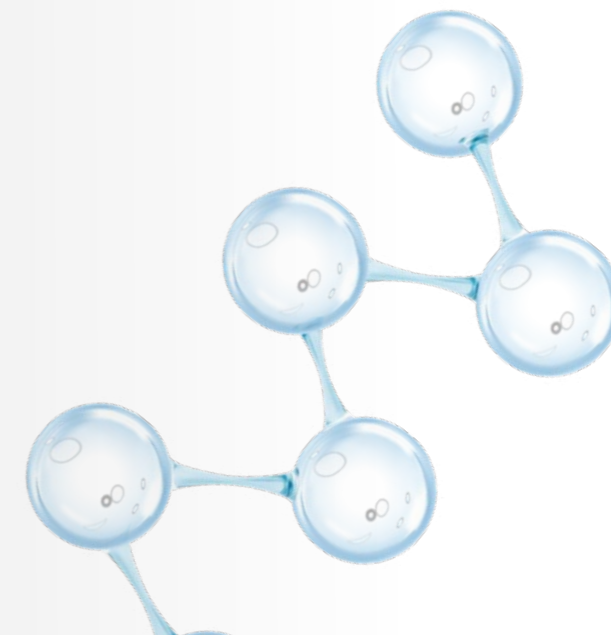
Established in 2020, Sadara’s Sustainability Strategy defines a clear, performance-driven approach to embedding ESG priorities across the business. The strategy is structured around five strategic pillars, supported by ten strategic goals and 24 measurable key performance indicators (KPIs) that address Sadara’s most material sustainability topics.

Designed to convert strategic commitments into tangible outcomes, the framework enables disciplined execution, progress tracking, and continuous improvement across operations. Governance and oversight are provided by Sadara’s Sustainability Council, ensuring effective implementation and alignment with business priorities, stakeholder expectations, and applicable regulatory frameworks.

Sustainability Governance and Oversight

Governance and oversight of sustainability-related targets are provided through a structured framework led by Sadara’s Sustainability Council. The Council operates through specialized committees aligned with each of the company’s five strategic pillars: Governance and Integrity; Occupational Health and Safety; Climate Change and Natural Resource Conservation; Business Growth and Operational Excellence; and People and Community. Each committee is chaired by a designated leader responsible for guiding strategy development, overseeing implementation, and ensuring effective execution within their respective areas.

The Sustainability Manager, serving as Secretary of the Sustainability Council, coordinates the overall target-setting process and provides ongoing oversight of progress across all pillars. This includes monitoring KPIs, ensuring alignment with organizational priorities, and facilitating regular follow-up on initiatives led by the committees. Through this governance structure, sustainability-related risks, opportunities, and performance are systematically reviewed, enabling transparency, accountability, and informed decision-making across the organization.



The Pillars Powering our Sustainable Future

Governance and Integrity

Sadara is committed to strong corporate governance, ethical conduct, and transparent business practices. This pillar focuses on strengthening governance systems, reinforcing business ethics, and maintaining robust compliance frameworks to support accountable and responsible operations.



Occupational Health and Safety

Protecting people is a core priority. This pillar aims to achieve world-class health and safety performance through proactive risk management, strong safety culture, and continuous enhancement of occupational health, process safety, and asset integrity practices.

Climate Change and Natural Resources Conservation

Sadara works to minimize environmental impacts by improving resource efficiency and reducing emissions across operations. This pillar addresses climate-related risks and opportunities while supporting responsible use of energy, water, and materials and advancing circular economy practices.

Business Growth and Operational Excellence

Operational excellence underpins sustainable growth. This pillar focuses on enhancing reliability, efficiency, and quality across operations while supporting downstream development, localization, and long-term value creation.

People and Community

Sadara invests in its workforce and communities to foster inclusive growth and social impact. This pillar emphasizes employee engagement, capability development, Saudization, diversity and inclusion, and meaningful community engagement initiatives.

In 2025, Sadara successfully completed the first cycle of sustainability strategic goals across its defined strategic pillars. This milestone marks the conclusion of a structured phase of target setting and performance measurement that guided the company's governance, operational, environmental, and social priorities.

From 2026 onward, Sadara will transition to a refreshed sustainability approach. The framework will evolve from a pillar and goal-based structure toward broader focus areas and thematic priorities, reflecting a more integrated and forward-looking vision while maintaining robust performance monitoring and accountability.

STRATEGIC PILLAR

STRATEGIC GOAL

KPIs

<p>Governance and Integrity</p>	Strengthen Corporate Governance	<ul style="list-style-type: none"> ● Ensure validity of all company certificates ● Maintain level of implementation for corporate Operating Discipline Management System (ODMS)
	Ensure Business Ethics and Integrity	<ul style="list-style-type: none"> ● Increase supplier code of conduct acknowledgment ● Reduce number of grievances
<p>Occupational Health and Safety</p>	Achieve World-Class Health and Safety Performance	<ul style="list-style-type: none"> ● Maximize Employees Medical Check-up Program ● Improve Total Recordable Injury Rate (TRIR) ● Minimize Process Safety & Containment Event-L1 Rate
	Promote Product Stewardship Practices	<ul style="list-style-type: none"> ● Maintain Global Harmonized System (GHS) ● Control Transportation Incident L1 Rate
<p>Climate Change and Natural Resources Conservation</p>	Minimize Environmental Impact	<ul style="list-style-type: none"> ● Reduce Energy Intensity ● Reduce GHG Intensity ● Reduce Water Intensity
	Support Circular Economy	<ul style="list-style-type: none"> ● Reduce Plastic Pellet Losses ● Reduce Material Effectiveness Intensity
<p>Business Growth and Operational Excellence</p>	Operational Excellence	<ul style="list-style-type: none"> ● Increase Product Supply Reliability (PSR) ● Decrease Defects Per Million Opportunities (DPMO)
	Support Downstream Industry Local Content	<ul style="list-style-type: none"> ● Increase Number of PlasChem Tenants ● Increase Percentage of Spending on Local Suppliers
<p>People and Community</p>	Strengthen the Value of Employee Proposition	<ul style="list-style-type: none"> ● Increase Employee Engagement Score ● Accelerate Saudization ● Increase Employee Training Hours and Developmental Programs
	Support the Local Community	<ul style="list-style-type: none"> ● Increase the Reach of Women's Inclusion and Employment ● Increase Community Engagement Initiatives ● Raise Employee Volunteering Hours

Supporting Global Goals: UN SDG Alignment

Sadara supports the ambitions of the UN SDGs and remains committed to contributing to their advancement. In alignment with Saudi Arabia's sustainable development objectives, Sadara integrates the SDGs into its sustainability strategy and initiatives, supporting national and regional progress toward these global goals.

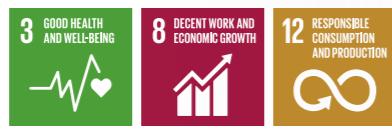
Governance and Integrity



Contributions

- Sustainability Council oversees sustainability across Sadara.
- Benchmarks Sadara's business objectives with the SDGs.
- Ensures all levels of employees and stakeholders have access to transparent information.
- Maintains a comprehensive grievance mechanism.
- Public accessibility to the employee and supplier Code of Conduct.
- Business Unit (Site Integration & Operations Excellence Department) dedicated to governing Sadara's ODMS.
- Third-party auditors certified Environmental Health Safety & Security (EHS&S) systems, including ISO 45001, ISO 14001, RC 14001 and ISO 50001 certifications.
- Utilizes a contemporary, durable, and effective IT infrastructure.
- Collaborates with different institutions to promote industry innovations.
- Sustainability dashboard is updated on a quarterly basis.
- Certifies Sadara employees in Sustainability certifications & programs.

Occupational Health and Safety



Contributions

- Ensures facilities, resources and management systems are available for the safe & secure operation of Sadara.
- Encourages a healthy balance between work and employees well-being.
- Promotes sustainability and environmental health safety (EHS) activities by actively involving staff.
- Completes Sadara turnarounds without recordable environment, safety and health events.
- No incidents of non-compliance impacted the health and safety of products, services, handling, transport, or storage.
- Targets zero transportation incidents and increase in GHS implementation.
- Conducts yearly health related campaigns for Sadara employees.

Climate Change and Natural Resources Conservation



Contributions

- GHG emissions management aiming towards net zero.
- Maintains ISO 50001:2018 EnMS to enhance energy efficiency.
- Maintains the ISO 14001 Environmental Management System to minimize adverse environmental impact.
- Explores inventive approaches to minimize adverse environmental effects resulting from products and services, while also decreasing energy and water consumption.
- Encourages circularity by implementing waste management procedures and conducting life cycle analyses.
- Operation Clean Sweep (OCS) Program aims at achieving zero plastic resin loss and protecting the marine environment.

Business Growth and Operational Excellence



Contributions

- Sadara Transformation Program.
- Innovate@ program to facilitate in-house innovation.
- Sadara Local Content Program.
- Creates avenues for economic advancement, establishes employment opportunities, increases local procurement, and encourages exports.
- Supports enabling downstream industries in Jubail's PlasChem Park and Saudi Arabia.
- Sadara's Digital Transformation Flagship Program.

People and Community



Contributions

- Provides opportunities for continuous learning and development to employees.
- Bolsters economic participants to expand the talent pool.
- Promotes female empowerment.
- Increases the number of female employees.
- Promotes diversity in the community.
- Promotes the economic engagement of Saudi women.
- Engages with local communities to support education, people in need, Saudi culture, volunteerism and environmental, health, and safety issues. This includes creating public awareness using the company's external channels and social media platforms with respect to these topics.

Enabling National Priorities: Vision 2030 and SGI

Sadara's strategy supports Saudi Vision 2030 and the Saudi Green Initiative (SGI) by advancing emissions reduction, resource efficiency, environmental protection, and circular economy practices. Through ongoing improvements in energy optimization, emissions management, water conservation, waste reduction, and recycling, Sadara contributes to national climate action, economic diversification, and sustainable development objectives.

Vibrant Society



This pillar emphasizes building a vibrant society where individuals can thrive and pursue their aspirations, supported by strong social infrastructure, respect for cultural heritage and national identity, and access to modern services, while upholding Islamic values and social cohesion.

Contributions

- Ensuring transparent access to information for employees and stakeholders at all levels.
- Providing continuous training and development opportunities for employees across all levels.
- Supporting career growth through the electronic Individual Development Program (e-IDP).
- Offering On-the-Job Training (OJT) opportunities to enhance practical skills.
- Conducting regular enterprise risk assessments to strengthen resilience.
- Aiming to achieve 95%* employee medical check-up coverage by 2025.
- Promoting circularity through waste management practices and life cycle assessments.
- Exploring innovative solutions to reduce environmental impacts from products and services, including lowering energy and water consumption.
- Targeting an increase in the proportion of Saudi nationals in the workforce to 80%* by 2025.
- Engaging local communities by supporting education, vulnerable populations, Saudi culture, volunteerism, and environmental, health, and safety initiatives, while also raising public awareness via Sadara's social media platforms.

*Target has been revised

Thriving Economy



This pillar focuses on fostering an enabling environment for economic growth and job creation by leveraging national strengths, attracting talent, and enhancing Saudi Arabia's global investment appeal.

Contributions

- Expanding market reach through exports facilitated by Dow and SABIC, who distribute products across various global regions.
- Setting and pursuing ambitious circularity targets.
- Successfully recycling multiple waste streams as part of sustainability efforts.
- Attracting investments to PlasChem Park and supporting the growth of the downstream sector in Saudi Arabia.
- Empowering Saudi enterprises through the Sadara Local Content Program.
- Producing chemicals used in a wide range of industries and applications.
- Delivering training programs targeted at developing the skills of young Saudi nationals.
- Driving innovation and operational excellence through the Sadara Digital Transformation Flagship Program.
- Fostering innovation within the company and integrating it into customer solutions.
- Advancing gender inclusion, with a commitment to reaching 3%* female employment by 2025.
- Completing the Sadara Railway Project to enhance efficiency in product transportation.

*Target has been revised

An Ambitious Nation



This pillar aims to build a nation grounded in efficiency and accountability, supported by effective, transparent, and high-performing institutions that enable empowerment and strong governance at all levels.

Contributions

- Ensuring full compliance with all applicable government regulations.
- Implementing the Sadara Transformation Program to drive operational and strategic improvements.
- Reducing the environmental impact of plastic pollution through targeted initiatives.
- Setting goals and targets to enhance material efficiency and effectiveness.
- Launching the Sadara Digital Transformation Flagship Program to enable digital innovation.
- Promoting a culture of innovation and embedding it into offerings delivered to stakeholders.
- Maintaining a commitment to 2,000 volunteering hours annually in support of community engagement.



Governance and Integrity

Governance and Integrity

Strong governance and integrity are fundamental to Sadara’s ability to operate responsibly, manage risk effectively, and sustain long-term performance. Through disciplined governance structures, ethical business conduct, and comprehensive compliance, risk, and oversight frameworks, Sadara strengthens accountability, transparency, and trust while enabling resilient operations and long-term value creation.

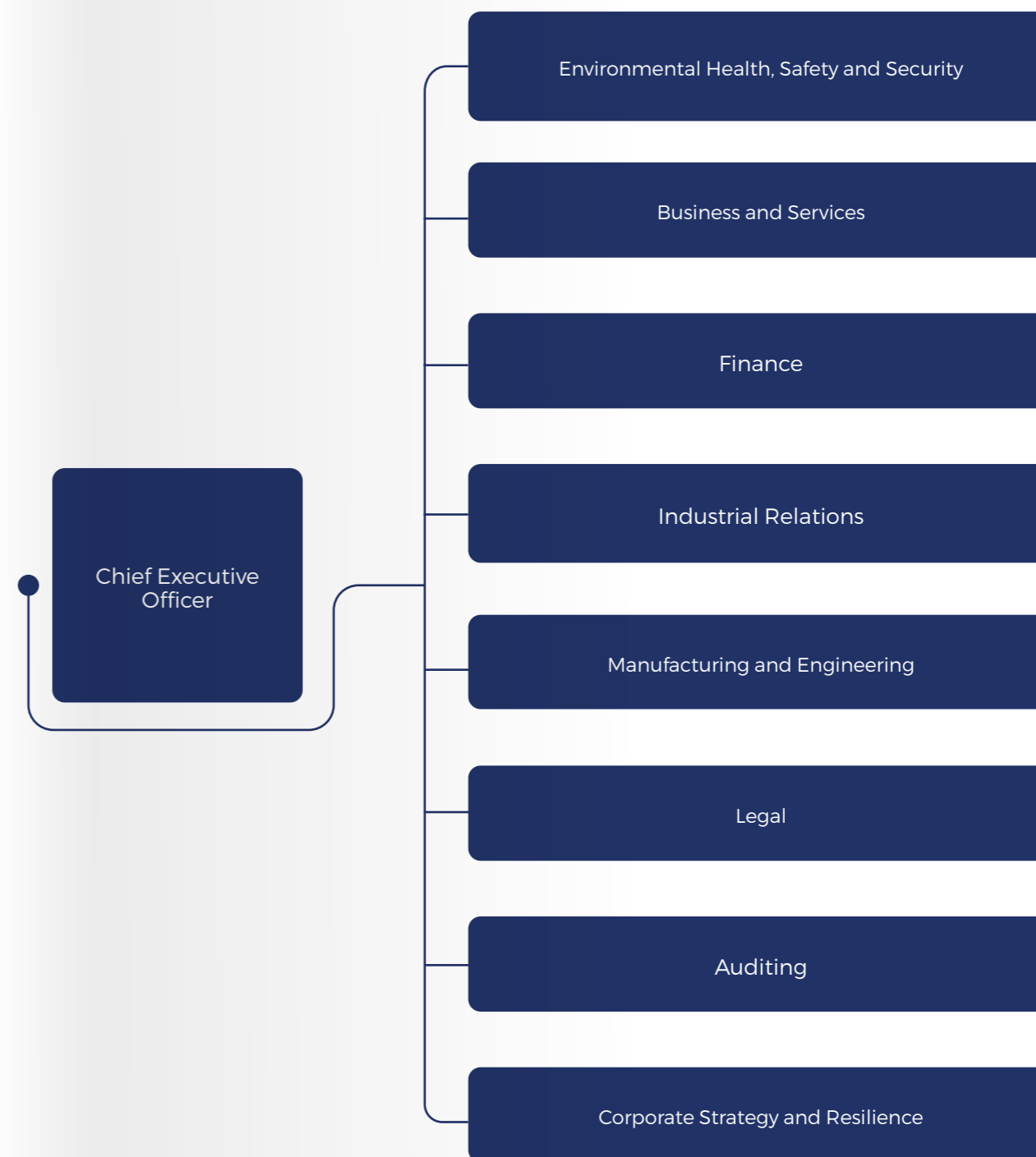
Strategic Goals	KPIs	Unit	2025 Performance	2025 Target
Strengthen Corporate Governance	Ensure validity of all company certificates	Percentage	100	100
	Maintain level of implementation for corporate ODMS	Percentage	90	90*
Ensure Business Ethics and Integrity	Increase supplier code of conduct acknowledgment	Percentage	97	100
	Reduce number of grievances	Number	13	14

*Target has been revised.

Organizational Structure

GRI 2-9

Sadara operates under a joint ownership structure, with Saudi Aramco holding a 65% stake and The Dow Chemical Company holding 35%. Guided by its Board of Directors and executive leadership, the company’s governance framework is built to uphold the highest standards of integrity, ethical conduct, and regulatory compliance, enabling accountable decision-making and sustainable long-term performance.



Board of Directors

GRI 2-10, 2-11, 2-12, 2-14, 2-17, 2-18, 405-1

Strategic oversight and accountability are provided through a Board of Directors appointed by founding shareholders Saudi Aramco and Dow. Meeting on a quarterly basis, the Board guides corporate direction, reviews performance, and oversees sustainability priorities, including ESG progress, challenges, and emerging opportunities.



Ashraf Alghazzawi
Chairman
Saudi Arabian Oil Company
(Saudi Aramco)



John Sampson
Deputy Chairman
Dow Chemical Company



Dr. Khalid Alqahtani
Board Member
Saudi Arabian Oil Company
(Saudi Aramco)



Nawaf Aldabal
Board Member
Saudi Arabian Oil Company
(Saudi Aramco)



Ibrahim Alnitaifi
Board Member
Saudi Arabian Oil Company
(Saudi Aramco)



Marco ten Bruggencate
Board Member
Dow Chemical Company



Moosa Almoosa
Board Member
Dow Chemical Company



Charles Swartz
Board Member
Dow Chemical Company

BOARD OF DIRECTORS

	UNIT	2023	2024	2025
Percentage of Board seats occupied by independent managers	Percentage	0	0	0
Executive members of the Board	Number	0	0	0
Non-executive members of the Board	Number	8	8	8
Female members of the Board	Number	0	0	0
Percentage of Board seats occupied by women	Percentage	0	0	0
Male members of the Board	Number	8	8	8

Management Committee

Sadara's Management Committee (MC) is responsible for overseeing day-to-day executive management, supporting strategic decision-making, and ensuring alignment with the company's operational, financial, and sustainability objectives. The MC comprises the following members:



Fayeze Alsharif
Chief Executive Officer



Alejandro Farre
Chief Financial Officer



Nidal Issa
Manufacturing & Engineering
Vice President



Ahmed Alsharikh
Business & Services
Vice President



Saeed Alghamdi
Industrial Relations
Vice President



Hamoud Alshamlani
Environmental, Health, Safety &
Security Executive Director



Abdullah Alghamdi
Corporate Strategy & Resilience
Senior Director

Sadara's Sustainability Governance

GRI 2-9, 2-12, 2-13, 2-17

Dedicated committees support effective governance by providing oversight of key business and sustainability priorities and strengthening accountability for performance.

Building on Sadara's historical performance and achievements that have supported business continuity, the company has further strengthened management-level sustainability governance. In alignment with Sadara – The Next Chapter Strategy, the previous Sustainability Council was dissolved and replaced by the EHSS & Sustainability Central Committee, chaired by the CEO and composed of executive leadership members.

This updated structure is intended to simplify and streamline Sadara's management systems by enhancing governance efficiency and ensuring closer integration between sustainability, EHSS, and core business operations. The Committee oversees sustainability improvement programs delivered through specialized sub-committees, including Energy, Decarbonization, and Circular Economy, and works hand-in-hand with other established committees, such as Local Content and Corporate Social Responsibility (CSR), to help drive positive sustainability outcomes across the company and beyond its operational boundaries.


Sadara remains committed to continuously enhancing its sustainability performance and strengthening its sustainability management systems in support of long-term value creation.



Memberships and Associations

 Gulf Petrochemical and Chemical Association (GPCA) www.gpca.org.ae	 Center for Chemical Process Safety (CCPS) www.aiche.org/ccps	 European Chemical Industry Council (Cefic) www.cefic.org
 Jubail Area Mutual Aid Association (JAMAA) www.jamaa.org.sa	 ASIS International www.asisonline.org	 American Conference of Governmental Industrial Hygienists (ACGIH) https://www.acgih.org/

Certification

 Management System as per ISO 14001 : 2015 ISO 14001:2015 Environmental Management System	 Management System as per RC 14001 : 2023 RC 14001:2023 Responsible Care Management System	 Certificate of Authorization VR Certification by the United States National Board of Boiler and Pressure Vessel Inspectors	 Certificate of Authorization T/O Certificate of Authorization by the United States National Board of Boiler and Pressure Vessel Inspectors	 Management System as per ISO 45001 : 2018 ISO 45001:2018 Occupational Health and Safety Management System
 Management System as per ISO 50001 : 2018 Operation Clean Sweep Certificate	 Management System as per ISO 50001 : 2018 ISO 50001:2018 Energy Management System	 Local Content Certificate by Local Content & Government Procurement Authority (LCGPA)	 CERTIFICATE ISO 9001:2015 Quality Management System	



Internal Audit

Led by the General Auditor, the Internal Audit Department provides independent assurance and advisory services to strengthen Sadara's governance, risk management, and internal control environment. The team delivers the annual audit plan and conducts special reviews requested by the Audit Committee or management. Engagements include routine audits, targeted investigations, and consulting assignments, performed in alignment with the International Standards for the Professional Practice of Internal Auditing issued by the Institute of Internal Auditors (IIA).

In 2025, the department successfully delivered its audit plan, completing 14 audits and special reviews on time and within budget across critical areas, including governance, risk, and compliance (GRC), and ESG integration. The department strengthened governance assurance by incorporating ESG and GRC considerations into selected engagements and maintained zero overdue management action items during the reporting year, reinforcing accountability and timely closure of agreed improvements. Beyond compliance, Internal Audit supported operational resilience and governance maturity by identifying opportunities to strengthen processes and controls. The team also advanced the use of risk-based audit planning, data analytics, and reporting tools, enabling more efficient execution and clearer insights for management.

Despite resource constraints related to an auditor shortage during 2025, Internal Audit maintained delivery by prioritizing higher-risk audits and coordinating closely with internal stakeholders. Looking ahead, the department remains focused on continuous improvement and strengthening auditor capabilities through modern methodologies and technology-enabled assurance, including greater use of digital tools and automation to enhance reporting, action tracking, and dynamic audit planning in response to emerging risks.

Ethics, Governance, and Compliance

Operating Discipline Management System

GRI 2-25, 2-27, 3-3, 205-1, 205-2

Sadara's ODMS, overseen by the Site Integration and Operations Excellence function, provides a unified framework governing policies, processes, and best practices across manufacturing, engineering, quality and product innovation, EHS, sustainability, business services, industrial relations, and corporate functions. Effective implementation is supported through periodic departmental self-assessments and independent internal audits.

International certifications, including ISO standards and RC®, are embedded within the ODMS to sustain operational excellence, product quality, and consistent performance through disciplined operations and governance.

Legal oversight forms an integral part of this governance framework. In 2025, the Legal Department strengthened risk management and commercial protection by reviewing and clearing all material and high value contracts, reducing legal exposure and reinforcing contractual safeguards. The function also ensured systematic execution of Non-Disclosure Agreements (NDAs) to protect confidential, technical, and commercial information, and was embedded in major projects from inception to provide legal structuring and regulatory compliance support.

Within this framework, Sadara conducts all commercial and market-facing activities with integrity, transparency, and strict adherence to applicable competition and antitrust laws. The company applies a zero-tolerance approach to anti-competitive behavior, including price fixing, market allocation, and bid rigging. Employees involved in sales and marketing are required to comply with Sadara's Antitrust and Fair Competition Protocol, as well as applicable sanctions and trade restrictions.

To safeguard ethical market conduct, Sadara prohibits the exchange of sensitive commercial information with competitors, including pricing strategies, cost structures, product margins, and customer information. These controls reinforce responsible commercial behavior and ensure alignment with regulatory requirements and ethical governance.



Code of Ethics and Business Conduct

GRI 2-15, 2-16, 2-23, 2-24, 2-25, 2-26, 2-27, 3-3, 205-1, 205-2, 205-3, 206-1, 408-1, 409-1

Ethical conduct and responsible business practices are central to Sadara’s culture and the way the company operates. These expectations are formalized through Sadara’s Code of Ethics and Business Conduct, which applies to all employees and, where applicable, contractors, vendors, JVs, affiliates, and subsidiaries. The Code outlines standards for integrity, lawful conduct, accountability, respect, equal treatment, and environmental responsibility, reinforcing shared responsibility across the organization.

The Code of Ethics and Business Conduct is designed to safeguard Sadara’s reputation and that of its JVs by clearly defining standards of behavior and expectations related to integrity, accountability, management responsibility, speaking up, non-retaliation, and compliance with applicable laws, company policies, and the Code itself. All employees are required to report any conduct that conflicts with Sadara’s values, the Code, or legal requirements.

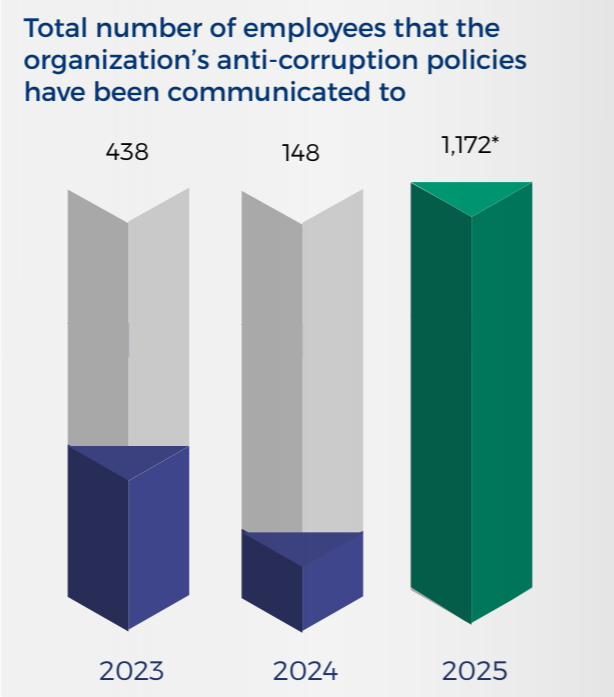
Sadara provides multiple channels for confidential reporting, including an anonymous reporting form on Sadara’s website, a dedicated ethics email (ethicshotline@sadara.com), and an independently hosted General Auditor hotline. These channels can be used to report a wide range of ethics and compliance concerns, including conflicts of interest, fraud, document falsification, improper gifts and entertainment, misuse of company assets, breaches of confidentiality, bribery, bid tampering, inaccurate invoicing, and theft. Anonymity is preserved upon request, and Sadara maintains a strict non-retaliation commitment for all good-faith reports.

Anti-corruption awareness is reinforced through regular training. In 2025, 1,172 employees completed e-learning sessions on anti-corruption policies, including dedicated modules on fraud prevention and detection. The increase in participation reflects the integration of the Intellectual Property (IP) course into the mandatory training matrix, making it a required component for employees.

Additional information on the Code, along with access to previous Sustainability Reports, is available in the Sustainability section of Sadara’s [website](#).



No incidents of non-compliance with laws or regulations were reported during the year.



*This sharp increase follows the integration of the training into the mandatory learning matrix.

Compensation Linkage to Sustainability Performance

In 2025, Sadara Chemical Company formally embedded sustainability into its performance management framework by including GHG intensity as a KPI within its compensation structure. This linkage between compensation and sustainability performance demonstrates the company’s strong commitment to environmental accountability and long-term value creation. By tying all employees’ annual bonuses to measurable climate-related metrics, Sadara reinforces management ownership of decarbonization efforts, operational efficiency, and responsible growth. Integrating GHG intensity into KPIs reflects a governance approach that aligns financial performance with environmental stewardship, further strengthening stakeholder confidence and advancing the company’s sustainability agenda.



Risk Management and Business Continuity

GRI 2-25, 201-2, 3-3

Enterprise Risk Management (ERM) at Sadara

Sadara's ERM program provides a structured and integrated framework for identifying, assessing, and managing risks that may affect the achievement of strategic objectives. Aligned with ISO 31000, the ERM framework is embedded across governance structures, decision-making processes, and day-to-day operations at all organizational levels.

The framework applies a standardized Enterprise Risk Evaluation Matrix and systematic risk assessment processes to proactively identify and manage both risks and opportunities. Key risk categories include safety, security, health, environment, operations, finance, strategy, reputation, and business continuity. Continuous monitoring and data-informed analysis support timely decision-making and strengthen organizational resilience.

Strong governance and a mature risk culture underpin Sadara's ERM approach. Senior leadership plays an active role in risk oversight, ensuring that mitigation measures are clearly defined, implemented, and monitored in alignment with strategic objectives and performance priorities.

Enhancing Risk Management Capabilities

Sadara is progressively leveraging artificial intelligence (AI) and advanced analytics to strengthen risk identification, predictive analysis, and decision-making. Machine learning tools are already integrated into selected ERM processes, with plans to expand automation and analytics to improve early risk detection, enable real-time insights, and support proactive responses to emerging risks.

Looking ahead, greater emphasis will be placed on integrating ESG considerations into enterprise risk processes to anticipate evolving regulatory, environmental, and societal challenges, support business continuity, and enable sustainable long-term value creation.

Risk and Opportunities Register

Sadara maintains a comprehensive Risk and Opportunities Register covering operational, compliance, and environmental, health, and safety risks. The register is regularly reviewed and updated to reflect evolving risk profiles and business conditions. Each risk is assessed based on likelihood, severity, and defined mitigation measures, ensuring alignment with regulatory, operational, and governance requirements.

Business Continuity

GRI 2-23

Business continuity is embedded within Sadara's sustainability and risk management approach and aligned with Saudi Aramco's Business Continuity Management (BCM) Lifecycle. The BCM process follows a structured framework for prevention, preparedness, response, and recovery to ensure the resilience of critical operations.

Integrated into the Corporate Management System Review and guided by the Plan-Do-Check-Act cycle, the BCM process incorporates regular risk assessments, training, and investment in resilient systems and infrastructure. This approach safeguards people and assets, preserves operational reliability, and supports long-term sustainability. In 2025, all business lines achieved full compliance with Saudi Aramco's business continuity requirements, and two major business continuity drills were successfully conducted across critical operations.



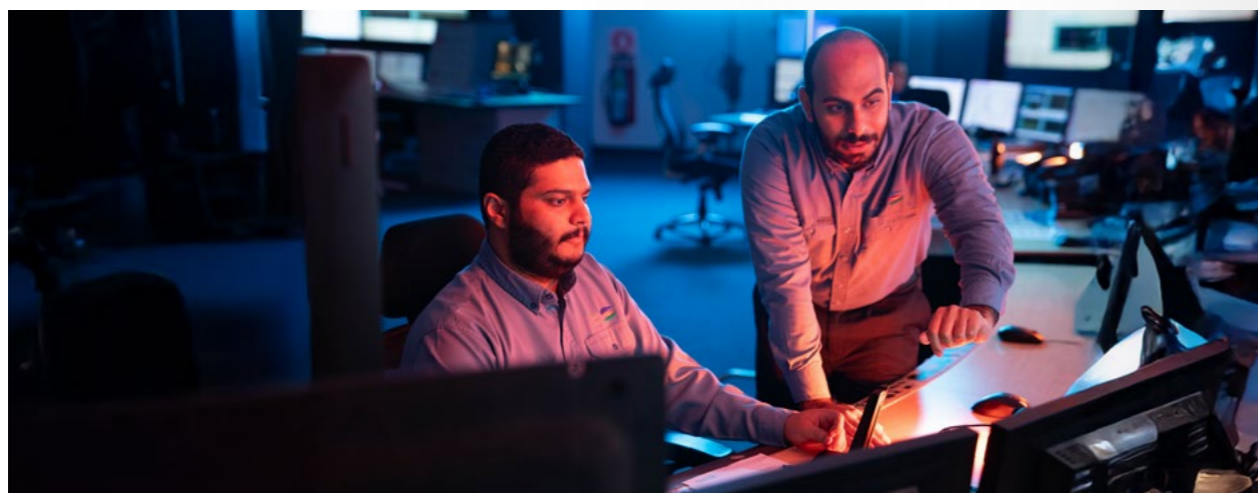
Data Privacy and Cybersecurity

GRI 3-3, 418-1

Sadara maintains a dedicated data security function responsible for cybersecurity governance, risk management, and the implementation of security controls. The company's information security framework is aligned with the National Institute of Standards and Technology (NIST) Cybersecurity Framework (version 1.1).

In 2025, Sadara strengthened internal cybersecurity compliance and enhanced coordination across information technology (IT), operational technology (OT), and business functions to address evolving national cybersecurity requirements and increased regulatory scrutiny. This improved integration supported more consistent implementation of cybersecurity controls and reduced overall risk exposure.

A strong security culture is reinforced through continuous awareness initiatives, mandatory annual data privacy training for all employees, bi-weekly cybersecurity simulations, and Clear Desk Assessments to protect both physical and digital information assets. The effectiveness of data privacy and cybersecurity controls is further assessed through annual internal and external audits.



Testing, Monitoring, and Incident Readiness

Continuous testing and monitoring activities support early threat detection and incident readiness. These include:

- Annual cybersecurity drills to test and strengthen cyber incident response capabilities
- Penetration testing and cyber simulations
- Expanded vulnerability scanning across critical assets
- Enhanced vulnerability management using the Tenable system, supported by automated reporting and dashboards

These measures improve visibility across critical assets, including Demilitarized Zone (DMZ) environments, and support timely mitigation of potential risks.



Won CYSEC Best Cyber Security Practice Award at CYSEC MENA Forum 2025

Collaboration and Knowledge Sharing

Sadara actively engages with industry peers and regulators to strengthen cybersecurity practices. This includes participation in Ministry of Energy (MoE) forums with Chief Information Security Officers (CISOs) to support benchmarking and knowledge sharing, as well as continued alignment with Saudi National Cybersecurity Authority (NCA) controls.

In addition, Sadara partnered with Jubail Industrial College (JIC) to deliver two educational sessions aimed at building future digital and cybersecurity capabilities, covering data, AI, and cloud computing, with a focus on opportunities, risks, and security best practices.

In recognition of these efforts, Sadara received the CYSEC Best Cyber Security Practice Award at CYSEC MENA Forum 2025, reflecting its commitment to strong cybersecurity governance and continuous improvement.

Regulatory Compliance and Continuous Improvement

Sadara conducts annual administrative cybersecurity compliance assessments across both IT and OT environments to support risk reduction and sustained regulatory compliance. These assessments cover all applicable national mandates, including Essential Cybersecurity Controls (ECC), Operational Technology Cybersecurity Controls (OTCC), Critical Systems Cybersecurity Controls (CSCC), Cloud Cybersecurity Controls (CCC), Organizations' Social Media Accounts Cybersecurity Controls (OSMACC), Data Cybersecurity Controls (DCC), and Telework Cybersecurity Controls (TCC).

In parallel, Sadara plans to conduct targeted assessments on data governance and data quality to further strengthen governance frameworks and enhance readiness for digital transformation and AI initiatives.

Driving Impact

Strengthening Compliance with NCA Mandates

Sadara strengthened organizational compliance with cybersecurity regulatory requirements issued by the NCA, reinforcing its commitment to robust cybersecurity governance and operational resilience. NCA mandates define the national framework for cybersecurity governance, risk management, and resilience and are critical to protecting digital assets and ensuring business continuity.

To support sustained compliance, Sadara implemented a structured self-assessment approach to regularly evaluate alignment with NCA mandates. This enables early identification of gaps, timely remediation, and improved coordination across IT and OT environments, strengthening cybersecurity maturity, regulatory compliance, and overall organizational resilience.



Occupational Health and Safety

Occupational Health and Safety

Protecting people and operations is central to Sadara’s commitment to safe and resilient performance. Through a strong safety-first culture and continuous improvement, we remain focused on achieving world-class health and safety outcomes while safeguarding employees, contractors, and communities.

Health, Safety and Well-Being

GRI 3-3

Protecting people is a fundamental priority at Sadara, reinforced by a rigorous safety-driven operating culture and a commitment to maintaining high standards in health, safety, and well-being. The company applies a holistic approach to protecting employees and contractors while ensuring safe, reliable, and responsible operations.

Sadara operates under a comprehensive EHS&S Policy and applies structured processes to systematically identify hazards, assess risks, and implement appropriate controls for both routine and non-routine activities. Key tools include the Safe Work Permit process, Pre-Task Analysis, Job Safety Analysis (JSA), and formal risk assessments. Preventive and control measures are embedded into work planning and operational procedures to reduce occupational health and safety risks, including those arising from business relationships.

The occupational health and safety management system is fully implemented in alignment with applicable legal and regulatory requirements, as well as recognized management system standards, including those of the Supreme Authority for Industrial Security (SAIS), the Ministry of Health (MOH), and other relevant authorities. The scope remains unchanged and covers all workers, activities, and workplaces under Sadara’s operational control.

Strategic Goals	KPIs	Unit	2025 Performance	2025 Target
Achieve World-Class Health And Safety Performance	Maximize Employees’ Medical Check-up Program	Percentage	100	95*
	Improve TRIR	Rate	0.02	0.06
	Minimize Process Safety & Containment Event-L1 Rate	Rate	0.01	0*
Promote Product Stewardship Practices	Maintain GHS	Percentage	100	100
	Control Transportation Incident L1 Rate	Rate	0	0

*Target has been revised.



Governance, Oversight, and Worker Participation

Oversight of occupational health, safety, security, and related sustainability matters is provided by the EHS&S and Sustainability Central Committee, which meets quarterly to review performance, establish priorities, and monitor action plans. Health and safety performance is further overseen by the EHS&S Steering Committee, ensuring structured governance and clear accountability.

Worker participation is facilitated through formal reporting processes and digital tools that allow employees and contractors to report hazards, unsafe conditions, and incidents. Submissions are reviewed by EHS&S compliance personnel, who coordinate corrective actions, escalate issues when necessary, and provide feedback to reinforce a proactive reporting culture. Additional engagement is supported through safety suggestions submitted via the Innovate tool, with policies and requirements accessible through the Sadara Catalyst platform.

Consistency and effectiveness are reinforced through periodic audits, ongoing training and re-certification for personnel applying risk assessment tools, monthly safety meetings, and regularly updating departmental risk and opportunity registers to reflect operational changes, emerging hazards, and lessons learned.

Employee Well-Being and Occupational Health

Employee well-being is supported through on-site health services, routine medical care, and an annual medical examination program for all employees. Sadara Health Services also delivers programs addressing both physical and mental well-being.

The confidentiality of workers' health information is protected through administrative, technical, and physical controls. Access to medical records is restricted to authorized personnel, electronic records are secured through IT controls, and disclosure requires written consent. Medical results are communicated directly with employees, while departments receive standardized fitness-for-work certifications only.

Driving Impact

Employee and Community Health Promotion

Throughout 2025, Sadara promoted employee and community well-being through targeted health awareness and preventive initiatives.

Sadara Health Services delivered its annual Flu Vaccination Campaign, "Don't Let the Flu Catch You," providing vaccinations to 250 employees and contractors across all facilities as part of its preventive healthcare program.

A blood donation campaign was also conducted in collaboration with Almana Hospitals at the Sadara Health and Wellness Center, with 96 employees participating over three days. The initiative supported local blood bank reserves while reinforcing a culture of volunteerism and social responsibility. Blood donation campaigns are held regularly to promote public health awareness and support the Kingdom's healthcare sector.

In addition, a Quit Smoking Campaign was launched in partnership with Dallah Hospital, Jubail General Hospital, and the MOH (Weqaya). The initiative included awareness sessions, updated treatment approaches, on-site medical consultations, and health testing to support smoking cessation and improve long-term health outcomes.

Health promotion activities also included a Breast Cancer Awareness Session focused on prevention, early detection, and risk awareness for employees and their families. During Saudi National Day celebrations, Sadara Health Services delivered general health education and on-site vital sign screenings, extending health awareness beyond the workplace.

Health and Safety Committee

Health and safety performance is overseen by the EHS&S and Sustainability Central Committee, which provides structured governance and accountability across the organization. All employees are covered under the Health and Safety Management System, supported by a formal joint management-worker health and safety committee that facilitates worker participation and consultation.

Health and safety requirements are also extended to contractor and project activities through the Maintenance Project and Contractor (MPC) agreement, promoting consistent application of standards across the workforce and business partners.

Health and Safety Performance

GRI 2-8, 2-25, 403-9, 403-10

Employee and contractor engagement remains a key driver of health and safety performance, reinforced through regular EHS communications, targeted training, routine performance reviews, and supplier and contractor evaluations aligned with regulatory requirements, management system standards, and Responsible Care® (RC) principles. As a result, Sadara has maintained zero employee and contractor fatalities since 2021.

In parallel, safety culture and operational discipline were reinforced through a month-long Safety and Housekeeping Campaign applying 5S principles, alongside the EHS&S initiative "The Power of Label," which emphasized accurate labeling to support incident prevention and compliance.

Incident Management and Preventive Actions

In 2025, a small number of significant safety incidents were recorded. In response, corrective and preventive actions were implemented to reinforce hazard identification and risk assessment capabilities, including targeted refresher communications, organization-wide dissemination of lessons learned, and enhancements to mandatory annual safety e-learning programs. Additional actions focused on strengthening maintenance practices and equipment integrity management to mitigate future operational risks and support continuous improvement in health and safety performance.

Audits and field interventions related to stair and ladder use were increased. Trend analysis confirmed routine access activities as recurring risk factors, with targeted monitoring and awareness continuing to be prioritized.

In addition to incident corrective actions, Sadara continued enhancing preventive controls through continuous improvement initiatives. A Chemical Suit Enhancement Project was initiated following employee feedback regarding heat stress and limited dexterity during summer operations. To ensure employees are equipped with the most suitable personal protective equipment, EHS engaged multiple vendors to assess alternative solutions. After evaluation and successful field trials, an improved chemical suit option was identified to enhance comfort, mobility, and protection, further strengthening proactive risk prevention measures across the site.

Performance Outcomes and Recognition

Beyond incident prevention, health and safety performance was further strengthened through campaigns, certifications, and community engagement. In 2025, we achieved a TRIR of 0.02 and maintained zero major environmental violations and zero transportation incidents.

Sadara launched the Safe Step Campaign to eliminate stair and ladder related incidents both at work and at home. Officially introduced by the CEO during safety walkthroughs, the campaign was rolled out across all facilities to reinforce safe climbing practices. Targeting nearly 4,000 employees and contractors, it promoted the Three Point Contact principle through leadership engagement, site labeling, safety materials, quizzes, reminders, and integration into incident corrective actions. This multi-channel initiative aimed to prevent slips, trips, and falls while embedding safe movement behaviors into daily routines.

The company maintained key international certifications and credentials, Responsible Care®, obtained the NCOSH Certificate from the National Council for Occupational Safety and Health, and delivered 7,223 safety training sessions for employees and contractors. Community initiatives included blood donation and anti-smoking campaigns, as well as three outreach awareness events.

Occupational Health and Medical Readiness – Key Highlights



100%

completion of annual occupational medical examinations supporting early detection and proactive management of occupational health risks.



~90%

participation in preventive and well-being screenings, enabling early identification of chronic conditions.



100%

medical emergency response within five minutes, meeting internal readiness standards across facilities.



100+

emergency drills and 70 medical education sessions, strengthening preparedness and alignment with evolving practices.



Enhanced

simulation capability through the use of Automated External Defibrillators (AEDs) and high-fidelity medical manikins, improving the realism and effectiveness of simulations.

OCCUPATIONAL HEALTH & SAFETY (OHS)-RELATED KPIS

	UNIT	2023	2024	2025
Total employee manhours	Number	7,280,816	6,531,788	5,652,948
Total contractor manhours	Number	13,918,180	11,354,035	13,988,147
Employee fatalities as a result of work-related injury	Number	0	0	0
Contractor fatalities as a result of work-related injury	Number	0	0	0
Employee high consequence work-related injury (excluding fatality)	Number	0	0	0
Contractor high consequence work-related injury (excluding fatality)	Number	0	0	0
Employee work-related injury (excluding fatality and high consequence work)	Number	2	3	1
Contractor work-related injury (excluding fatality and high consequence work)	Number	2	1	1
Fatalities as a result of work-related ill health	Number	0	0	0
Cases of recordable work-related ill health	Number	0	0	0

Looking Ahead

Sadara will continue aligning with domestic and international requirements while expanding digital solutions to strengthen oversight, efficiency, and data-driven decision-making. Plans are underway to formalize partnerships with the National Council for Occupational Safety and Health (NCOSH) to further enhance occupational safety and health performance.

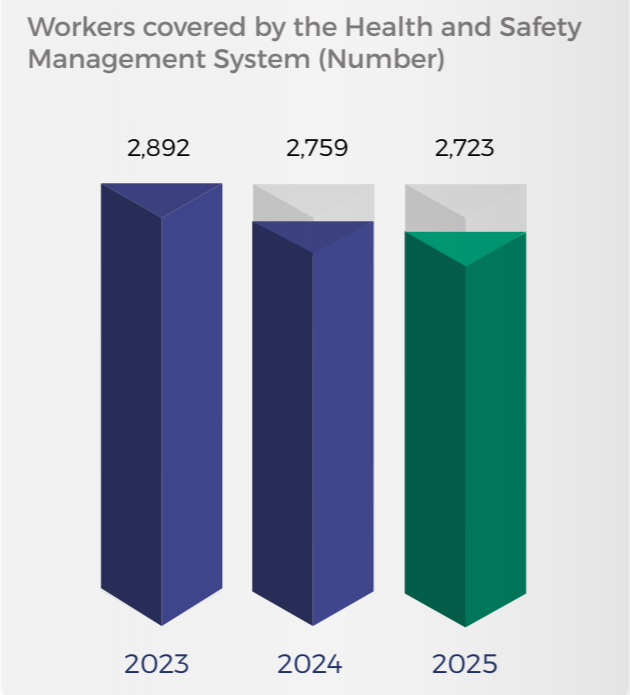
In parallel, Sadara plans to implement a Health Information System (HIS) within the next one to two years to improve medical record accuracy, data integration, and reporting quality while reducing reliance on paper-based processes.

Environmental Health and Safety Management

GRI 403-1, 403-2

Sadara continuously enhances environmental, health, and safety performance through benchmarking against local, regional, and international peers and alignment with recognized standards, including RC14001, ISO 50001, and ISO 45001. EHS management is fully integrated into the Operational Discipline Management System through a comprehensive management system supported by integrated assessments, near-miss reporting, behavior-based safety programs, and exposure risk assessments.

In 2025, Sadara Supply Chain resulted annual actual lifting with 2,759 KT VS. target 2,662 KT. 74,318 finished customer shipments and 8,227 logistics movements to and from King Fahd Industrial Port (KFIP), covering more than 19.5 million kilometers with zero major transportation incidents.



Environment Health, Safety and Security Assessment Program

GRI 403-2

Sadara's EHS&S Assessment and Assurance Program applies a standardized, risk-based approach to evaluate performance across operations, anchored in the Integrated Management System (IMS). Assessments verify alignment with international standards, ODMS requirements, and external obligations, with results communicated through structured internal channels.

IMS assessments review facility activities, management practices, and performance outcomes. Results are communicated through structured internal channels, including meetings, digital communications, and the corporate intranet, which also serves as the controlled platform for document updates in line with Management of Change (MOC) processes.

In 2025, Sadara completed nine IMS audits across internal departments and conducted one IMS assessment for a third-party facility (Linde). External audits and certifications further verified the effectiveness of the EHS&S management system, including ISO 45001 surveillance, ISO 14001 and ISO 50001 recertifications, RC 14001:2023 recertification, and GPCA OCS verification. The EHS&S Assurance and Assessment Department coordinated these activities and tracked opportunities for improvement (OFIs) to support timely follow-up and sustained performance.

To strengthen readiness and alignment, Sadara engages audited functions early through a structured pre-audit planning cycle and advanced coordination. This includes additional planning for third-party assessments to accommodate operational conditions and ensure consistent application of ODMS requirements.

Looking ahead, Sadara plans to conduct ten IMS audits, continue external surveillance and recertifications, expand third-party facility assessments, and implement an EHS&S Assessor Training Program to further strengthen audit quality and consistency.

HEALTH AND SAFETY MANAGEMENT

	UNIT	2023	2024	2025
Total workers covered by the Health and Safety Management System	Percentage	100	100	100

ANNUAL EMPLOYEE'S MEDICAL CHECK-UP PROGRAM

	UNIT	2023	2024	2025
Employee's Medical Check-Up Program	Percentage	100	99.9	100

Driving Impact

From Manual to Digital - Automating Audit Tracking and Reporting

To enhance assurance efficiency and data quality, Sadara is transitioning its audit tool from a manual process to a fully automated platform. The system is designed as a centralized source of audit information, with data continuously updated and accessible as needed.

Audit inputs are entered and maintained by auditors and shared with audit leadership through the platform. Findings from IMS and external audits are automatically captured and tracked, with actions linked to the Event and Action Tool (E&AT). This improves visibility of audit progress, findings, and closure status, supporting timelier follow-up and decision-making.

The solution is being evaluated and refined in collaboration with IT and the system vendor during 2026-2027, with a focus on usability, data integrity, and workflow integration.

EHS Training

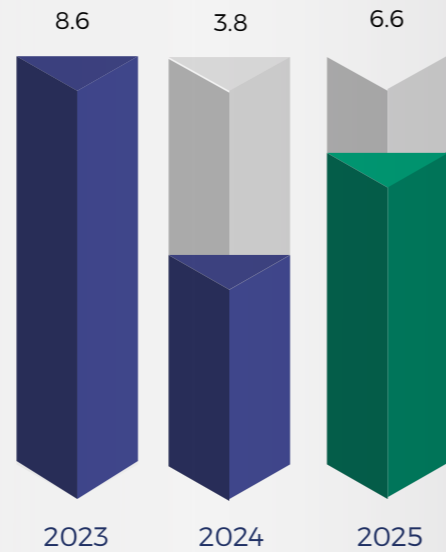
GRI 403-5

Sadara provides role-based EHS training to all employees and contractors, addressing key risks such as process safety, chemical handling, spill response, and personal safety. In 2025, total EHS training hours increased following the introduction of the Life Critical Standards (LCS) training course as a mandatory requirement for employees working inside the plant, particularly within EHS&S functions. Capability was further strengthened through expanded First Aid and Heartsaver® training, as well as additional safety programs supporting unplanned turnaround and emergency activities. (see page 129 on Training and Development).

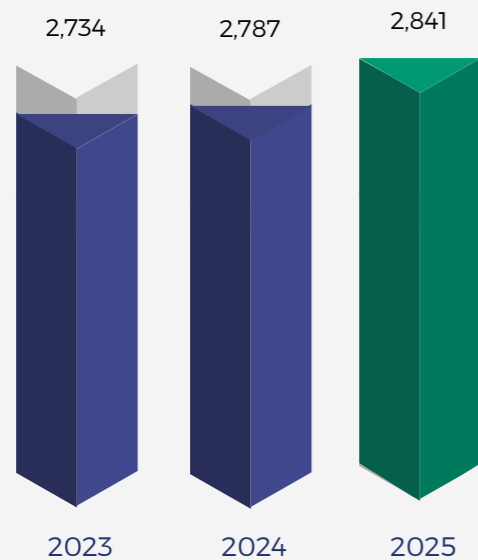
Total hours of EHS training provided to employees (Hours)



Average hours of EHS training per employee (Hours)



Number of workers covered by an occupational health and safety management system (Number)



Process Safety and Asset Integrity

GRI 2-25, 403-2, 403-7

Sadara applies a comprehensive Process Risk Management and Loss Prevention framework across manufacturing assets, pipelines, warehouses, and logistics facilities. Process safety risks, including Loss of Primary Containment (LOPC) events, are systematically identified, classified, and managed through structured prevention, response, and reporting processes.

In 2025, one Level 1 and one Level 2 process safety and containment event were recorded. Both were managed within established control frameworks, with investigation findings used to strengthen preventive barriers and operational discipline.

Process safety and emergency preparedness are monitored using leading and lagging indicators covering incident frequency, severity, and transportation-related events, supporting continuous improvement in asset integrity and operational safety.

OPERATIONAL SAFETY, EMERGENCY PREPAREDNESS AND RESPONSE

	UNIT	2023	2024	2025
Process Safety Incidents Count (PSIC)	Number	0	0	1
Process Safety Total Incident Rate (PSTIR)	Number	0	0	0.01
Number of transport incidents	Number	0	0	0

LOSS OF PRIMARY CONTAINMENT

	UNIT	2023	2024	2025
Process safety and containment event - L1	Percentage	0	0	0.01
Process safety and containment event - L2	Percentage	0.01	0.01	0.01

Industrial Security System

GRI 418-1

Sadara's Industrial Security approach protects people, assets, neighboring facilities, and surrounding communities. The function is supported by a skilled security workforce, advanced technologies, and strict adherence to established security procedures and standards.

In 2025, the Industrial Security function delivered key improvements that strengthened governance, operational efficiency, and digital maturity, supporting Sadara's objectives for resilience, operational excellence, and sustainability. Major achievements included the transition of the weapon handover process from a paper-based system to a fully digital platform, reducing manual effort, paper use, and administrative complexity. Governance and audit readiness were further enhanced through alignment with GPCA and ISO requirements, supported by Aramco Operational Excellence technical assessments.

Site readiness and safe operations were strengthened for major events and emergency drills through a structured response approach for unplanned or disruptive incidents. Gate controls and material movement governance were also enhanced to streamline operations and optimize material flow, including improvements to the gate pass processes.

Digitalization and standardization initiatives were accelerated to strengthen control mechanisms and operational efficiency. Support for IMS and ISO audits was reinforced, alongside improved cross-functional coordination on security-related matters. A structured training program was implemented to enhance operational competence, procedural compliance, and workforce sustainability.

In 2025, Sadara strengthened emergency preparedness by conducting 163 emergency response and awareness drills, achieving 100% compliance with defined response time requirements. The Integrated Security System (ISS) maintained availability above 91%, against a 99% target. Additional exercises and targeted awareness sessions further enhanced operational readiness and system reliability.

Looking Ahead

Sadara's Industrial Security function will continue strengthening governance, digital enablement, and operational sustainability. Planned actions include finalizing KPI definitions and dashboards, refreshing gate traffic safety controls, and strengthening compliance checks to enhance performance visibility and oversight.

Digital workflows will be further expanded across gate pass management, exemption handling, and reporting, with continued focus on timely audit closure. Control center capabilities will also be enhanced through process standardization and capability uplift, aligned with the Fire Team and Secure Edge Data Centre (SEDC) transition.

Training and capability-building initiatives will continue through refresher sessions and e-learning programs, while monitoring will be strengthened by linking maintenance data with key performance and risk indicators to support more proactive decision-making and asset management.



Driving Impact

Strengthening Governance and Capability through Standardization and Digital Enablement

In 2025, Sadara implemented a focused governance and capability-building initiative within the Industrial Security function to strengthen compliance, standardize procedures, and enhance workforce readiness. The initiative addressed gaps in governance clarity, incident reporting practices, and training coverage to support responsible and reliable security operations.

More than 20 procedures and policies were enhanced, including the development of a Security Reporting Standard. To support capability development, seven new Learning Management System (LMS) courses were developed and published on Sadara's e-learning platform. In addition, seven new documents were added to the Operational Document Management System (ODMS) to strengthen document control, accessibility, and consistency.

These actions resulted in measurable improvements in governance maturity, compliance, and training coverage across the Industrial Security function. Standardized procedures and clearer reporting requirements reinforced operational discipline, while expanded e-learning content strengthened workforce competence and awareness. Building on this foundation, Sadara will continue refreshing training content, scaling digital workflows, and enhancing performance monitoring to sustain long-term operational resilience and governance effectiveness.



Climate Change and Natural Resource Conservation

Climate Change and Natural Resource Conservation

Advancing climate resilience and responsible resource stewardship is central to Sadara’s long-term strategy. By aligning environmental ambition with disciplined execution, the company is shaping a pathway toward lower emissions, efficient resource use, and circular operations. Through clear targets, robust governance, and continuous innovation, Sadara remains focused on delivering measurable environmental performance while supporting sustainable industrial growth.

Environmental Strategy, Management, and Compliance

GRI 2-23, 3-3

Sadara’s approach to climate change and natural resource conservation is governed through the Climate Change and Natural Resources Conservation Sub-committee, which provides strategic oversight aligned with ESG objectives and national priorities, including Saudi Vision 2030 and the Saudi Green Initiative. This ensures environmental compliance requirements and considerations are embedded into decision-making, capital planning, and operational execution.

Environmental strategies are implemented through the Sustainability and the Environmental Management System, which promote resource efficiency, emissions reduction, and compliance with regulatory and stakeholder requirements. Environmental governance is reinforced through internationally recognized certifications, including ISO 14001, ISO 50001, OCS and RC 14001, supporting consistent performance across environmental, health, safety, and security dimensions.

Compliance and continuous improvement are maintained through structured internal reviews and third-party audits. In 2025, Sadara achieved full regulatory compliance, supported by the submission of more than 60 environmental monitoring reports covering air emissions, flaring, wastewater, cooling water discharge, waste transport and disposal, noise, groundwater, and operational notifications. In addition, six Environmental Permit Application packages were submitted for renewal of the Environmental Permit to Operate (EPO). As a result of this disciplined compliance management approach, no fines were received for non-compliance with environmental regulations during the year.

Strategic Goals	KPIs	Unit	2025 Performance	2025 Target
Minimize Environmental Impact	Reduce Energy Intensity	GJ/metric ton of product	28.718	26.500
	Reduce GHG Intensity	Metric ton CO ₂ e/ ton of product	1.883	1.700
	Reduce Water Intensity	M ³ / metric ton of product	11.468	9.313
Support Circular Economy	Reduce Plastic Pellet Losses	Percentage	0.05	0
	Reduce Material Effectiveness Intensity	Metric ton material loss/ metric ton product	0.117	0.132






No fines were received for non-compliance with environmental regulations in 2025.



Energy Efficiency compliance is achieved by satisfying the Saudi Energy Efficiency Center (SEEC) framework requirements, including the 2nd cycle SEEC study and the High Intensity Electricity Consumption Tariff (HIET) requirements. There are 21 Sadara manufacturing plants covered under the SEEC study and Sadara's Joint Venture Saudi Hydrogen Peroxide Company (SHPCo) is also included. Compliance with the HIET and SEEC Energy Management Program has resulted in significant cost savings in energy.

Sadara's climate change and resource optimization strategy targeted emissions reduction and resource efficiency initiatives across the operational boundary, through implementation of continual improvement initiatives in energy efficiency and circular economy and performance improvement in the integrated management systems ensuring that operational initiatives and projects are translated into measurable GHG reductions, lower natural resource consumption, lesser waste generation, and increased waste recycling.

In recognition of these efforts, Sadara achieved five SEED/Dow Technology Center awards in 2025, recognizing initiatives that delivered emissions reduction, resource efficiency, and process optimization, including:

-  Methanol consumption reduction at the Hydrogen Peroxide-based Propylene Oxide (HPPO) plant.
-  Rhodium recovery from used Oxidation Depolarized Cathode (ODC).
-  Bypassing brine unit centrifuges.
-  The transition to 100% fuel gas utilization at the Steam Generation Unit (SCU).
-  GHG reduction through optimization of cooling water supply pumps.



Sadara achieved five SEED / Dow Technology Center awards in 2025.

Further reinforcing the impact of these initiatives, Sadara's efforts were recognized through several prestigious awards in 2025:

- **Regional Award in Corporate Energy Management** – Association of Energy Engineers (AEE): Recognized the effectiveness of Sadara's ISO 50001-aligned Energy Management System and its measurable energy performance improvements.
- **First Runner-Up, Sustainable Environmental Protection Category** – Gulf Petrochemicals and Chemicals Association (GPCA) Responsible Care® Excellence Awards: Acknowledged Sadara's leadership in advancing environmental performance and Responsible Care® principles.
- **Recognition under the "Awareness and Influence" Track** – Saudi Energy Efficiency Center (SEEC): Reflected Sadara's success in promoting energy efficiency awareness and encouraging responsible energy consumption across operations and stakeholders.

Looking ahead, Sadara will continue to prioritize technically and economically viable improvements, including advancing phosgenation reactor design to reduce waste generation and enhancing the reliability and availability of MFC furnaces, supporting sustained emissions reduction and long-term operational resilience.

Climate Change and GHG Emissions

GRI 2-25, 3-3, 305-1, 305-2, 305-4, 305-5, 305-7

Sadara's decarbonization pathway is aligned with national and global climate objectives, supporting the Kingdom's net zero 2060 ambition and shareholder commitments. Sadara's net zero target is earlier than the national target date. The strategy targets net zero Scope 1 and Scope 2 emissions by 2050 and leverages advanced technologies and industry best practices to deliver measurable emissions reductions.

GHG management is aligned with national climate initiatives, including the Saudi Green Initiative and the Circular Carbon Economy framework, and complies with reporting requirements of the RCJY and the MoE's Energy Information Center (EIC).

GHG and non-GHG emissions are monitored using a standardized calculation and reporting methodology embedded within Sadara's Footprint Protocol and Pollution Prevention standards & guidelines, ensuring data consistency and integrity. GHG Performance is tracked primarily through GHG intensity, calculated as total Scope 1 and Scope 2 emissions relative to the market facing products manufactured.

Near- and medium-term efforts focus on high-impact actions, mainly energy efficiency improvements, increased use of lower-carbon and renewable energy sources, and optimization of manufacturing processes. These initiatives are informed by detailed emissions analyses and complemented by assessments of additional abatement options, such as technology upgrades, renewable solutions, and potential carbon capture and storage.

In 2025, Sadara completed the Boilers Fuel Switch project, eliminating Heavy Fuel Oil (HFO) as a higher-carbon liquid fuel and replacing it with Natural Gas (NG). Compared to the project baseline, this transition reduced CO₂ emissions by approximately 138,835 metric tons CO₂e, equivalent to around 3% of Sadara's total GHG emissions in 2025. On an annual basis, the project delivered energy savings of 1,782,000 GJ and cost savings of ₪ 71 million, while eliminating 30,350 metric tons of gypsum waste and phasing out 37,500 metric tons of HFO and lime. The initiative also included infrastructure upgrades and process optimization to enhance operational efficiency and safety, resulting in significant environmental and financial benefits.

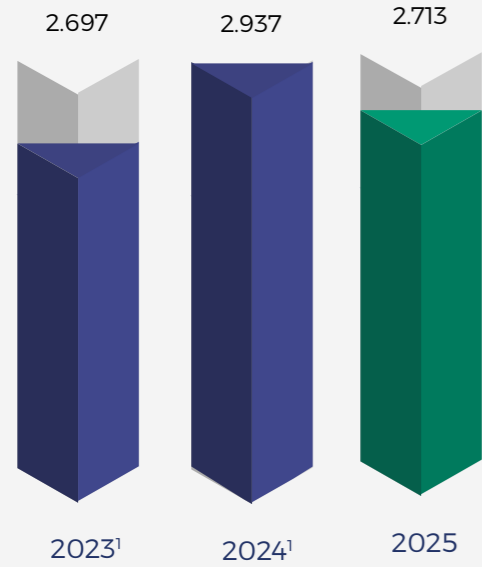
The project received regional recognition as 1st runner-up in the GPCA RC Excellence Awards under the Sustainable Environmental Protection category. In addition, Sadara was recognized with two SEED Tech Center awards from Dow for Sustainable Environmental Engagement, awarded for its initiatives in Rhodium Recovery from Used ODCs and Bypassing the centrifuge machines.

Sadara will continue deploying advanced catalytic processes, enhancing thermal efficiency, and investing in emerging carbon capture technologies to accelerate emissions reductions. These efforts form part of its long-term decarbonization strategy, aligned with Sadara's renewed corporate direction and its ambition to achieve net zero emissions by 2050.

GHG and Other Air Emissions

In 2025, Sadara achieved a 10% reduction in GHG intensity compared to the 2020 baseline, which exceeded the target of 5%, and reduced total GHG emissions by 588,460 mt CO₂eq in 5 years. GHG data and selected sustainability KPIs are subject to independent third-party assurance to verify accounting methodologies and validate reported performance.

**Total market facing products
(Million metric tons)**



¹ New Footprint Protocol has revised the production data from products sold to market facing products

GHG EMISSIONS	UNIT	2023	2024	2025
Direct GHG emissions (Scope 1)	Million metric ton of CO ₂ eq	3,230	3,712	3,456
Indirect GHG emissions (Scope 2)	Million metric ton of CO ₂ eq	1,686	1,682	1,654
Total GHG Emissions (Scope 1 and 2)	Million metric ton of CO ₂ eq	4,916	5,394	5,110
GHG emissions intensity	Metric ton of CO ₂ eq/ ton product	1.894 ¹	1.895 ¹	1.883

¹ GHG intensity is recalculated to align with the new calculation methodology i.e., using market facing production instead of total products sold

Ambient Air Quality

Protecting ambient air quality remains a priority within Sadara’s environmental management approach. Air emissions are managed through the Environmental Protection Pollution Prevention Program, guided by the EHS&S Policy and aligned with applicable national and international standards.

Emissions performance is supported through preventive maintenance, early intervention, and corrective actions. In 2025, Sadara strengthened control of key pollutants, including Nitrous Oxides (NO_x), Sulfur Oxides (SO_x), Volatile Organic Compounds (VOCs), Carbon Monoxide (CO), and particulate matter. Compared to 2024, NO_x emissions decreased by 2.7%, while SO_x emissions were reduced by 70.4%. VOC and hazardous air pollutant emissions remained within controlled operational ranges.

A key contributor to Sadara’s air quality performance is its comprehensive Leak Detection and Repair program (LDAR), established in 2017 in alignment with the Royal Commission Environmental Regulations (RCER) of 2015. The program monitors more than 75,000 regulated components annually across Sadara’s facilities, ensuring systematic identification and mitigation of potential emission sources.

In 2025, Sadara maintained a leak rate of less than 1%, qualifying the company for annual, rather than semi-annual, regulatory inspection cycles. Leak repair success rates have consistently exceeded 90%, reflecting strong operational discipline and effective source-level emission control.

Performance is further reinforced through advanced monitoring technologies, including Continuous Emissions Monitoring Systems (CEMS), which enable real-time tracking and timely corrective action. These efforts are complemented by initiatives to reduce flaring and enhance combustion efficiency, strengthening overall air emissions management.

No significant air quality violations were recorded in 2025.



NON-GHG EMISSIONS	UNIT	2023	2024	2025
NOx emissions (excluding N2O)	Thousand metric tons	1.288	1.311	1.276
SOx emissions	Thousand metric tons	0.525	0.412	0.122
VOCs	Thousand metric tons	0.011*	0.011*	0.030
Hazardous air pollutants	Thousand metric tons	0.004*	0.001*	0.008

* Values have been scaled to thousands.

Sadara monitors air quality performance using the Environmental Action Limit (EAL) as a key indicator. Actual performance is tracked against defined targets, with historical results and the 2026 target presented in the table below.

YEAR	EAL ACTUAL	EAL TARGET
2023	507	1,054
2024	256	877
2025	314	702
2026	-	667

Energy Management

GRI 2-4, 2-23, 2-25, 3-3, 302-1, 302-3, 302-4, 302-5

Energy efficiency is a key lever in Sadara’s decarbonization and environmental performance agenda. Through its ISO 50001:2018 EnMS, Sadara systematically reduces energy consumption and costs while maintaining full regulatory compliance.

In 2025, Sadara’s overall Site energy performance, which includes all facilities under Sadara operational control achieved a 9.5% reduction in energy intensity compared to the 2020 baseline, alongside a reduction in absolute energy consumption, equivalent to 8.4 million GJ. A major milestone was the completion of several utilities energy improvement projects resulting from elimination of the imported Heavy Fuel Oil (HFO) by year-end and reduced related imports by 100%. These initiatives include:

- Reduction of Oxygen (O₂) concentration by 33% in the boilers flue gas.
- Pressure reduction of 43% in the deaerators.
- Elimination of the Medium Pressure (MP) steam in the Boiler Feed Water (BFW) pre-heater.
- Elimination of the Low Pressure (LP) steam in the HFO Pre-heater.
- Reduction of MP steam used in soot blowing and prevention of significant soot formation and
- Minimizing the use of atomizing MP steam.

This transition enabled additional energy efficiency initiatives across boilers, steam systems, fuel handling, and utilities, delivering further operational and energy savings.

Additional measures implemented in 2025 include optimization initiatives such as those completed in the Chlorine envelope, where a Mega duty pump serving a heat exchanger was stopped after discovering the excess cooling water used in the process. Additionally, a simple quality check of the brine flowing to the salt filtration process has led to the bypassing of the centrifugal machines and other filtration auxiliary equipment, thus saving power.



In 2025, Sadara successfully completed its recertification for the EnMS ISO 50001:2018, reaffirming alignment with international standards, and maintained full compliance with SEEC requirements. With the successful implementation of ISO 50001 in Sadara, the company became qualified in the High Intensity Electricity Consumption Tariff program leading to significant cost savings as well as continually improving its energy and EnMS performance.

As a manifestation of its efforts, Sadara won the AEE Regional Award for the Middle East category in Corporate Energy Management. Moreover, Sadara's Fuel Switch Project won as first runner-up in international energy project of the year at the AEE Regional Awards. On the same year and using the same entry, Sadara grabbed the GPCA Sustainable Environmental Protection first runner up award.

Work processes not related to energy performance but to EnMS improvement have also gained recognition of this. Sadara won the first SEEC Energy Efficiency Awards under the Awareness and Influence category in the private sector. This award was given in relation to the awareness programs internally organized by Sadara as well as external engagements through social media and other awareness activities.



Sadara won the AEE Regional Award for the Middle East category in Corporate Energy Management.



Driving Impact

Powering Efficiency Through Governance: Sadara's HIET Journey

Sadara established a dedicated High Intensity Electricity Consumption Tariff (HIET) Taskforce to ensure regulatory eligibility, strengthen electricity cost saving governance, and embed energy efficiency as a sustained organizational capability.

Using a structured, multi-year approach covering the 2025-2029 period, the taskforce integrates proactive energy & risk management, performance monitoring, and cross-functional coordination across energy, finance, operations, and governance teams. Eligibility was secured through two phases, the first was the submission of the required documentation set by the Saudi Electricity Regularity Authority (SERA) which includes technical, financial, and other compliance documents. The second was the SEEC requirement, which is based on two main criteria, and includes implementation of an energy management system and fulfillment of the capacity building requirements. In 2025, Sadara successfully fulfilled these requirements, which involved periodic submission of energy performance data, completing the online trainings, measurement and verification assessment, and the annual EnMS audit.

In 2025, the program succeeded in delivering USD 63.187 million in electricity cost savings and secured approval to maintain the HIET tariff discount for 2026. Beyond immediate financial benefits, the initiative established a resilient governance framework for managing energy performance and regulatory alignment across future tariff cycles.

ENERGY CONSUMPTION

	UNIT	2023	2024	2025
Petrol consumption from vehicles	Liters	546,133	564,587	476,818
Diesel consumption from operations	Liters	3,908,266	1,827,943	1,263,146
Diesel consumption from vehicles	Liters	12,135	20,999	9,575
Electricity consumption (branches, offices, etc.)	GJ	9,832,645	10,226,688	10,054,953
Renewable energy consumption (branches, offices, etc.)	GJ	31.22	90.19	90.19
Total Energy consumption (direct + indirect)	Million GJ	73.37	81.90	77.91
Energy Intensity (total energy consumption in Gigajoules/ total products sold in tons)	GJ/ ton	28.28*	28.77*	28.72

* Energy intensity is recalculated to align with the new calculation methodology i.e., using market facing production instead of total products sold

Driving Impact

Energy Awareness and Employee Engagement

Sadara strengthened its energy management culture through Energy Awareness Week, a site-wide initiative facilitated by the Sadara energy team focused on energy efficiency, regulatory compliance, and continuous improvement. Delivered over six days in 2025, the program engaged employees across Manufacturing and Engineering, Utilities, Maintenance, Site Logistics, and EHS&S.

Sessions emphasized the practical application of Sadara’s EnMS and reinforced awareness of key standards and frameworks, including:

Sadara energy accounting methodology	ISO 50001:2018 EnMS standard	SEEC framework
Saudi Electricity Regulatory Authority (SERA) HIET	Saudi Aramco Global Manufacturing Excellence (GME) Program for ISO 50001 alignment	

Technical discussions covered energy accounting, key drivers of energy intensity, and improvement opportunities. Participants reviewed operational data to understand day-to-day energy variations and engaged in interactive quizzes and structured brainstorming.

The program identified 178 contributors to energy intensity variation and generated 554 energy improvement ideas, with an average 35% increase in energy awareness across participating groups. Ideas are assessed through the Technology Implementation for Competitive Advantage (TICA) process for potential inclusion in the Sadara Transformation Program, linking employee engagement to operational improvement and long-term energy performance. The initiative was delivered under the governance of the Energy Sub-committee, reporting to the Climate Change and Natural Resources Conservation Committee.

Energy Awareness Week in Numbers

6 Event days	57 Speakers	282 participants
178 Energy Intensity variation contributors	554 Energy Intensity improvement ideas	35% improvement in awareness

Water Management

GRI 3-3, 303-2, 303-3, 303-4, 303-5, 306-1

Sadara operates in a fresh water-scarce region and maintains a strong focus on responsible water stewardship across its operations. Water efficiency initiatives target reductions in consumption across steam generation, cooling, domestic use, irrigation, and equipment cleaning.

Industrial water supply is primarily sourced from the Marafiq Seawater Reverse Osmosis (SWRO) plant located within the Sadara Chemical Complex. In 2025, Sadara continued to enhance water efficiency by recycling process condensate and promoting water conservation practices across the Sadara Business Complex (SBC), supporting reduced freshwater demand and improved operational efficiency. Sadara has reduced water intensity by 1% over the five-year performance cycle.

WATER	UNIT	2023	2024	2025
Water intensity (water consumption/ total products sold)	m ³ / product sold	10.83*	11.36*	11.47
Total water consumption	Million m ³	28.12**	32.35**	31.11
Recycled wastewater	m ³	6,584.87	0	744.78
Wastewater Total Organic Carbon (TOC) discharged	Thousand metric tons	1.34	1.49	1.40

*Water intensity is recalculated to align with the new calculation methodology i.e., using market facing production instead of total products sold.

**Water consumption data was updated due to an updated calculation methodology.



Driving Impact

Wastewater and Resource Optimization in the Formalin Plant

Sadara advanced operational excellence through a targeted wastewater reduction initiative at the Formalin Plant by optimizing the ion exchange process while maintaining product quality and downstream performance.

During formaldehyde production, formic acid is generated as a by-product and historically treated through ion exchange to meet specifications. Regeneration of the ion exchange units required chemical solutions, increasing wastewater volumes, chemical consumption, and associated EHS risks.

To address these challenges, Sadara implemented a cross-functional optimization initiative involving Operations, Quality, Technical, Process Safety, EHS, Maintenance, and Responsible Care®, supported by licensor consultation. Using a risk-based, stepwise approach under a formal Management of Change (MOC) process, the team optimized formic acid specifications and strengthened monitoring of product quality and operational performance.

As a result, reliance on ion exchange treatment was significantly reduced, with units operating only when needed. Improved process control also reduced formic acid formation at the source. The initiative delivered measurable benefits, including reduced wastewater generation, lower water and chemical consumption, decreased resin usage, reduced maintenance requirements, and lower EHS risks related to chemical handling and resin disposal.

Overall, the initiative generated an estimated annual benefit of USD 0.56 million, driven by savings in wastewater treatment, chemical consumption, and maintenance.



Circular Economy and Waste Management

GRI 2-4, 306-2, 306-4, 3-3, 301-1, 301-2

Sadara continues to advance circular economy principles by optimizing resource use, minimizing environmental impacts, and maximizing material value across the full lifecycle of its manufacturing within the operational boundary. The company's approach prioritizes waste reduction, reuse, recycling, and recovery, supporting long-term operational efficiency, cost optimization, and environmental stewardship.

Circularity and waste management initiatives are facilitated by a dedicated team within the Utilities Environmental Operations division, with centralized oversight of waste handling, recycling, and off-site material movements through the Off-Site Material Management Unit (OSMMU). Performance is guided by defined KPIs, including a long-term target to achieve a 55% recycling rate and continuous reductions in waste management expenditure.

In 2025, Sadara delivered strong circular economy outcomes despite operational complexity. A total of 33,285.76 metric tons of hazardous and non-hazardous waste was safely managed, of which 17,028.67 metric tons were recycled. This resulted in a 51.16% recycling rate, maintaining performance above 50% for the second consecutive year and bringing the company closer to its long-term recycling target.

Through waste diversion to recycling and reuse via the OSMMU, Sadara avoided ₪15.5 million in disposal costs. Recycling revenue reached a record high of ₪4.13 million representing a 124.5% increase compared to 2024, driven primarily by the mixed recycling contract. At the same time, total waste management expenditure declined by 38.88% (₪11.52 million) year-on-year, demonstrating effective cost control alongside improved circularity performance.

In addition, 78.34% of total waste was diverted from landfill through recycling and incineration pathways, reinforcing Sadara's commitment to landfill avoidance. Recycling volumes increased across key streams, including 1.189 thousand metric tons of mixed materials (plastics, paper, and metals), while 10.739 thousand metric tons of TDI tar were recycled following its successful reclassification as a by-product.



Maintained a recycling rate above 50% for the second consecutive year, reaching 51.16% in 2025.



Record recycling revenue of ₪ 4.13 million achieved in 2025.



Achieved key regulatory approvals, including Royal Commission approval for TDI tar reclassification and NCEC approval for brine filter cake backfilling in Sadara-owned Sabkha mines.





Strengthening Circularity and Operational Control

Throughout 2025, Sadara strengthened its circularity framework through targeted initiatives, including optimization of waste management and recycling contracts, expansion of recycling and reuse pathways for industrial by-products, and improved handling of complex waste streams such as brine filter cake, settling pond sludge, and SGU lime sludge. These efforts reduced landfill dependency while improving material recovery and operational control.

Sadara also continued leveraging strategic partnerships, including the Waste-to-Energy agreement with Veolia Middle East, supported by the dedicated facility at PlasChem Park, operational since 2024. The facility converts incinerable industrial waste into steam energy for downstream users, enabling material recovery, reducing landfill reliance, and lowering associated GHG emissions.

Looking Ahead

Building on its 2025 performance, Sadara is advancing initiatives to further enhance circularity and cost efficiency. These include expanding waste management and recycling contracts to target up to 90% recycling across total waste streams; commencing brine filter cake backfilling upon final regulatory approvals, expected to reduce disposal costs by approximately \$1 million annually; commercializing reclassified TDI tar to generate additional revenue; implementing a major recycling program for the SGU Novel Integrated Desulphurization (NID) system demolition project; and ensuring the safe and secure disposal of molybdenum-containing wastewater during the EO/PO plant turnaround planned for 2026.

Overall, Sadara's 2025 performance reflects a mature and integrated circular economy approach that delivers measurable environmental benefits, significant cost savings, and new revenue opportunities, while reinforcing long-term sustainability and operational resilience.

COST SAVING	UNIT	2023	2024	2025
Total revenue from recycling	₹ million	2,234,645	1,839,789	4,129,904
Total saved disposal cost	₹ million	22,812,225	19,565,268	15,503,823
Wooden pallets re-used	Number	8,600	1,800	1,800
Recycled input materials used: recycled fuels (pyoil, tail gas, Pressure Swing Adsorption (PSA) recycle, off gas)	Thousand metric tons	2,234	525.51	478.53
Percentage of recycled input material used	Percentage	15.26	17.89	14.45

CIRCULAR ECONOMY	UNIT	2023	2024	2025
Total waste diverted from landfill	Thousand metric tons	26.553	5.186	26.070
Percentage of waste diverted from landfill (total recycled + incinerated waste/total generated)	Percentage	90.26	31.65	78.34

RECYCLED MATERIALS	UNIT	2023	2024	2025
Recycled mixed materials (Plastic, paper, metal, etc.)	Thousand metric tons	1.500	0.770	1.189
Recycled TDI tar	Thousand metric tons	9.676	13.937	10.739
Total paper recycled	Kilograms	6,280	24,500	14,458
Total electronic waste products recycled	Kilograms	59,816	33,259	19,220
Portion of waste generated that was recycled	Percentage	32.67	52.20	51.16

Driving Impact

Advancing Waste and Water Efficiency through the Sadara Transformation Program

In 2025, Sadara advanced its waste and water management performance through the implementation of the Sadara Transformation Program, enabled by the Wave platform, which serves as a centralized digital tool used to capture, track, and monitor transformation initiatives across the organization, including all waste management initiatives.

Key circular economy initiatives implemented during the year included diverting waste streams to Veolia Middle East Company's Tahwil plant in Jubail Industrial City, commercializing slop oil, reclassifying TDI tar as a by-product, and selling surplus HFO from the SGU. These initiatives enhanced material recovery, reduced disposal volumes, and generated additional value from operational by-products.

Significant improvements were also achieved in wastewater treatment performance. Total wastewater volumes sent to Marafiq were reduced by 845,456 cubic meters compared to the previous year, resulting in cost savings of \$ 2.85 million, equivalent to an 8.5% reduction versus 2024 levels.

In parallel, Sadara implemented a comprehensive site-wide waste reduction plan as part of the Compliance Task Tool (CTT) initiatives. Monthly waste management dashboards were developed and shared with Production Managers and Directors, providing clear visibility into performance and enabling leadership to actively monitor progress and drive continuous improvement in waste reduction across the site.

Driving Impact

Environmental Stewardship Through Employee Engagement

Sadara promotes environmental stewardship through initiatives that engage employees and support a cleaner surrounding environment. In 2025, Sadara conducted an environmental cleanup campaign near the Chemical Complex, reinforcing responsible waste management and community care.

Led by the EHS function in collaboration with the Sadara Volunteer Club, the campaign brought together employees from across the organization. Volunteers collected approximately 100 kg of recyclable materials, which were sent to certified recycling facilities to support waste reduction and circular economy practices.

A total of 35 volunteers from multiple departments participated. Contributions were recognized through certificates of appreciation, and volunteer hours were logged through the Volunteer Club system, reinforcing the value of employee-led sustainability action.

This initiative reflects Sadara's approach to embedding environmental responsibility into its culture by empowering employees to take practical action and contribute to positive change.

Material Effectiveness

GRI 3-3, 306-1, 306-2, 306-3, 306-5, 301-1

Sadara manages materials and waste across their full lifecycle, from on-site collection and recovery to recycling, waste-to-energy, and disposal through approved third-party facilities in Jubail. This integrated approach supports regulatory compliance, improves material efficiency, and promotes consistent waste management practices across manufacturing operations.

Material effectiveness is governed through established policies and standards, including the Sadara Waste Management Standard, RCER 2015 requirements, and RC 14001 - aligned practices. Oversight is reinforced through centralized coordination and performance monitoring to ensure consistent implementation across the site.

In 2025, Sadara strengthened material effectiveness through targeted optimization initiatives aimed at reducing material losses and improving resource efficiency. A key achievement was the methanol optimization project, which received a Dow SEED Award for climate protection. The initiative reduced methanol losses to waste streams, improved process efficiency, and delivered estimated annual cost savings of approximately USD 2.8 million, while reducing waste generation by approximately 16.6 million pounds per year.

Continual improvement initiatives focus on reducing material losses and enhancing resource efficiency. As a result, material loss and effectiveness intensity improved by 1% in 2025 compared to the 2020 baseline.

Driving Impact

Scaling Sustainable Chemistry Innovation

Driven by the Quality Department, sustainability and circular economy principles are increasingly embedded in product development. Following a successful 2025 trial, Sadara plans to scale up in 2026 a green cleaning solution developed by the Central Analytical Laboratory (CAL). The solution replaces highly corrosive acids with a safer alternative using recycled industrial waste streams, contains 34.3% recycled content, and has the potential to divert approximately 34% of hazardous waste annually while reducing carbon footprint.

Operational Controls and Monitoring

As part of the CTT initiatives, Sadara further strengthened waste management practices through enhanced operational controls and performance monitoring, supporting continuous improvement across site operations.

During the year, Sadara navigated several challenges, including securing regulatory approvals from multiple authorities such as the Royal Commission, National Center for Waste Management (MWAN), and National Center for Environmental Compliance (NCEC), as well as managing contractual and procurement complexities related to waste treatment, recycling, and disposal. These challenges were effectively addressed through close coordination with regulators and improved alignment across operational, commercial, and procurement teams, ensuring continuity of waste management activities and compliance with regulatory requirements.

MATERIAL EFFECTIVENESS

	UNIT	2023	2024	2025
Total waste generated	Thousand metric tons	85.801	37.467	33.285
Hazardous waste sent to disposal	Thousand metric tons	40.376	12.092	5.533
Non-hazardous waste sent to disposal	Thousand metric tons	13.468	4.826	10.721
Total waste recycled	Thousand metric tons	26.693	22.699	17.028
Flaring loss¹	Thousand metric tons	244.991	172.113	179.769
Material effectiveness intensity	Metric tons material loss/ metric tons products	0.172*	0.111*	0.117

¹ Includes all types of waste gases to the flares, including purge gas such as Nitrogen.
*Figures have been restated due to improved calculation methodologies.

Biodiversity

GRI 2-25, 3-3, 304-1, 304-2, 304-3

Operating near environmentally sensitive areas, Sadara prioritizes biodiversity protection and the prevention of ecological impacts across its operations. Biodiversity safeguards are embedded within operational practices in line with RC 14001 requirements and reinforced through disciplined controls and contractor compliance.

Preventive measures focus on minimizing material loss, including enhanced pellet containment and housekeeping practices across plastics facilities. Operation Clean Sweep® (OCS) principles are fully integrated into Sadara’s ODMS, strengthening accountability and environmental control.

Building on this foundation, Sadara has demonstrated leadership in advancing OCS implementation across the region. As the first company in the GCC to adopt OCS principles in 2021 following the program’s introduction by GPCA in 2020, the company achieved a significant milestone in 2025 by successfully completing the OCS Certification Audit and obtaining official certification for a three-year period. This achievement reflects alignment with international best practices and a sustained commitment to environmental stewardship and operational excellence. Supported by rigorous compliance inspections and a strong culture of prevention, Sadara recorded zero spills or releases to the environment in 2025, reinforcing its role as a regional and global leader in environmental protection.

SPILLS

	UNIT	2023	2024	2025
Total recorded significant spills	Number	0	0	0
Total recorded quantity of significant spills	m ³	0	0	0

Driving Impact

Technology and Circular Economy Innovation

In 2025, Sadara advanced technology-driven sustainability initiatives that delivered measurable environmental benefits while creating long-term business value. Through its Technology Center and SEED initiatives, projects focused on circularity, asset efficiency, and emissions reduction across operations.

One key initiative involved the recovery of 20.21 kg of rhodium, generating USD 3.2 million in revenue and an estimated USD 13.18 million Net Present Value (NPV) over ten years. The project avoided landfill disposal of rhodium-containing materials and reduced upstream impacts from primary mining and refining. Environmental benefits included 758.5 tCO₂e avoided, 10,060.9 GJ of primary energy savings, and 6,111.9 tons of blue water savings.

Operational efficiency was further enhanced through the bypass of brine unit centrifuges, reducing maintenance requirements, downtime, resource losses, and demineralized water consumption. This redesign delivered an estimated USD 34.5 million NPV over ten years, alongside annual savings of 720 GJ of energy, 73 tons of water, and 150 tCO₂e.

Additional gains were achieved through cooling tower optimization, where improved flow balance across heat exchangers enabled the shutdown of one cooling water pump and reduced circulation by approximately 5,500 m³/hour. The initiative generated an estimated USD 6 million NPV over ten years, with annual electricity savings of 10.687 Gigawatt-hour (GWh), energy reductions of 38,473.2 GJ, and 8,062 tCO₂e in emissions reductions.

Collectively, these initiatives strengthened circular economy practices, improved resource efficiency, and reduced emissions, supporting Sadara’s sustainability strategy and alignment with national priorities. The projects were recognized through Dow Technology Center and SEED Awards in 2025, reflecting Sadara’s ability to translate sustainability priorities into scalable, high-impact solutions.

In 2025, Sadara set a new regional benchmark by securing a three-year OCS Certification and achieving a perfect record of zero environmental spills.



Business Growth and Operational Excellence

Business Growth and Operational Excellence

Sadara’s approach to sustainable growth and operational excellence is built on robust governance, disciplined execution, and a culture of continuous improvement. By enhancing resilience, fostering innovation, and driving efficiency across the value chain, we generate long-term value for our stakeholders while contributing to national development priorities.

Strategic Goals	KPIs	Unit	2025 Performance	2025 Target
Ensure Operational Excellence	Increase PSR	Percentage	87.2	93.4*
	Decrease DPMO	Number	490	800*
Support Downstream Industry Local Content	Increase Number of PlasChem Tenants	Number	11	11*
	Increase Percentage of Spending on Local Suppliers	Percentage	92	90

*Target has been revised.

Economic Impact

GRI 2-23, 3-3, 201-1

Sadara generates economic value through disciplined strategic planning, robust financial governance, and a structured asset management approach focused on value creation, operational performance, optimization, and reliability. Economic decision-making is guided by transparent business and financial processes that promote long-term resilience while supporting continued investment in sustainability, operational excellence, and growth priorities.

The Finance function plays a pivotal role in delivering this performance through reinforcing cost discipline, prudent capital stewardship, and transparent financial management. Advanced budgeting practices strengthened cost controls, and strict adherence to financial standards enable effective resource allocation aligned with long-term value creation. Financial reporting is prepared in accordance with International Financial Reporting Standards (IFRS) and United States Generally Accepted Accounting Principles (US GAAP), ensuring consistent, accurate, and reliable disclosure to stakeholders.

Capital Allocation and Asset Management

Capital allocation is governed by structured Investment Guidelines, which organize investments into three complementary streams:

- 1 Board-approved five-year capital plan, reviewed annually and aligned with strategic priorities, covering discretionary investments (value optimization and revenue generation) and non-discretionary investments (EHS&S compliance, regulatory requirements, reliability, and sustainability).
- 2 Turnaround strategy focused on periodic upgrades and renewal of major assets to sustain safe, reliable and efficient operations.
- 3 Recurring maintenance strategy to maintain critical assets through planned and preventive maintenance.

Energy efficiency and decarbonization initiatives are embedded across all three investment streams, ensuring climate considerations are fully integrated into capital planning. A dedicated Lease Policy further supports sound financial decision-making by guiding evaluations of asset purchases versus leasing options.

Cost Discipline and Financial Resilience

Cost discipline remains a cornerstone of Sadara's economic performance. Over the past four years, the company has consistently maintained prime controllable costs below planned levels. This performance continued in 2025, with actual spending remaining 1% below budget, reflecting effective budgeting, execution, and performance management practices.

Strengthening financial resilience continues to be a strategic priority. In 2025, Sadara launched a company-wide transformation initiative aimed at enhancing cash flow and reinforcing long-term value creation. The program strengthens leadership alignment and decision-making, enabling faster prioritization of high-value initiatives and disciplined milestone tracking. It promotes organization-wide accountability by focusing on operational excellence, EBITDA growth, and efficient resource utilization. Transparent progress monitoring and dynamic pipeline management ensure continuous improvement and sustained performance momentum.

The Transformation Program targets USD 480 million in recurring EBITDA by 2026, supported by quarterly value-delivery milestones. While external market dynamics and margin pressures presented challenges, disciplined execution, cross-functional collaboration, and structured prioritization enabled the company to safeguard value and maintain financial stability.

Actions included deferring non-critical projects, reducing discretionary expenditures, and negotiating more favorable supplier terms. These measures contributed to a USD 128 million reduction in total capital spending in 2025, supporting improved cash position and helping narrow the company's funding gap while enabling continued investment in strategic sustainability initiatives. Total capitalization in 2025 amounted to USD 155 million. Sadara continues to reduce debt in line with its financing plan through 2038 and returns excess cash to shareholders through cash sweep mechanisms when balances exceed targeted thresholds.

Strategic Financial Support and Outlook

Sadara provides financial advisory and analytical support to initiatives that generate both economic and environmental value. This includes evaluating the planned Co-generation (Cogen) Project and conducting economic assessments to support interim power tariff reductions. Integrated margin methodologies are applied to assess value chain impacts and safeguard high-margin products during periods of constrained feedstock availability.

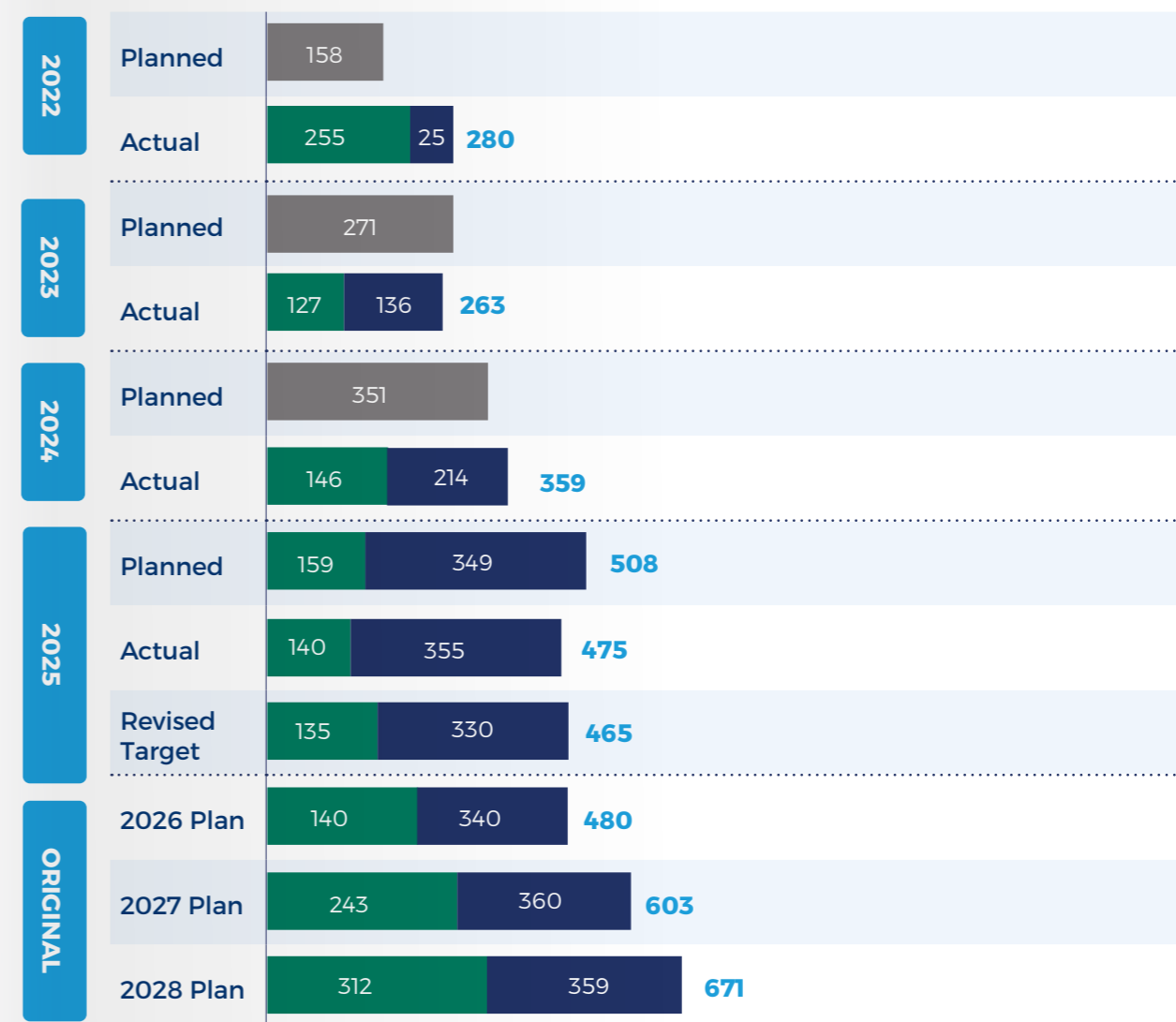
Beyond core operations, Sadara continues to invest in infrastructure that improves economic efficiency and environmental performance, including the development of a rail transport system connecting the site to two local ports, offering a safer and lower-emission alternative to road transportation. Products are marketed globally through two designated marketing partners, with revenue recognized net of marketing fees and freight and distribution costs.

Looking ahead, Sadara's Transformation Program will focus on identifying new value creation opportunities, executing high-impact initiatives, and continuously refining strategy based on implementation learnings and evolving market dynamics. The company remains committed to delivering the program's target of USD 480 million in recurring EBITDA, reinforcing financial resilience and long-term competitiveness.

Sadara will further enhance organizational capability through digital transformation and AI, enhancing forecasting accuracy, operational performance, and data-driven decision-making. The Controllers organization will also strengthen ESG-related financial disclosures in line with evolving IFRS requirements, including IFRS 18, reinforcing transparency and the integration of sustainability considerations into financial reporting.

TRANSFORMATION EBIT IMPACT, ACTUAL AND TARGETS, \$MM

● Plan ● Opex ● Margin



DIRECT ECONOMIC VALUE GENERATED AND DISTRIBUTED	UNIT	2023	2024	2025
Revenue	₹ million	10,699	11,586	9,872
Operating Costs	₹ million	-12,275	-12,610	-12,428
Employee Wages and Benefits	₹ million	-1,601	-1,588	-1,493
Total Payments to Providers of Capital	₹ million	-693	-533	-495
Total Tax Paid	₹ million	-2.3	0.0	0.0

Note: Please refer to the 2024 Annual Report for more financial information.

Driving Impact

Strengthening Risk Resilience and Financial Performance through Insurance Optimization

Sadara achieved one of the most competitive insurance renewal rates among its peer group by demonstrating strong operational resilience and high-quality risk management. This outcome was supported by a robust enterprise risk framework, detailed business interruption analyses, and a high degree of operational flexibility, including dual-feed cracker capability, diversified logistics routes, and the ability to import and export critical intermediates.

Additional continuity measures, such as tolling agreements and utility redundancy, further strengthened Sadara's risk profile and reliability. As a result, Sadara secured reduced insurance costs and was recognized by insurers as a best-in-class risk, reinforcing both financial performance and operational confidence.

While external insurance market conditions remain challenging, Sadara continues to enhance its risk modeling, digital monitoring capabilities, and proactive engagement with insurers. These efforts are expected to further strengthen resilience, protect asset value, and support long-term business continuity.

Driving Impact

Enabling Transformation

The success of Sadara's Transformation Program is underpinned by a structured and disciplined execution approach. Clear initiative prioritization ensures that efforts are focused on high-value opportunities aligned with strategic objectives, while transparent progress tracking reinforces accountability and sustained management attention.

Realistic milestones are established with defined timelines, and performance against targeted completion dates is closely monitored to maintain execution discipline and program credibility. To sustain momentum, the initiative pipeline remains dynamic, with new value-creating opportunities continuously introduced while implemented initiatives are actively maintained and optimized.

Equally important is organization-wide awareness. By clearly communicating the program's objectives, progress, and impact, Sadara fosters a culture of ownership, accountability, and continuous improvement across all employees, strengthening long-term value creation and operational excellence.

Tax Strategy

GRI 207

Sadara's tax strategy is designed to ensure full compliance, transparency, and accuracy while supporting strong financial governance and long-term value creation. The strategy aligns with applicable regulations issued by the Zakat, Tax, and Customs Authority (ZATCA) and relevant international requirements, and is reviewed and approved quarterly by senior leadership as part of the financial reporting process.

Sadara Chemical Company and Sadara Basic Services Company operate under the Kingdom of Saudi Arabia tax jurisdiction, while five Sukuk entities are subject to taxation in the Netherlands, reflecting Sadara's multi-jurisdictional tax obligations.

Implementation of the tax strategy is led by a dedicated Tax team, supported by external advisors and shareholder expertise. The team is responsible for the timely and accurate preparation and submission of all statutory tax filings, including monthly Value-Added Tax (VAT) and Withholding Tax returns and annual Income Tax and Transfer Pricing documentation (disclosure forms, local and master files, and country-by-country reporting). Accountability for compliance with the approved tax plan rests with the Tax Manager and the Controller.

Tax governance is embedded within Sadara's broader corporate governance framework. Tax filings are subject to regulatory audits and internal oversight, with tax matters managed confidentially and resolved through evidence-based processes. Ongoing engagement with tax authorities and continuous capability development ensure alignment with evolving regulatory requirements.

TAX STRATEGY	UNIT	2023	2024	2025
Prime Controllable Cost	(Actual/Plan) %	99	97	99



Product Quality, Safety, and Stewardship

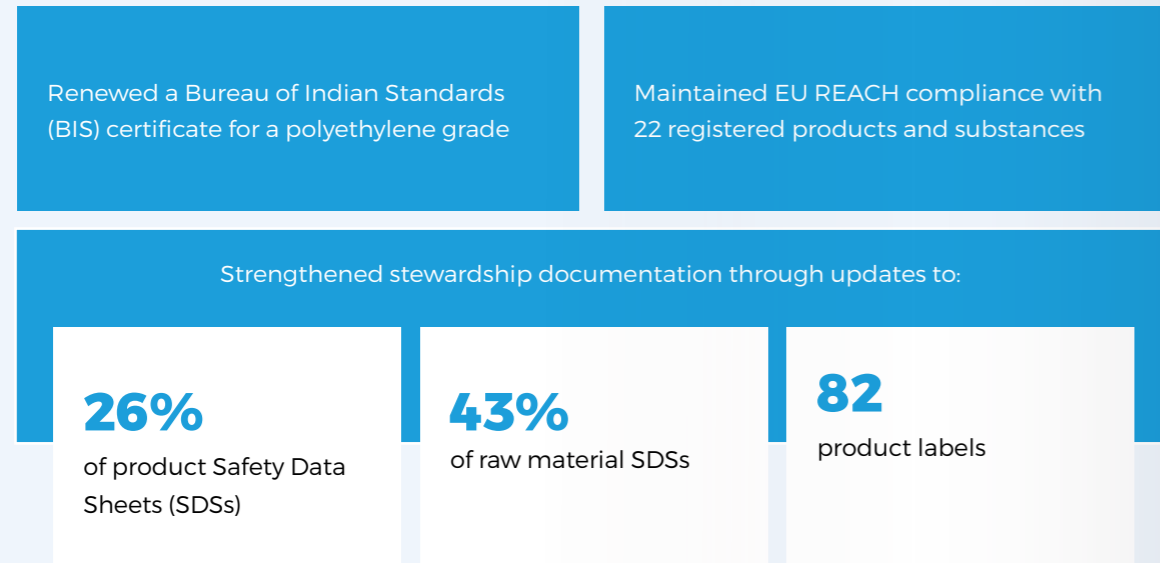
GRI 2-23, 2-25, 403-2, 403-7, 416-1, 416-2, 3-3, 417-1, 417-2

As one of the region's leading chemical and plastics producers, Sadara is dedicated to maintaining the highest standards of product quality, safety, and stewardship across the full product lifecycle, from raw material sourcing and manufacturing to distribution, use, and end-of-life management. Safeguarding the health and safety of employees, customers, communities, and the environment remains central to Sadara's operating philosophy and sustainability strategy.

This commitment is embedded within Sadara's EHS&S governance framework and reinforced through certified management systems, robust internal controls, and a risk-based approach to product and process safety. ISO 14001 certification underpins systematic environmental risk management and pollution prevention. In addition, LOPC prevention measures are fully integrated into facility safety requirements and environmental management procedures. Comprehensive emergency response plans and trained response teams are deployed across operations, and no significant chemical spills were recorded in 2025.

Regulatory Compliance and Product Stewardship

Sadara upholds rigorous compliance with applicable product safety and regulatory requirements to ensure responsible product use and secure market access. In 2025, the company:



Sadara continuously monitors evolving regulatory requirements and proactively engages with authorities and stakeholders to navigate regulatory complexity and maintain uninterrupted compliance.

Globally Harmonized System

Sadara continues to align its product classification and labeling with the United Nations Globally Harmonized System (GHS) framework while complying with local regulatory requirements, including Royal Commission Environmental Regulations (RCER). In 2025, 100% of Sadara's products were compliant with GHS requirements, with 13% of the portfolio classified under GHS Categories 1 and 2, reflecting rigorous hazard identification and control. No incidents of non-compliance related to product health and safety regulations, voluntary codes, or supplier standards were recorded in 2025, marking five consecutive years of full compliance.

Product hazards, risk mitigation measures, and safe transportation, handling, storage, and use requirements are communicated through SDSs, Emergency Response Guides (ERGs), labeling, and targeted training programs. Customer and stakeholder engagement is further supported through site walkthroughs, risk assessments, and behavior-based reviews.

The company applies structured processes to identify and manage health, safety, and environmental risks throughout the entire product lifecycle. Chemical usage is regularly reviewed to address substances of concern and implement proportionate risk controls, reinforcing shared stewardship responsibilities across the value chain.



13% of Sadara's product portfolio is classified under GHS Categories 1 and 2



Zero product health and safety non-compliance incidents in 2025, marking five consecutive years of full compliance



Sadara achieved 100% compliance with GHS requirements across its entire product portfolio, reinforcing its commitment to safe chemical management and regulatory excellence

CUSTOMER HEALTH AND SAFETY	UNIT	2023	2024	2025
Number of incidents of non-compliance with regulations, voluntary codes, or supplier standards, concerning health and safety of products, services, or handling/transport/storage of product	Number	0	0	0

PRODUCT STEWARDSHIP	UNIT	2023	2024	2025
Percentage of products that contain substances classified under GHS Categories 1 and 2 of Chemicals Category 1 and 2 Health and Environmental Hazardous Substances	%	13	13	13
Percentage of such products that have undergone a hazard assessment	%	100	100	100

Quality Performance and Proactive Quality Culture

In 2025, Sadara advanced initiatives to strengthen product quality while improving operational and environmental efficiency. Site-wide sample optimization reduced sampling volumes by approximately 8%, minimizing consumables use, chemical consumption, instrument utilization, workload, and waste generation, while maintaining analytical integrity.

Supply chain resilience was enhanced through the qualification of 10-20 new raw material suppliers following technical evaluations and sample trials, supporting business continuity, local content, and alignment with Saudi Vision 2030.

Strengthening Analytical and Laboratory Capabilities

Sadara expanded analytical support through new and enhanced methods for Isocyanates, Basic Chemicals, and Plastics, improving efficiency, reducing chemical usage and hazardous waste generation, and accelerating results delivery.

To enhance laboratory safety and asset reliability, modernization of the Central Analytical Laboratory (CAL) fume hood control system was initiated. The upgraded system introduces advanced airflow controllers with real-time monitoring and automated alerts, strengthening containment performance, operational reliability, and regulatory compliance.

Planned initiatives include an analysis cost optimization project within CAL and the development of a Raw Material Qualification Dashboard within internal digital workflow system, enabling real-time tracking and faster qualification processes.

Building Capability and Quality Awareness

Capability development underpinned quality outcomes. Through the In-house Special Technical Training Program, approximately 300 employees attended specialized courses across 90 training sessions in 2025. Sadara also marked World Quality Day 2025 with expert sessions attended by over 100 employees focused on AI, machine learning, and statistical process control, supporting a shift toward predictive quality management.

Safety and discipline were reinforced through a one-month Safety and Housekeeping Campaign applying 5S, and the company-wide EHS&S campaign "The Power of Label" attended by 112 employees, emphasizing accurate labeling for incident prevention and compliance.

Looking ahead, Sadara will launch the campaign "Quality Starts With Us, But Belongs to Everyone" to reinforce shared accountability and advance the transition from reactive controls to prevention-based quality culture.



Product Development

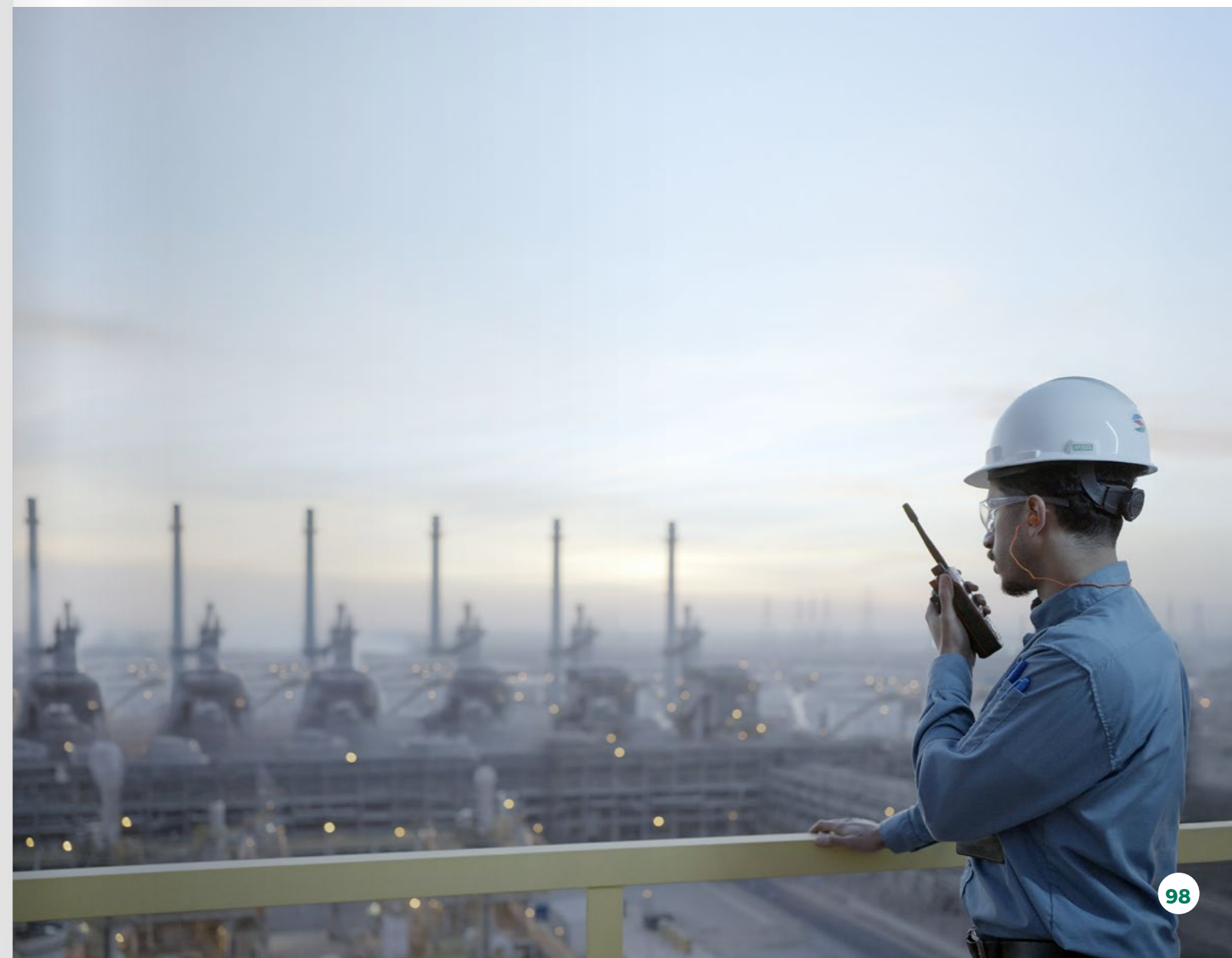
GRI 3-3

Sadara's product development approach is driven by innovation, technical excellence, and sustainability, with a focus on meeting evolving customer needs while supporting long-term value creation. Activities are aligned with operational excellence, market demand, regulatory readiness, and sustainability objectives to ensure innovation delivers measurable performance and competitive advantage.

A strong culture of innovation supports this approach, with employees encouraged to contribute ideas that enhance products, improve processes, and enable new solutions. Disciplined governance, cross-functional collaboration, and data-driven decision-making ensure initiatives remain technically robust and commercially viable.

Quality Management Readiness and Standards Alignment

To maintain alignment with international quality standards, Sadara is preparing for the transition to the updated ISO 9001 standard in line with International Register of Certificated Auditors (IRCA) revisions in 2026, while pursuing recertification of ISO 9001:2015 for the MFC and Plastics envelopes. This ensures continuity of certification, consistent product quality, and strong governance.



Optimizing Laboratory Asset Management

Product development is reinforced through sustained investment in laboratory capabilities and infrastructure. As part of its continuous improvement journey, Sadara is rolling out a CAL Instrument Management Program across its laboratories. The program focuses on:



Improving inventory management and equipment visibility



Enhancing collaborative maintenance monitoring



Implementing digital KPI tracking systems to enhance reliability, asset utilization, and lifecycle management

These initiatives elevate analytical readiness, accelerate product development cycles, and ensure that laboratory capabilities consistently enable high-quality, compliant, and innovative product solutions.

Driving Impact

Modernizing Fume Hood Control Systems at the CAL

To further enhance laboratory safety, operational reliability, and regulatory compliance, Sadara initiated the modernization of the fume hood control system at the CAL. The existing Honeywell system had reached the end of its support lifecycle, increasing operational risk and limiting long-term maintainability.

The upgraded system incorporates advanced airflow controllers with precise velocity measurement, continuous real-time monitoring, and automated alerts for abnormal operating conditions. These enhancements significantly improve airflow regulation and containment performance under diverse laboratory conditions.

Transitioning to a fully supported, modern control platform strengthens user protection, reduces unplanned disruptions, and reinforces compliance with applicable safety and environmental standards. This upgrade underscores Sadara's commitment to proactive asset stewardship and continuous improvement, ensuring critical laboratory infrastructure supports safe operations and reliable analytical outcomes.

Manufacturing Operational Performance

GRI 403-2, 403-8

Sadara operates one of the region's most complex integrated manufacturing platforms, encompassing 26 interconnected plants supported by a robust raw material supply chain, logistics networks, and extensive regulatory requirements. Performance is enabled through real-time monitoring and advanced control systems, generating consolidated insights that support proactive operational, environmental, and financial decision-making.

In 2025, operational excellence reflected the effectiveness of operational management systems and continuous improvement, including:



Product quality and reliability

Sadara achieved its 2025 annual DPMO target of 490, demonstrating sustained improvement in product quality and service reliability. DPMO performance changed from 211 in 2024 to 490 in 2025, with remaining open quality notifications (QNs) under investigation and subject to final adjustment. PSR also improved, reinforcing Sadara's ability to deliver quality products at competitive cost and within required timeframes.



Resource efficiency and waste reduction

Site-wide sample and analysis optimization reduced sampling volumes by approximately 8%, lowering consumables usage, chemical consumption, workload, and waste generation while maintaining analytical integrity.



Analytical capability expansion

CAL introduced 52 new or enhanced analytical capabilities, supported by advanced technologies and optimized methodologies.



Digital and process innovation

An in-house Accelerating Rate Calorimetry (ARC) data analysis tool improved reactive chemical reporting and reduced manual processing. CAL also adopted reagent-less gas chromatography for phenol analysis and evaluated alternatives to slop oil incineration, reducing chemical use and waste generation.

Manufacturing-led optimization projects delivered measurable efficiency and environmental benefits. In 2025, initiatives including methanol consumption reduction, brine unit centrifuge bypass optimization, rhodium recovery, cooling water pump optimization, and full fuel gas utilization in steam generation were recognized through five Dow SEED / Technology Center awards. Additional opportunities were rigorously evaluated and selectively deferred where economic thresholds were not met, demonstrating disciplined capital allocation.

Digital Quality and Safety Culture Enablement

Sadara further strengthened its quality and safety culture through targeted initiatives, including World Quality Day 2025 sessions attended by over 100 employees, a month-long 5S Safety and Housekeeping Campaign, and the company-wide EHS&S campaign "The Power of Label" (112 participants). New analytical methods for Isocyanates, Basic Chemicals, and Plastics further improved operational support while reducing chemical usage, hazardous waste generation, and turnaround time.

Transportation and Logistics

Sadara manages product transportation through a combination of internal capabilities, including the Saudi Railway Company, and qualified third-party logistics service providers. Transportation activities are governed by strict safety, handling, storage, transport, and warehousing requirements, supported through the Distribution Risk Review Work Process, contractor competency assessments, incident investigations with corrective actions, and targeted driver training programs that reinforce a strong safety culture across logistics operations.



Zero transportation incidents in 2025, extending Sadara's incident-free record to five consecutive years.

TRANSPORTATION SAFETY	UNIT	2023	2024	2025
Transportation Incident Level 1 Rate	Number	0	0	0
Number of transport incidents	Number	0	0	0

Advancing Rail as a Safer, Lower-Emission Solution

To enhance safety and reduce environmental impacts, Sadara entered into a 25-year rail service agreement with Saudi Railway Company in 2020, enabling the first use of rail transport for liquid and solid chemical products in Jubail Industrial City. The program was completed in 2024 and is scheduled for full operation by mid-2025. Once fully operational, the rail transport is expected to replace approximately 200,000 annual truck movements to Jubail ports and reduce transportation-related emissions by an estimated 73%, while improving logistics safety, efficiency, and reliability.

In 2025, readiness for full deployment progressed through successful trial loading and transport activities, with more than 200 containers moved without incident to Jubail Commercial Port, alongside dry-run trials of tank wagons for future liquid product movements to King Fahd Industrial Port (KFIP). Infrastructure readiness was advanced through the commissioning of Gate 5B to support Solid Handling Operations (SHOs) and certification for 12-layer packaging, expanding logistics flexibility.

Logistics performance was further strengthened through cross-training, close engagement with service providers, industry participation, and efficiency initiatives such as Empty Container Direct Delivery and Round-Trip optimization. These efforts supported record throughput across solid handling and packaging operations, including annual and monthly records for palletized and TDI drumming, as well as the highest loading volumes from solid packaging production lines and warehouses.

PRODUCTION	UNIT	2023	2024	2025
Total market facing products manufactured	Million metric tons	2,594	2,847	2,713
Total products sold to the market	Million metric tons	2,697	2,937	2,755
Increase PSR	Percentage	84.1	88.8	87.2



Supply Chain Management

GRI 2-6, 3-3

Sadara's Supply Chain function is a critical enabler of reliable manufacturing operations and customer commitments, ensuring the safe, timely, and cost-effective supply of raw materials and the efficient delivery of finished products. Activities are governed through structured planning and control mechanisms, including the annual supply plan, 90-day lifting schedule, and the Day Sales Inventory (DSI) corporate KPI, with oversight provided by the Marketing Council. Sadara also partners with Dow and SABIC to support global marketing and distribution.

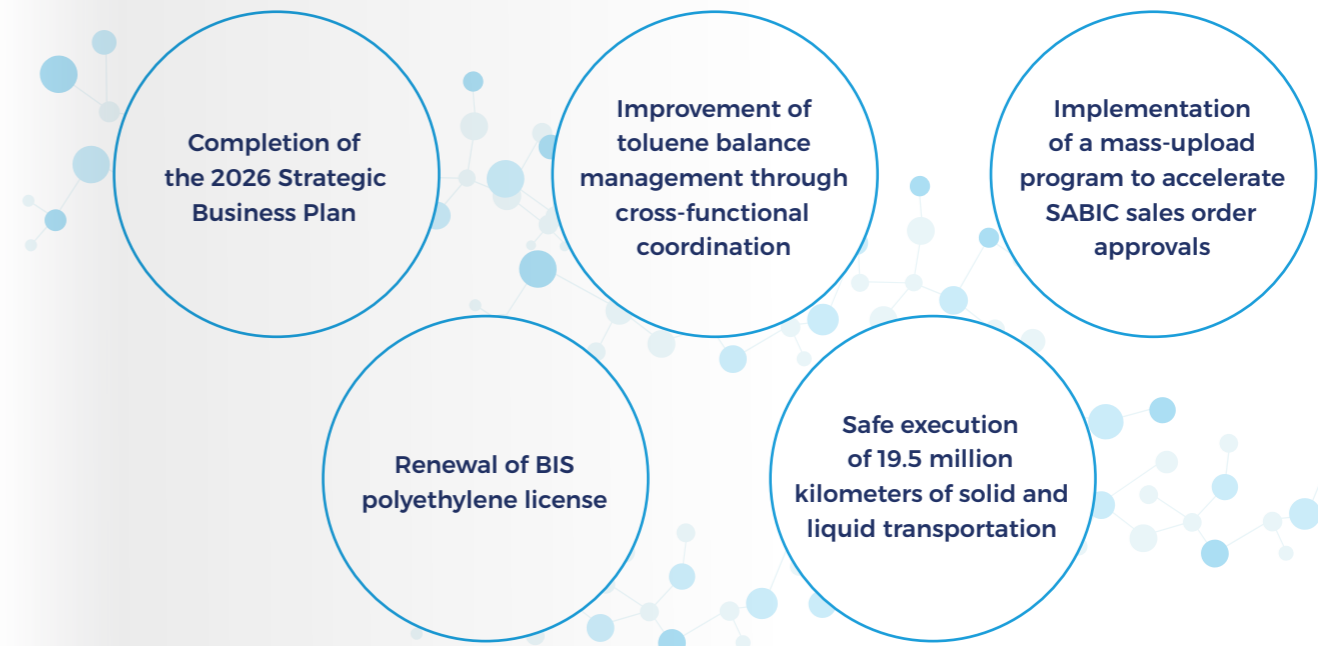
In 2025, Supply Chain delivered strong performance across safety, operations, logistics, and value creation, despite external challenges such as Red Sea disruptions and unplanned operational events. Through disciplined cost management and optimization initiatives, the function generated USD 52.13 million in cost avoidance and savings year-to-date, reinforcing operational resilience and financial discipline.

EHS&S remained a top priority across supply chain operations. In 2025, Sadara recorded more than 4.0 million safe working hours and achieved 1,953 consecutive days without a Day Away Work Case (DAWC). These achievements reflect a strong safety culture and disciplined risk management and were recognized through the Annual CEO Award for EHS & Sustainability Performance.



19.5 million kilometers of solid and liquid transportation were completed safely

Operational performance was strengthened through effective planning, collaboration, and digital enablement. Key achievements in 2025 included:



Packaging and logistics efficiency improved through Packaging Center Operation Management (PCOM) drum palletized label enhancements, increasing inventory accuracy, scanning efficiency, and productivity.

In 2025, Sadara's Supply Chain delivered USD 52.13 million in cost savings

In 2025, more than 4.0 million safe working hours were recorded, and operations reached 1,953 consecutive days without a DAWC.

In 2025, Supply Chain received the Annual CEO Award for EHS & Sustainability Performance



Logistics and site operations delivered multiple performance records, including:

- ✓ Highest PMDI monthly drumming throughput (16,320 MT)
- ✓ First successful and safe Intermediate Bulk Container (IBC) filling
- ✓ Highest daily ISO Container loading (201 containers)
- ✓ Highest raw material unloading and ISO Container loading volumes
- ✓ Record TDI and isocyanates drumming throughput

Solid Handling Operations (SHOs) achieved a KFIP shuttling record of 180 trips, while the Raw Material Center (RMC) successfully completed SAIS renewal, reinforcing security and compliance.

Rail logistics continued to scale, achieving new milestones such as the highest single-day rail lifting (100 containers) and highest weekly dispatch (279 containers). These results demonstrate growing operational maturity and support Sadara's transition toward safer, more efficient, and lower-emission transport solutions.



Rail logistics reached new performance milestones in 2025, delivering the highest single-day and weekly rail dispatch volumes and accelerating the transition to safer, lower-emission transport.

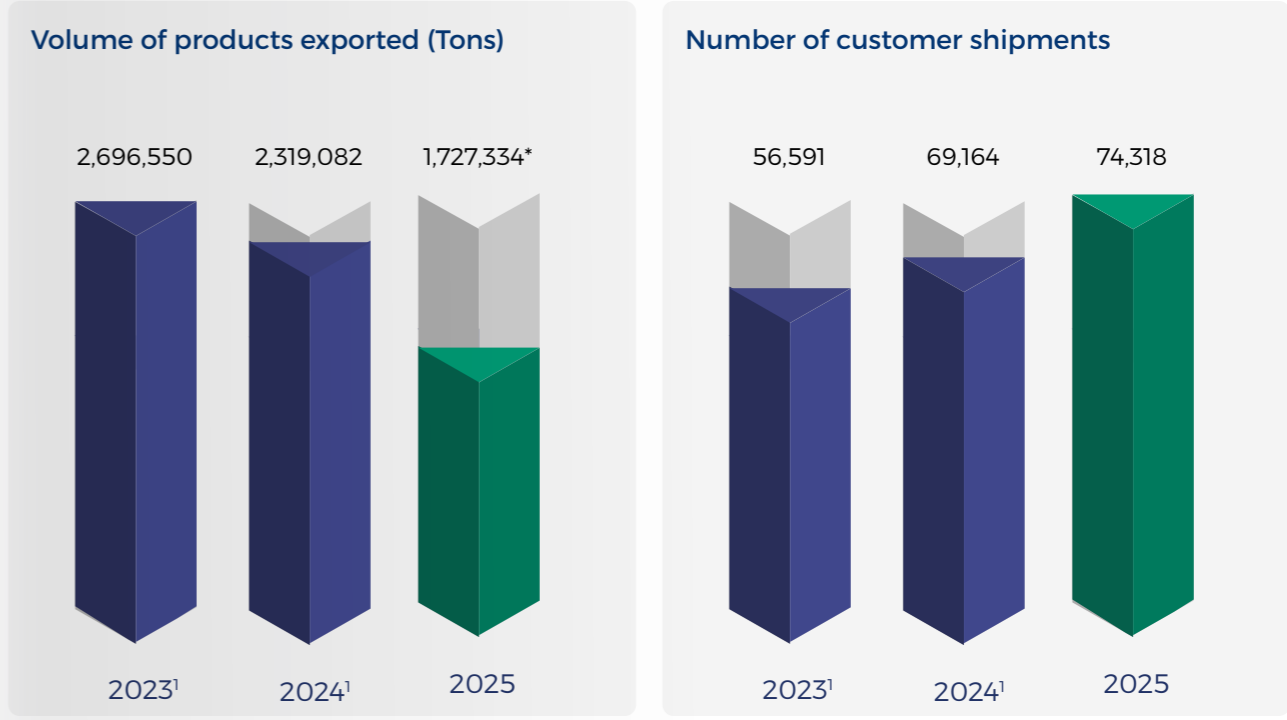
Supply Chain governance is reinforced through regular internal and external audits, including ISO 45001, ISO 14001, RC 14001 and ISO 9001:2015 surveillance audits for Raw Material operations. In 2025:

- Long-term contracts were secured for all packaging items
- The annual inventory count was completed with zero variances, extending an eight-year record
- Full automation of the Track and Trace system enhanced transparency, inventory control, and logistics performance

Sadara maintains clearly defined supply chain sustainability targets, reviewed on a five-year cycle and governed through EHSS & Sustainability Central Committee and Management Committee. Progress is monitored against defined metrics, with targets adjusted as needed to reflect market conditions while remaining aligned with business priorities. Key priorities include full commissioning and utilization of the Rail Project to further enhance logistics resilience, cost efficiency, safety performance, and emissions reduction.



In 2025, eight consecutive years of zero inventory variances were maintained



* The volume of products exported in 2025 decreased by 26% compared to the previous year, primarily due to the MFC shutdown.

SUPPLY CHAIN KPIS LIFTING PERFORMANCE	UNIT	2023	2024	2025	TARGETS
Volume of products exported	KT	2,698	2,940	2,759	2,662

Driving Impact

Transformation Through the Wave Initiative Platform

Sadara strengthened transformation governance through the Wave platform, a centralized digital tool used to capture, track, and monitor transformation initiatives across the organization. The platform enhances transparency, accountability, and value realization by providing a single source of truth for initiatives and their sustainability, operational, and financial impacts.

All initiatives are governed through a structured stage-gate process, ensuring disciplined evaluation, prioritization, and tracking from idea generation to value realization. Performance is monitored against defined milestones and KPIs, enabling data-driven decision-making and timely oversight.

Within the Supply Chain, Wave supports the identification and delivery of initiatives that improve operational efficiency, cost performance, safety, and environmental outcomes. By integrating governance, performance tracking, and continuous improvement, the platform supports Sadara's ability to translate innovation into measurable sustainability and business value, reinforcing long-term resilience and responsible growth.

Stakeholder Engagement Across the Value Chain

Sadara's value chain spans raw material sourcing, manufacturing, logistics, marketing, and customer delivery. Within this ecosystem, the Supply Chain function plays a central role in ensuring raw material availability, aligning production with market demand, and delivering products safely, cost-effectively, and on time, while maintaining high standards of quality and reliability.

Stakeholder engagement is embedded within core supply chain planning and execution processes. Key stakeholders include internal functions such as Manufacturing, Turnaround teams, Finance, Commercial, Procurement, and other Supply Chain units, as well as appointed marketers (Dow and SABIC) and selected external partners. Stakeholders are identified based on their influence on supply continuity, production planning, logistics execution, and customer service outcomes.

Engagement is driven through structured business processes. The Business Planning and Scheduling team works closely with internal and external stakeholders to align supply volumes, production plans, turnaround and pitstop schedules, inventory targets, and demand forecasts. Integration between Sadara's Systems, Applications, and Products in Data Processing (SAP) system and marketers' SAP platforms further enhances coordination through automated sales order creation and streamlined order management.

Ongoing engagement is maintained through regular daily, weekly, and monthly review meetings, supported by ad hoc communication via digital platforms, email, and direct discussions. Stakeholder feedback, queries, and concerns are actively encouraged, with periodic surveys used to assess satisfaction and identify opportunities for continuous improvement. Feedback is reviewed and incorporated into process enhancements where applicable.

The link between material business topics and stakeholder engagement is reinforced through defined governance mechanisms. Supply Chain performance and key decisions are monitored through corporate controls, including annual supply plan approvals, 90-day lifting schedule approvals, and the DSI corporate KPI, all overseen by the Marketing Council. This governance structure ensures stakeholder inputs are systematically considered, material impacts are assessed, and outcomes remain aligned with Sadara's strategic and sustainability objectives.

Supplier Qualification and Auditing

GRI 2-23, 408-1, 409-1, 308-2, 414-1, 414-2

Sadara applies a structured and risk-based supplier qualification and auditing process to ensure that suppliers meet defined standards for safety, environmental performance, ethics, and social responsibility. All new suppliers are subject to suitability assessments conducted by the Prequalification Committee, which evaluates suppliers based on the specific goods or services provided.

Supplier assessments are supported by Sadara's EHS assessment program and consider key criteria including EHS policies, SMART objectives, training requirements, audit procedures, relevant ISO certifications, and compliance with labor, environmental, and human rights requirements. Supplier performance is monitored through periodic audits to verify ongoing compliance with contractual, regulatory, and ESG expectations.

In 2025, Sadara expanded supplier oversight by auditing 731 suppliers and qualifying 2,636 local suppliers, reinforcing responsible sourcing, supply chain resilience, and alignment with Saudi Vision 2030. To enhance business continuity and product quality, Sadara also qualified 10-20 new raw material suppliers following sample trials and technical evaluations, expanding and diversifying the approved supplier base with a focus on local content and quality assurance.

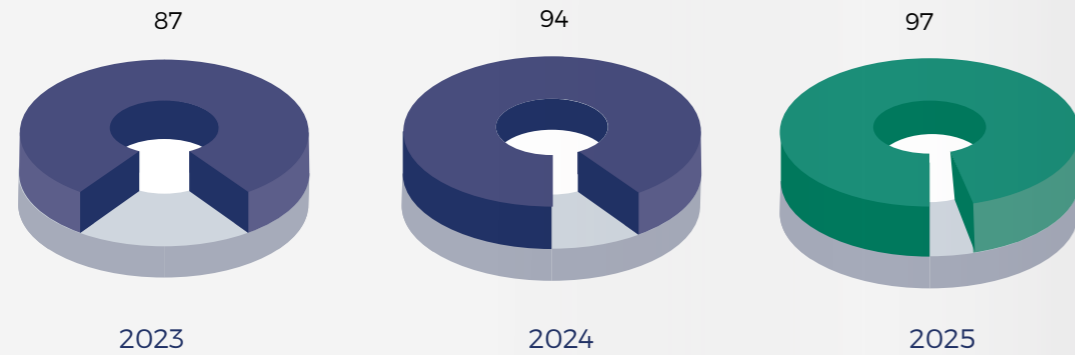
Supply Chain Governance and Assurance - 2025 Key Achievements:



Supplier Code of Conduct

Sadara promotes responsible sourcing by requiring suppliers to comply with its Supplier Code of Conduct, which sets clear expectations for human rights, labor practices, environmental responsibility, and ethical business conduct. In 2025, 97% of suppliers formally acknowledged the Code, reflecting strong alignment with Sadara’s standards. To further protect workers’ rights, supplier certification of timely wage and benefit payments is embedded within the invoicing process.

Supplier Code of Conduct Acknowledgement (Percentage)



Supplier Sustainability Assessment

GRI 2-25, 308-1, 308-2, 414-1, 414-2

Sadara requires key suppliers to undergo sustainability assessments covering ESG topics aligned with the GRI Standards and the Saudi National Sustainability Reporting framework. These assessments support the identification of material supply chain risks and opportunities and promote responsible sourcing practices.

All logistics service providers are additionally required to complete the Gulf Sustainability and Quality Assessment System (SQAS), an industry-recognized evaluation of Environment, Health, Safety, Security, and Quality (EHSS&Q) performance. Together, these assessments reinforce high operational standards, support RC® principles, and drive continuous improvement across the value chain.

Supplier Satisfaction

GRI 204-1, 308-1

Sadara actively engages its suppliers to strengthen collaboration, transparency, and long-term partnerships. An annual supplier satisfaction survey is conducted to assess performance across key procurement and engagement dimensions, with results used to continuously improve supplier interaction and procurement processes.

In addition, the Procurement Department facilitates regular engagement between Sadara’s executive leadership, including the CEO, and strategic suppliers, reinforcing open dialogue and alignment on mutual expectations.

In 2025, Sadara achieved a 96% supplier satisfaction rate with zero reported complaints, reflecting strong relationships, effective communication, and a high level of trust across the supplier base.

Driving Impact

Digitalizing Supplier Qualification for Transparency and Resilience

In 2025, Sadara digitalized its supplier qualification process to strengthen governance, transparency, and responsible sourcing across the value chain. The initiative supports Sadara’s risk management framework and enhances oversight of environmental, social, and ethical supplier requirements.

The digital platform enables a standardized and auditable qualification process, improving consistency in supplier assessments and strengthening compliance with internal controls and external regulatory requirements. By integrating key functions involved in supplier approval, the process enhances cross-functional alignment and data integrity.

This digitalization has improved end-to-end visibility of supplier qualification, reduced manual interventions, and strengthened decision-making related to supplier risk and performance. The platform also provides a scalable foundation for deeper ESG integration and data-driven supplier performance management, supporting long-term supply chain resilience.

SUPPLIER AUDITS

	UNIT	2023	2024	2025
Suppliers subject to audits	Number	610	706	731
Suppliers with which improvements were agreed upon as a result of audits	Number	46	35	39
Suppliers with which relationships were terminated as a result of audits	Number	0	0	0



Local Content

GRI 204-1, 308-1

Sadara supports Saudi Vision 2030 by strengthening local supply chains, expanding in-Kingdom value, and developing national capabilities through integrated procurement and capacity-building practices. Sadara Local Content Program "Wattenha" provides an overarching framework for advancing localization across the petrochemical value chain, supporting supplier development, local innovation, and long-term economic growth.

In 2025, local supplier spending was maintained at 92%, reflecting Sadara's continued commitment to in-Kingdom sourcing. This performance was supported by embedded Local Content requirements within procurement processes, ensuring fair, transparent, and competitive access for local suppliers, with the total number of contracted local suppliers reaching 2,636.

92% of total procurement spend directed to local suppliers in 2025.



SPENDING

	UNIT	2023	2024	2025
Total spending on all suppliers and contractors	₹ Million	7,699*	8,594*	7,187
Percentage of spending on local suppliers	Percentage	87	92	92

* Figures have been restated and are based on Cost of Goods Sold (COGS), which more accurately reflects actual spending in the local market than procurement spending.

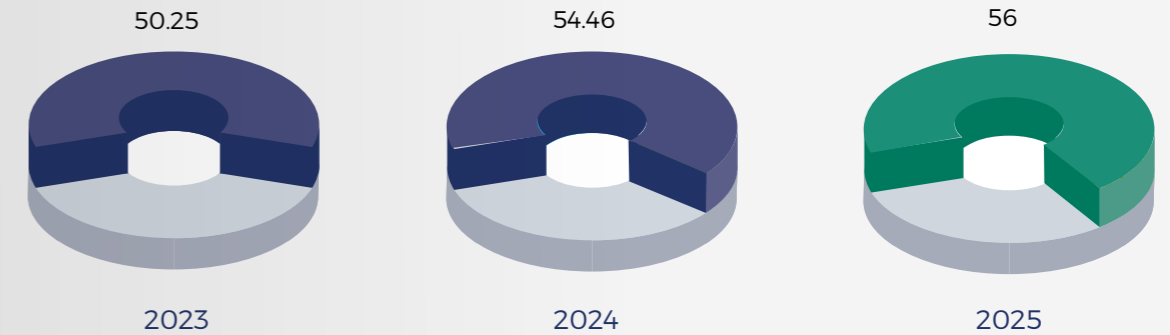
Note: Spending figures may be subject to minor adjustments following the issuance of Sadara's audited financial statements.

Sadara strengthened supplier engagement and market access through targeted outreach and awareness initiatives. During IKTVA 2025, the Procurement team engaged with more than 430 visitors, providing guidance on supplier registration and holding detailed discussions on required materials and services. A dedicated public awareness session on supplier registration and pre-qualification further reinforced transparency and supplier readiness.

On-the-ground engagement complemented these efforts. In 2025, Sadara conducted 34 site visits to local facilities, resulting in the qualification of 16 local manufacturers and increasing the total number of qualified local manufacturers to 101. Supplier outreach was further strengthened through a public engagement workshop during the Jadeer Tour in Al Khobar, attended by more than 50 local suppliers, focusing on readiness and pre-qualification requirements.

As a result of these combined initiatives, Sadara's audited Local Content score increased to 56% in 2025, reflecting sustained progress across goods and services, labor, asset depreciation, and capacity building.

Sadara's Local Content Score %



Note: The 2025 Local Content figure represents the target value. The final audited 2025 Local Content score will be confirmed in Q2-Q3 2026 following the issuance of Sadara's 2025 Financial Statements and will be disclosed thereafter.

Progress in 2025 was achieved despite structural challenges, including limited availability of qualified local manufacturers for specialized chemicals and varying levels of supplier awareness of Local Content requirements. These challenges were addressed through targeted awareness and compliance workshops with the Local Content & Government Procurement Authority (LCGPA), accelerated onboarding via supplier engagement forums, strategic downstream investments (including the Oasis Pioneers agreement), and the introduction of a fast-track manufacturer registration process to expand the approved supplier base.

Internal Enablement and Capability Building

To strengthen internal alignment and opportunity identification, Sadara:

- ✓ Conducted 30+ cross-functional workshops, identifying 14 localization opportunities and shortlisting 52 potential local manufacturers for qualification.
- ✓ Delivered five internal training sessions and four awareness campaigns, engaging 417 employees and reinforcing understanding of Local Content mechanisms.
- ✓ Implemented workforce development programs benefiting 4,965 national trainees, spanning leadership, engineering, graduate, and safety disciplines, including 10 new courses introduced in 2025.
- ✓ Launched a fast-track manufacturer registration process in 2025, enabling the onboarding of six local manufacturers, with expansion planned in 2026.

External Engagement and Supplier Expansion

Sadara strengthened collaboration with external stakeholders to expand supplier participation and unlock downstream value. In 2025, the company spent SAR 6.6 billion locally on goods and services, directly supporting economic diversification.

Supplier outreach resulted in the registration of 303 new local suppliers, bringing the total to 2,636, and 34 new local manufacturers, increasing the total to 304. Onboarding was further supported through a dedicated supplier registration office operated in coordination with the Dammam Chamber of Commerce, enabling the registration of 96 local suppliers during the year.

Downstream development was further reinforced through a strategic optimization of the company's portfolio, notably the finalization of a Crude C4 (CC4) sale agreement with SATORP. By transitioning from internal co-cracking operations to an external sale of up to 320 KTA, Sadara has unlocked significant commercial returns and improved operational flexibility.

Parallel to these commercial optimizations, Sadara continues to promote its local content program Wattenha, showcasing its localization and investment opportunities through active participation in major forums, including IKTVA 2025, Jadeer Tour, Biban 2025, the NUWATIN Business Gathering, and the Taleed Program Showcase. These platforms enabled the company to engage more than 300 suppliers and SMEs, fostering knowledge transfer through four specialized workshops for peer companies and further anchoring Sadara's role in the National Industrial Strategy.



Recognition and Compliance

Sadara's Local Content efforts were recognized by the Ministry of Energy during the NUWATIN Business Gathering, highlighting the establishment of a dedicated Localization and Local Content Office. The company also collaborated with LCGPA to deliver a Top-Spend Suppliers Awareness Session, engaging more than 40 suppliers to strengthen compliance and readiness.

Looking ahead, Sadara will continue advancing Local Content through the automation of Local Content mechanisms, including the development of an automated Local Content score dashboard to enhance transparency, efficiency, and real-time decision-making. The company will also pursue localization of high-spend raw materials, such as comonomers, in collaboration with the Ministry of Energy.

Effective delivery is supported through structured engagement with key stakeholders, including the Ministry of Energy, LCGPA, industry partners, downstream investors, and internal cross-functional teams. Governance is reinforced through a formal MoU with LCGPA, regular reporting cycles, and active participation in national and industry platforms supporting Saudi Vision 2030.

Customer Relations

Sadara focuses on meeting customer requirements through reliable supply, timely delivery, and consistent product quality. Customer engagement is supported through quarterly meetings with marketers and continuous improvements to process automation systems.

Product quality is monitored using DPMO in line with Six Sigma methodology. In 2025, DPMO increased compared to the prior year, primarily due to the closure of 29 spillage-related Quality Notifications (QNs) attributable to Sadara operations. These incidents were investigated and addressed through corrective and preventive actions to strengthen handling, containment, and logistics controls.

PRODUCT QUALITY	UNIT	2023	2024	2025
DPMO	Number	312	211	490*

* DPMO figures are subject to updates based on QN closure status. QNs under investigation may be closed in the following year due to the 25-working-day QN closure period.

Customer Survey

GRI 3-3

Sadara is committed to delivering high standards of product quality and service to ensure strong customer satisfaction. Regular customer surveys are conducted to capture data-driven insights, monitor satisfaction levels, and identify opportunities for continuous improvement.

Customer feedback, including complaints related to product quality or supply chain services, is managed through a structured Corrective Action Management Process (CAMP), which ensures timely investigation, resolution, and preventive action. In 2025, Sadara achieved an overall customer satisfaction rating of 100%, reflecting the effectiveness of its quality management practices and customer engagement approach.

CUSTOMER SATISFACTION	UNIT	2023	2024	2025
Number of customer complaints received	Number	237	238	230
Number of customer complaints resolved	Number	237	238	200*
Number of first call resolution (FCR)	Number	234	238	230
Customer Satisfaction Score (0 to 10)	Number	10	10	10
Net Promoter Score (NPS)	Number	40	28	30
Percentage of customers actively responding to the survey	Number	52	52	46
Resolved issues that were raised through the complaint channels	Percentage	100	100	100

* In 2025, 100% of customer feedback cases were resolved, excluding feedback received from SABIC, which remains in progress. In addition to this, 12 QNs are currently under investigation within the agreed timeline.

Enterprise Transformation Program

Sadara's transformation journey is anchored in a structured Enterprise Program designed to enhance operational efficiency, strengthen organizational resilience, and embed a culture of excellence. The program consolidates improvement efforts through streamlining, automation, digitalization, and adoption of best practices to enable scalable and sustainable performance improvements.

Transformation priorities respond to evolving industry dynamics, including pricing volatility, rapid technological change, rising sustainability expectations, and increasing competition. Digital innovation plays a central role in strengthening financial robustness and operational effectiveness under these conditions.

In 2025, the transformation portfolio comprised 456 initiatives, including 53 digital initiatives and 26 decarbonization and sustainability initiatives. Governance is supported through a defined structure with 186 initiative owners, 20 workstream leads, and four dedicated transformation officers, ensuring accountability and execution discipline. Approximately 15% of Sadara's workforce actively participated in transformation initiatives, reinforcing a people-centric approach to change and value creation.

Looking Ahead

Digital transformation will remain a core enterprise enabler, with continued focus on scaling high-impact initiatives, strengthening operational excellence, and advancing Sadara's Lighthouse ambition. As part of the roadmap, Sadara will scale up an AI-based viscosity prediction model developed in-house. The model enables real-time prediction of analysis results using machine learning, reducing reliance on physical testing while supporting process optimization, quality control, reduced variability, lower operating costs, and improved product quality.



Innovation and Digital Transformation

GRI 203-1, 203-2, 3-3

Innovation and digital transformation serve as fundamental enablers of Sadara's long-term competitiveness and its contribution to Saudi Vision 2030. Sadara invests in fostering a culture that promotes ideation and innovation across all organizational levels, recognizing their role in strengthening operational resilience, improving efficiency, and creating sustainable value.

Sadara's Transformation Pathway integrates digital enablement and operational excellence across core functions, including Manufacturing and Engineering, Finance, Commercial, Supply Chain, EHS&S, and Digital and IT. This enterprise-wide approach ensures innovative initiatives are strategically aligned with business priorities and deliver measurable outcomes.

2025 Key Achievements

Received the Saudi Aramco Downstream President Award for the successful automation of the Intercompany Ethylene Sales Process, streamlining complex multi-entity tolling and sales workflows.

Achieved a Smart Industry Readiness Index (SIRI) score of 3, exceeding industry benchmarks in digital maturity.

Successfully deployed Copilot Chat enterprise-wide, enhancing productivity, quality, and cross-functional collaboration.

Accepted into the National Future Factories Program by the Ministry of Industry and Mineral Resources.

Achieved highest yearly production record for 8 plants (BGE, EAE, PC, KOH, PMDI, MNB, Aniline and Formalin).

Successfully restored PMDI heat exchangers for the first time using advanced micro-grit blasting technology.

Received 2 Dow Technology Center Awards:

- For improvements in Sadara's Brine Unit centrifuge machines, leading to reduced maintenance cost, plant downtime, salt losses, and the Demin Water consumption.
- For the recovery of precious metal from used catalyst materials.

These achievements reflect disciplined execution and strong cross-functional alignment across the organization.

Sadara continues to advance its Digital Transformation journey with the ambition of achieving world-class digital maturity and progressing toward World Economic Forum (WEF) Lighthouse recognition, which is a WEF's Global Lighthouse Network (GLN) initiative to identify and showcase industrial role models that have successfully transformed operations using advanced digital technologies. Our strategy focuses on value-driven governance, regular digital maturity assessments, and the targeted deployment of emerging technologies across all business functions.

Digital enablement is further supported through the adoption of advanced technologies, including cloud computing, Robotic Process Automation (RPA), low-code/no-code platforms, advanced process control, manufacturing operations management, enterprise content management, mobile solutions for operator rounds, and selective use of 3D printing. Collaboration with parent companies Saudi Aramco and Dow continues to accelerate the deployment of high-value digital solutions.

Digital Transformation Journey

Sadara continues to advance its digital transformation agenda with the ambition of achieving world-class digital maturity and progressing toward World Economic Forum (WEF) Lighthouse recognition. The strategy emphasizes value-driven governance, systematic digital maturity assessments, and targeted deployment of emerging technologies.

Key digital initiatives in 2025 included:

- Enterprise-wide rollout of AI-enabled productivity tools supported by structured training and change management programs.
- Initiation of the migration from Systems, Applications and Products (SAP) ECC to SAP S/4HANA, modernizing core Enterprise Resource Planning (ERP) capabilities and enabling real-time, data-driven operations.

Digital enablement is reinforced through the adoption of advanced technologies including cloud computing, Robotic Process Automation (RPA), low-code/no-code platforms, advanced process control systems, manufacturing operations management systems, enterprise content management, mobile operator solutions, and selective use of 3D printing. Continued collaboration with Saudi Aramco and Dow supports accelerated deployment of high-value digital solutions.

Looking ahead, Sadara will scale high-impact initiatives, including:

- Expansion of Advanced Process Control in EO/PO plants
- Deployment of AI-driven optimization solutions, such as asset predictive analytics and Maintenance, Repair, and Operations (MRO) inventory optimization
- Scaling of an internally developed AI-based viscosity prediction model to reduce reliance on physical testing, improve quality control, lower costs, and enhance process optimization



Sustainable and Advanced Products

Sadara is committed to developing sustainable, circular, and high-value products that address evolving market demands while supporting decarbonization, resource efficiency, and Saudi Vision 2030 objectives. Oversight of research, innovation, and sustainable product development is provided by the Corporate Innovation Committee (CIC), which guides Research and Development (R&D) priorities with emphasis on carbon footprint measurement, circularity performance, and product efficiency.

The Technology Center leads R&D activities in close collaboration with internal stakeholders, including Quality Assurance, Process Safety, Specialty Engineering, Operations, and Supply Chain while leveraging external technical expertise from Aramco and Dow as needed.

Innovation is institutionalized through the Innovate@ Program, a structured ideation and innovation framework designed to capture, evaluate, and implement ideas across the organization. The program operates across three integrated tracks:

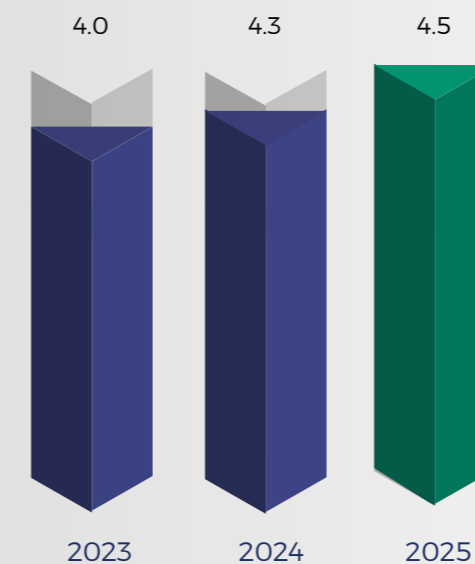
- **General Ideation Track:** focusing on cross-functional and strategic ideas.
- **Manufacturing Ideation Track:** targeting operational efficiency, process optimization, and sustainable manufacturing solutions.
- **Intellectual Property Innovation Track:** ensuring protection and strategic use of intellectual assets.

Ideas are governed through structured evaluation processes at enterprise and departmental levels and managed via a web-based Innovate@ platform that enables idea submission, tracking, and stage-gate management. Employee engagement is reinforced through a points-based recognition system aligned with the Balance of Consequences framework.

Product innovation is further informed by customer feedback and market research coordinated through the Supply Chain function, ensuring alignment with market demand, quality expectations, and sustainability requirements.

In 2025, investment in R&D increased to 4.5 million, underscoring Sadara's commitment to innovation-led growth and sustainable product development.

Amount spent on R&D of sustainable products and services (M)



Downstream Investment Opportunities in PlasChem Park

Sadara supports the local downstream investments by supplying feedstock to tenants at Jubails' PlasChem Park, enabling the production of diversified local specialty products and strengthening value-chain integration in alignment with Saudi Vision 2030. To support this growth, Sadara has optimized its internal governance and cross-functional coordination, ensuring seamless collaboration across commercial, operational, and governance functions.

A key milestone in this expansion is the long-term supply agreement with Oasis Pioneers Industrial Co. Ltd, where Sadara will provide crude MDI. This partnership supports the establishment of a state-of-the-art MDI distillation and manufacturing facility, localizing the production of advanced polyurethane solutions. Parallel to these industrial advancements, Sadara is actively advancing its sustainability strategy through high-impact partnerships, such as the recently formalized contract with Ravago Middle East signed at the 19th Annual GPCA Forum. By committing 15,000 metric tons of Polyethylene Off-Grade annually to this agreement, Sadara is directly enhancing plastic recycling within the Kingdom and fostering a more circular downstream ecosystem.

Together, these initiatives reflect Sadara's contentions support to localization, highlighting the importance of structured stakeholder engagement and Sadara's ongoing commitment to developing a robust, sustainable downstream development framework. Additional details on Sadara's downstream investments are available in the [2023 Sustainability Report](#).

PLASCHEM PARK

UNIT 2023 2024 2025

Number of PlasChem Park accumulative tenants who have direct contracts with Sadara	Number	9	9	11
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People and Community

People and Community

Empowering employees and strengthening communities remain central to Sadara’s sustainability journey. Through a focus on talent development, inclusion, well-being, and social responsibility, the company aims to generate long-term value for its workforce and contribute positively to the communities in which it operates, in alignment with national priorities and future growth ambitions.

Our People and Culture

GRI 2-4, 2-7, 3-3, 401-1, 405-1

Building a skilled and motivated workforce is essential to Sadara’s long-term success. The company attracts high-caliber talent from the region and globally and invests in development, support, and competitive benefits that enable employees to grow, perform, and advance throughout their careers.

Workforce Profile

Workforce continuity remains a priority for Sadara, with overall employee levels remaining largely stable over the past four years. Total full-time employment increased from 2,787 in 2024 to 2,859 in 2025, with women representing 3.6% of the workforce and men accounting for 96.4%.

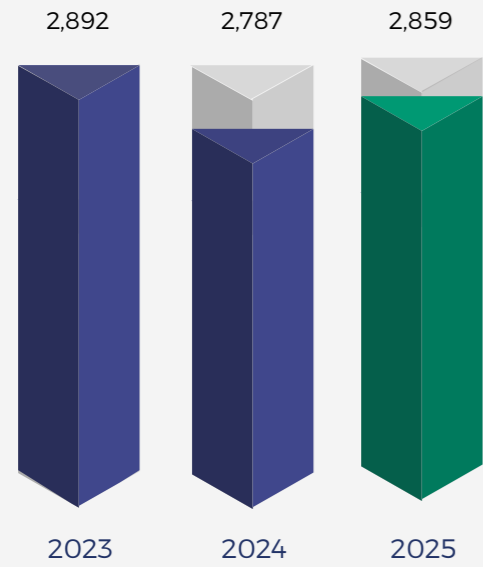
To support workforce planning and growth, Sadara applies structured recruitment and hiring policies covering external recruitment, internal mobility, and supplemental manpower. These frameworks promote fairness, transparency, and alignment with the company’s values and employment standards.

Strategic Goals	KPIs	Unit	2025 Performance	2025 Target
Strengthen the Value of Employee Proposition	Increase Employee Engagement Score	Out of 10	7.8	7*
	Accelerate Saudization	Percentage	78.2	80*
	Increase Employee Training Hours and Developmental Programs	Hours	170,881	100,000*
	Increase Women’s Inclusion and Employment	Percentage	3.6	3*
Support the Local Community	Increase Community Engagement Initiatives	Number	69	25
	Raise Employee Volunteering Hours	Hours	10,907	10,000

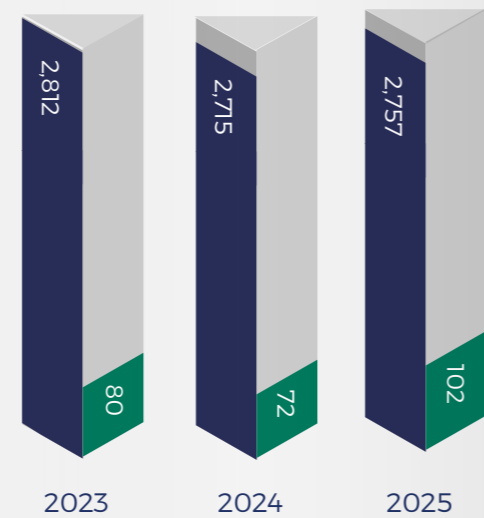
*Target has been revised.



Full-time employees (Number)



By gender (Number)
● Male ● Female



WORKFORCE

	UNIT	2023	2024	2025
Part-time employees	Number	0	0	0
Permanent employees	Number	2,892	2,787	2,859
Female employees	Number	80	72	102
Male employees	Number	2,812	2,715	2,757
Temporary employees	Number	272	265	260
Female employees	Number	17	21	21
Male employees	Number	255	244	239

WORKFORCE BY AGE GROUP

	UNIT	2023	2024	2025
18 - 30	Number	793	513	447
31 - 40	Number	1,227	1,347	1,403
41 - 50	Number	683	720	772
50+	Number	189	207	237

TURNOVER

	UNIT	2023	2024	2025
Total number of employees who left the organization	Number	219	180	90
Turnover rate	Percentage	7.4%	6.4%	3.2%
Turnover by gender				
Female	Number	17	12	1
Male	Number	163	168	89
Total number of missed workdays	Number	18,687.84	24,680.00	25,726.85
Total workdays (full-time employees)	Number	6,631,488	6,417,952	5,990,472
Employee absentee rate	Percentage	0.28	0.31	0.43



Diversity and Inclusion

Diversity Across Our Workforce

GRI 3-3, 405-1

Sadara is committed to maintaining a fair, inclusive, and respectful workplace that values the contributions of all individuals. In line with Saudi Labor Law, the company ensures equal employment opportunities and actively promotes a culture that encourages diversity and inclusion across all areas of the organization.

Respecting Human Rights

GRI 2-15, 2-16, 2-23, 2-24, 2-26, 3-3, 408-1, 409-1, 410-1

Respect for human rights is embedded within the company's Ethics and Compliance framework and Conflict of Interest (COI) policies. Our Human Rights Policy, aligned with internationally recognized standards, applicable local laws, and Saudi Vision 2030, applies to all employees and extends across our supply chain.

Employees receive training on the policy and their rights and responsibilities, supported by access to relevant guidance and materials. A formal grievance mechanism enables confidential reporting and timely resolution of concerns. Additional information on the company's human rights approach is available in the [2024 Sustainability Report](#).

Saudization

GRI 202-2

Supporting workforce localization is a core component of Sadara's contribution to Saudi Vision 2030. Through targeted talent development, strategic partnerships, and structured career pathways, Sadara supports economic diversification while strengthening national capabilities. In 2025, Saudi nationals accounted for 78.2% of Sadara's full-time workforce.

Localization is driven through integrated CSR and HR strategies focused on attracting, developing, and retaining Saudi talent. A structured national recruitment framework provides multiple entry pathways, enabling high school and vocational graduates, as well as university students, to gain practical experience, build technical and professional skills, and access long-term career opportunities within Sadara and the wider Saudi labor market.

WORKFORCE BY NATIONALITY	UNIT	2023	2024	2025
Number of full-time national employees	Number	2,249	2,164	2,236
Female national employees	Number	80	72	102
Male national employees	Number	2,169	2,092	2,134
National full-time employees in senior management	Number	25	26	11
Number of employees of other nationalities	Number	643	623	623



Female Inclusion

GRI 3-3, 405-1

Workforce diversity is an integral element of Sadara's talent strategy, with a clear ambition to strengthen female participation across the organization. In 2025, Sadara continued to advance its female employment strategy, focusing on expanding opportunities, removing barriers, and creating an inclusive workplace that supports long-term career growth.

These efforts are reinforced through the Women's Empowerment Program, which provides targeted development opportunities, builds leadership capabilities, and promotes recognition of women's contributions across the business. Sadara's commitment to inclusion is also reflected through annual engagement initiatives, including International Women's Day, where leadership recognition showcases the role of female employees in supporting performance and future success.

WORKFORCE	UNIT	2023	2024	2025
Senior management	Number	116	175	160
Female employees	Number	0	0	1
Male employees	Number	116	175	159
Middle management	Number	221	250	211
Female employees	Number	5	4	7
Male employees	Number	216	246	204

Talent Development and Employee Experience

GRI 2-17, 404-1, 404-2, 404-3

Developing talent and delivering strong employee experience are central to Sadara’s ability to attract, retain, and grow high-performing teams. The company provides development resources and learning opportunities that support continuous personal and professional growth across career stages.

Performance management is embedded through structured, twice-yearly performance and career development reviews that enable constructive dialogue on achievements, objectives, and development needs. Professional growth is further supported through a centralized Learning Management System (LMS) offering leadership, technical, and business skills training. These programs are overseen by the Human Capital Development team to ensure alignment with workforce needs and Sadara’s short and long-term strategic priorities.

Sadara strengthens leadership and technical capability through structured development programs aligned with workforce planning and succession priorities:

Sadara Leadership Development Program (SLDP): Launched in 2022 to build leadership competencies across multiple organizational levels and support the progression of current and future leaders.

Sadara Program for Operators and Technicians (SPOT): A competency-based framework that prepares operators and technicians for operations and maintenance roles. Embedded within HR and career progression systems, SPOT delivers standardized training and role-specific certification through defined Job Certification Packages.

Sadara Professional Development Program (SPDP): Supports early-career talent development, including the Talent Foundation Program track. The program combines experiential and developmental learning to enable new graduates to perform effectively while building skills for long-term career progression.

PROGRAM	UNIT	2023	2024	2025
SLDP	Number	480	580	400
SPOT	Number	793	1,540	1,715
SPDP	Number	893	1,154	859

In 2025, Sadara strengthened workforce capability through enhanced leadership and safety-related development. The company onboarded an additional First Aid and HeartSaver training provider and relocated delivery back to site, improving accessibility and reducing the need for travel to Dammam for certification. Sadara also supported operational readiness by delivering safety training for unplanned plant turnaround and emergency activities, provided on site and, where needed, at contractor facilities outside regular working hours (including weekends). In parallel, all leaders nominated by their business line vice presidents (VPs) completed SLDP across the Foundation and Managerial tracks, achieving full completion with no participant attrition.

Building on this foundation, Sadara continues to strengthen capability through leadership development, technical training, and knowledge transfer initiatives that support both immediate operational needs and long-term talent growth.

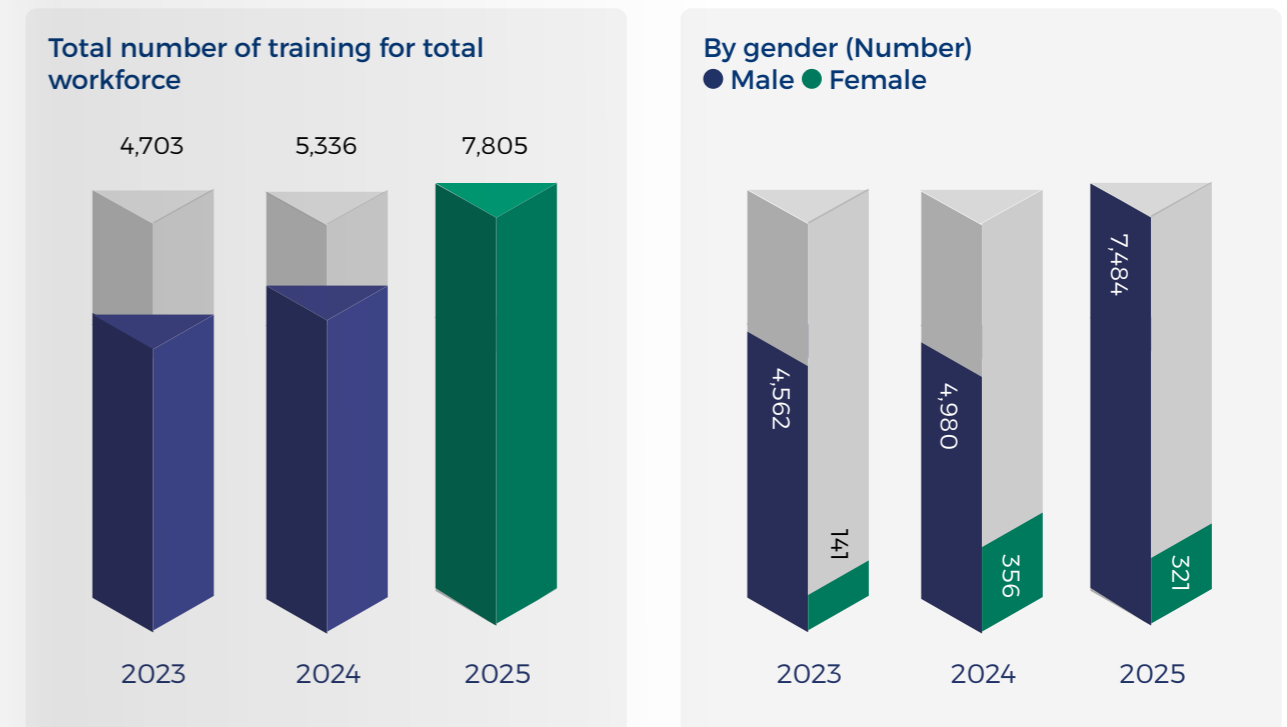
Capability Building and Knowledge Transfer

Sadara continued investing in workforce capability through its In-house Special Technical Training Program, delivered by the Quality function. In 2025, approximately 300 employees participated in specialized technical courses delivered across 90 training sessions. The program builds local subject matter expertise and strengthens analytical thinking, problem-solving, and troubleshooting through structured coaching and knowledge transfer.

Sadara has introduced an Internal Technical Training Program delivered by Subject Matter Experts from the Process Analytical Laboratory (PAL) team. In order to strengthen internal expertise, operational reliability, and knowledge transfer.

Sadara provides a comprehensive range of training programs across leadership, professional development, safety, and technical disciplines. In 2025, these efforts included 91% in-house technical training sessions delivered by the Central Analytical Laboratories, designed using coaching-based methodologies to strengthen technical knowledge, analytical thinking, and problem-solving effectiveness. In parallel, the Control Performance Management program achieved a 100% completion rate, reinforcing consistent performance and operational excellence.

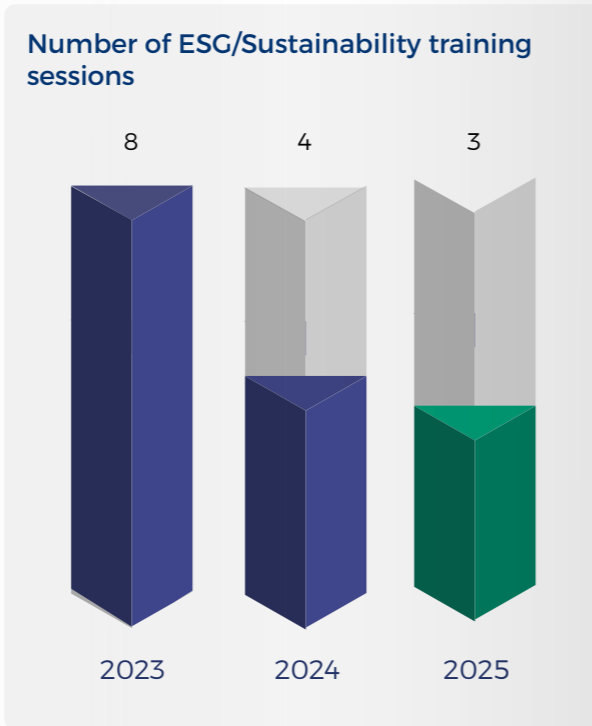
Employee-driven development is further supported through the Success Factors Electronic Individual Development Plan (e-IDP) Program, aligned with the 70:20:10 learning philosophy, enabling employees to pursue individualized development opportunities beyond mandatory training. Additional details on training and development programs are available in the [2024 Sustainability Report](#).



TRAINING AND DEVELOPMENT	UNIT	2023	2024	2025
Total number of training for senior management	Number	60	38	32
Total number of training for middle management	Number	236	152	290

Sustainability Training

To support Sadara’s sustainability objectives and strengthen internal engagement, sustainability and ESG training opportunities remain available to employees. In 2025, overall training hours were lower compared to previous years, reflecting the absence of scheduled classroom sessions and limited participation in the optional e-learning module.



SUSTAINABILITY TRAINING

	UNIT	2023	2024	2025
Number of attendees of Sustainability Awareness Training on Sadara platform	Number	10	38	28
Number of attendees of Footprint Training on Sadara platform	Number	161	1	4
Total ESG/Sustainability training hours	Hour	242	197	16



Wages and Benefits

GRI 2-19, 2-20, 2-21, 401-1, 201-3, 405-1

A competitive and equitable compensation and benefits framework supports employee performance, well-being, and work-life balance across the organization. Compensation is linked to individual achievement and contribution to departmental and organizational objectives, with additional provisions aligned to government requirements, including a 9.75% + 2% paid by the company against each employee basic salary contribution and housing allowance for the General Organization for Social Insurance (GOSI).

Additional benefits support employees’ financial security, professional growth, and long-term stability. These include support for professional certifications and continuing education through tuition reimbursement, a Thrift Plan (Amaan) for regular Saudi employees, and structured allowances and bonuses, including a guaranteed Ramadan bonus equivalent to one month’s basic salary.

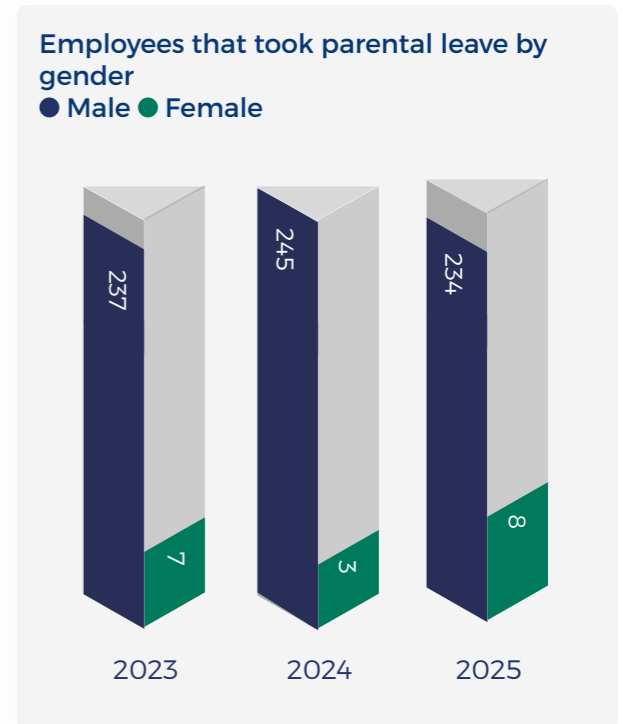
Housing support is provided through the Home Loan and Home Owners Programs, enabling eligible Saudi employees to access home financing or residential units in Jubail Industrial City developed by The Jubail and Yanbu Industrial Cities Services Company (JABEEN). Retirement benefits are also offered in line with Ministry of Human Resources and Social Development requirements, including retirement packages and end-of-service awards.

	UNIT	2023	2024	2025
WAGES AND BENEFITS				
Salaries paid (including standard elements, basic pay and consolidated allowances etc.)	₹ million	765.1	765.6	792.0
Benefits paid (including elements such as Pension, Gratuity, Medical Insurance, Annual Passage, Education etc.)	₹ million	432.6	452.1	559.0

Parental Leave

GRI 401-3

Parental leave is provided to male and female employees in line with Saudi Labor Law, supporting work-life balance and family well-being. In addition to paid leave, female employees may work remotely during the third trimester and extend maternity leave by one month of unpaid leave. In 2025, parental leave was taken by eight female employees and 234 male employees, with all participants returning to work, reflecting strong retention outcomes.



Employee Relations

Sadara's dedicated Employee Relations Unit (ERU) supports employee relations by promoting awareness of rights and responsibilities, facilitating fair conflict resolution, and ensuring compliance with internal policies and external regulations. The unit manages grievances, complaints, violations, and labour-related matters through structured processes and targeted awareness initiatives.

In 2025, efforts were further strengthened to promote a respectful, compliant, and performance-driven workplace environment. Building on previous enhancements, key initiatives included the continued enhancement of internal processes and governance frameworks, as well as the inclusive overhaul of the company's internal work rules to ensure alignment with current labor regulations and best practices, in preparation for official implementation.

Fair and consistent disciplinary standards were reinforced across the company. Conflict of Interest (COI) process was successfully completed and monitored to ensure transparency and regulatory compliance, alongside a Non-Disclosure Agreement (NDA) issued to safeguard confidentiality during temporary assignments. Moreover, a newly structured No Objection Letter process established to administer employees' external engagements. Lastly, ERU has successfully resolved and closed over 279 cases, contributing to employee engagement and productive workplace.

ERU supported workplace safety awareness through departmental safety meetings and safety moments conducted throughout the year. In line with EHS alignment and IR VP approval, ERU activities were excluded from EHS observations and leadership walkthrough programs under the approved governance framework.

To monitor effectiveness and consistency, ERU performance is tracked against defined targets across its core functions. The table below summarizes ERU performance against key targets and outcomes over the reporting period.

ERU PERFORMANCE	2023		2024		2025	
	Target	Actual	Target	Actual	Target	Actual
Handling cases	97%	98%	97%	99%	97%	99%
Employee relations awareness sessions	100%	100%	-	-	-	-
Conflict of interest (Conducted every 2 years cycle)	-	-	100%	100%	100%	97%
Performance improvement plan	100%	100%	100%	100%	100%	100%
Updating and optimizing ERU policies, procedures, and guidelines	100%	98%	100%	95%	100%	100%

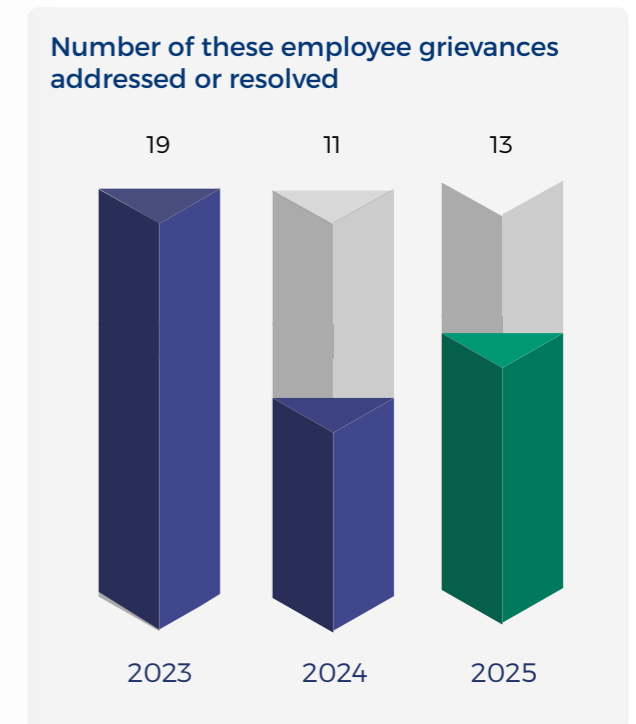
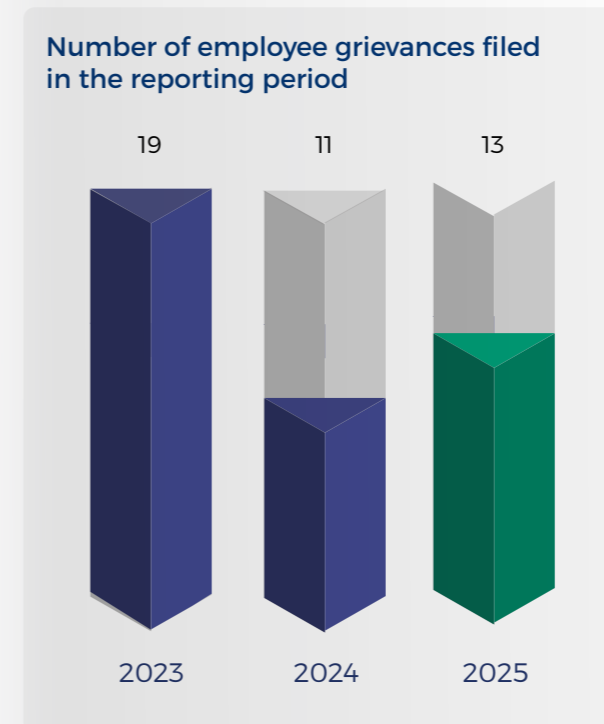
Grievances

Sadara maintains a zero-tolerance approach to harassment and discrimination, supported by a formal Grievance Policy that defines expected workplace conduct. The grievance process is administered end-to-end by the ERU and is designed to ensure concerns are handled in a timely, fair, and impartial manner.

Employees may raise concerns securely and confidentially without fear of retaliation, using informal or formal pathways depending on the nature and severity of the issue. Where concerns are substantiated, ERU supports remediation by coordinating corrective actions aligned with the Code of Conduct and internal policies, which may include guidance and counselling or disciplinary measures, as appropriate.

Grievances may be submitted in writing to ERU, which conducts fact-finding and consults relevant internal stakeholders (e.g., HR business partners, People and Organization Development, and Legal) to support a balanced assessment. ERU consolidates findings, aligns with the appropriate leadership level, and communicates outcomes to the employee. Grievances are expected to be submitted within 10 calendar days of the employee becoming aware of the issue; resolution timelines may vary depending on complexity.

Effectiveness is monitored through case documentation and trend reviews, with insights used to strengthen processes over time. In 2025, the ERU resolved 13 cases, reinforcing Sadara's commitment to employee well-being and effective issue resolution.



Employee Engagement and Well-Being

GRI 2-23, 2-25, 403-3, 403-6

Promoting work-life balance is an important part of Sadara’s employee experience and workplace culture. Sadara uses employee engagement surveys to gather structured feedback and identify opportunities to improve the work environment. The surveys assess key drivers of engagement, including development and growth opportunities, workplace environment, inclusion, organizational alignment, and leadership.

Employee well-being is also supported through recreational and social offerings that encourage employees and their families to stay active and connected. These include sports and recreation centers and the Sadara Resort, which hosts leisure and community activities. Additional programs promote participation in sports, volunteering, and extracurricular activities, supported by benefits such as discounted fitness memberships, travel and retail offers, and health-focused initiatives.

Employee Relations (ER) supports a respectful workplace by promoting awareness of employee rights and responsibilities, facilitating conflict resolution, and supporting compliance with internal requirements and applicable labour regulations. During the reporting period, ER closed more than 279 cases, supporting timely resolution of workplace matters.

EMPLOYEE ENGAGEMENT	UNIT	2023	2024	2025
Employee Engagement	Out of 10	6.7	6.5	7.8

Driving Impact

Building a Positive Workplace: Performance Improvement Pathway

Maintaining a healthy and productive work environment requires timely, fair, and consistent management of performance and conduct concerns. Through this initiative, Sadara strengthens accountability, improves communication between leaders and employees, and supports performance improvement through a structured and transparent process.

To ensure consistent implementation, the Employee Relations Unit (ERU) follows a structured pathway that includes:

Leader consultation: ERU meets with the direct leader to understand employee history, business impact, and the most appropriate improvement pathway.

Employee discussion: ERU meets with the employee to clarify concerns, expectations, and agreed actions for improvement.

Monitoring and support: ERU tracks progress through regular check-ins (weekly or monthly, as appropriate) to support follow-up and resolution.

This pathway strengthens accountability, offers clear development guidance, and minimizes workplace disruption, with further reinforcement expected through Sadara’s revised Internal Work Rules. Sadara will continue to review and update related policies and procedures to ensure effectiveness and alignment with workplace needs.

Driving Impact

Building Belonging Through Employee and Family Engagement at Sadara Resort

The General Services & Support Department (GSSD) supports employee engagement and well-being by delivering integrated services that enhance the workplace experience and quality of life. Through its four divisions, Planning & Performance, Facilities Services, Community & Logistics Services, and Technical Support, GSSD supports safe workplaces, dependable community services, and responsive infrastructure.

In 2025, GSSD continued to strengthen employee and family engagement through activities hosted at Sadara Resort, including:

Saudi National Day celebration (1,173 attendees)	Founding Day event (649 attendees)	Ramadan activities (757 attendees)	Year-round family activities (16,835 total attendees)
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Looking ahead, GSSD will continue building belonging through cultural activities, alongside ongoing daily family programs at Sadara Resort.



Social Responsibility

GRI 3-3, 413-1, 413-2

Community outreach is integral to Sadara’s values and sustainability approach. In 2025, Sadara expanded its community engagement across Jubail, the Eastern Province, and the Kingdom, with a continued focus on supporting vulnerable groups, advancing education, strengthening social awareness, partnering with non-profit organizations, and promoting environmental responsibility.

Sadara enhanced its community impact by expanding partnerships with charities, government entities, and educational institutions to deliver initiatives across education, health, disability support, youth development, and women’s empowerment. Priority programs included the Ramadan “Pathway to Blessings” campaign, medical equipment assistance, science and technology skills-building for orphaned youth, and the establishment of a women’s computer lab—each aligned with Sadara’s Community Outreach pillars and national development priorities. In parallel, Sadara continued to encourage employee involvement through volunteer activities, reinforcing a culture of shared responsibility and community service.

These efforts resulted in a 7.2% increase in community investment value and a 56.8% growth in locally focused programs, rising from 44 initiatives in 2024 to 69 in 2025. During the year, Sadara further strengthened its community outreach approach by aligning its community outreach pillars with the Ministry of Human Resources and Social Development’s CSR strategy framework, enhancing alignment with national priorities and supporting a more consistent approach to program selection, compliance, and long-term impact. To support this transition, Sadara expanded collaboration with government entities and local nonprofit organizations. Looking ahead, the company plans to introduce enhanced community outreach evaluation criteria to strengthen transparency, resource allocation, and impact assessment. Sadara reported no significant actual or potential negative impacts on local communities during 2025.

Over the next one to two years, Sadara aims to further strengthen community impact by enhancing community outreach governance and introducing clearer tools and mechanisms to assess program effectiveness. The company also plans to better define priority areas for community outreach within its sector to ensure future initiatives remain strategic and responsive to community needs.

COMMUNITY ENGAGEMENT	UNIT	2023	2024	2025
Total value of community investments	₹ million	13,080,778	18,853,344	20,216,434
Total number of local community outreach based on local community needs	Number	25	44	69
Donations and sponsorships	₹ million	1,823,023	1,507,726	1,306,018

Community Outreach

GRI 413-1, 413-2

Sadara’s community engagement approach is guided by a structured outreach strategy. All programs align with one of five outreach pillars:



In 2025, Sadara strengthened community-based partnerships by working with charitable organizations, government entities, educational institutions, and sector associations to address priority community needs. These collaborations supported education, health, disability services, youth development, and broader community welfare. Through partnerships with organizations such as Resalah, Tarabot, Efaa, Tawasel, Bena, Wahaj Women’s Charitable Association, and the Saudi Red Crescent Authority, Sadara supported the delivery of essential supplies, medical equipment, disability support programs, and empowerment initiatives for vulnerable groups.

Sadara also expanded education-focused collaborations through the Royal Commission’s General Department of Education in Jubail and Yanbu, as well as partnerships with Bena Association and Ejadah. These initiatives included science and technology programs, robotics activities, digital literacy courses, and English-language training designed to build future-ready skills aligned with Saudi Vision 2030, including for students, orphans, and women. Additional partnerships with the Ministry of Human Resources and Social Development (HRSD), Tarahum, Etisal, and the Saudi Electronic University supported rehabilitation programs, nonprofit sector training, and awareness campaigns aimed at strengthening community capacity.

Key partnerships and affiliations in 2025 included: Resalah, Tarabot, Efaa, Tawasel, Wahaj Women’s Charitable Association, Bena Association, Ejadah, the Saudi Red Crescent Authority, Almana Hospital, Ministry of HRSD, the Tarahum Committee, Etisal, the Royal Commission for Jubail & Yanbu, the Saudi Electronic University, and Royal Commission schools (including Al-Deffi and Al-Ula).

Sadara’s sponsorships and donations focus on supporting communities where the company operates across the Kingdom. Contributions are guided by a dedicated cross-functional committee operating under clear guidelines and a formal charter to ensure initiatives align with Sadara’s Code of Conduct, corporate strategy, and sustainability and community outreach objectives. This approach helps ensure support is ethical, strategically targeted, and designed to deliver meaningful community impact.

Sadara maintains accessible grievance channels that allow community members, stakeholders, contractors, and employees to raise concerns related to ethics, compliance, or community impact. Concerns can be submitted confidentially through the dedicated reporting emails generalauditorhotline@sadara.com or EthicsHotline@sadara.com, supporting transparency, accountability, and responsible stakeholder engagement.

2025 Community Sponsorships and Investment

Selected community initiatives from 2025 are highlighted below, demonstrating how Sadara's partnerships translate into tangible, on-the-ground impact across education, EHS, cultural awareness, charity and volunteerism. Together, these initiatives reflect Sadara's commitment to creating positive and lasting social value.



Education and Youth Development



Misbar Scientific Camp - Bena Association

In collaboration with Bena Charity Association, Sadara supported and sponsored the eighth edition of the Misbar Scientific Camp in 2025, engaging more than 500 students, including orphaned youth, in hands-on training across programming, artificial intelligence, and robotics, fostering future-ready skills and career awareness.



Empowering Youth Through Knowledge Sharing

Sadara sponsored the Youth Pulse program during the 3rd International Downstream Conference & Exhibition in Bahrain. Through participation in technical sessions, the company supported knowledge sharing and industry development, reinforcing its commitment to youth empowerment and skills development.



Advancing Women's Empowerment Through Education

Sadara provided an English language course for 13 girls from families supported by the Wahaj Women's Charitable Association. The initiative enhanced language proficiency, supported women's empowerment, and expanded opportunities for economic advancement in alignment with Vision 2030.



Al-Deffi Royal Commission School Program

Sadara partnered with Al-Deffi High School in Jubail Industrial City to empower students through robotics innovation and modern learning methods. The program focused on fostering creativity, technological skills, and academic excellence, contributing to the Kingdom's vision for educational advancement.



Al-Ula Royal Commission School Program

Sadara collaborated with Al-Ula High School in Jubail Industrial City to enhance students' innovation and artificial intelligence capabilities. The initiative aimed to equip students with future-ready skills, supporting the development of a knowledge-based economy and positioning students for success at national and international levels.



Ejadah Technical Skills Training for Orphans

Sadara expanded its skills-based community support in 2025 through a partnership with Ejadah (Saudi Association of Technicians), delivering practical technical training to 25 orphaned youth. The program equipped participants with hands-on skills in smartphone programming, diagnostics, and maintenance, strengthening confidence and employability readiness.



Efaa Tuition Sponsorship

Sadara supported the Efaa Association by sponsoring 100,000 in tuition fees for students with autism spectrum disorder. The initiative provided inclusive educational opportunities and supported beneficiaries' preparation for future participation in the labor market. In addition, Sadara supported the Efaa Special Olympics Saudi Club project, benefiting 20 individuals with disabilities through specialized training and sports programs.



Tawasel Initiative

Sadara supported the Tawasel Association by funding workshops and awareness campaigns for families of individuals with disabilities. The initiative promoted social inclusion and provided essential resources to improve quality of life.



Drawing a Brighter Future: Building Environmental Awareness Through Art

Sadara's EHS&S Department hosted the Sadara Kids Drawing Contest 2025 under the slogan "Drawing a Brighter Future," engaging children and their families through a creative initiative that promotes environmental awareness and sustainability values. The contest attracted 27 participants and concluded with an awards ceremony, where three winners received prizes and certificates.

The initiative encouraged creativity while strengthening environmental awareness among young participants and their families. It also brought together children, parents, and Sadara employees in a shared celebration aligned with Sadara's sustainability vision, reinforcing community engagement and inspiring future generations to help build a more sustainable world.





Wahaj Computer Lab Support

In 2025, Sadara partnered with Wahaj Women's Charitable Association to establish a computer lab that expands access to digital learning tools for beneficiaries. The initiative supports digital literacy and skills development, contributing to improved employability and empowerment.



Etisal PR Development Program

Sadara collaborated with Etisal, the Royal Commission for Jubail and Yanbu (RCJY), the Council of Charitable Associations in the Eastern Province, and the Saudi Electronic University to deliver an eight-course Public Relations Development Program for the non-profit sector. The program equipped 59 professionals from 29 associations with modern communication skills to drive sustainable community impact.



Promoting Family Well-Being Through the Annual Summer Program

Sadara organized its annual Summer Program to engage employees and their families in educational and recreational activities. The program included Qur'an memorization classes, sports training, swimming courses, and creative workshops for children, promoting family bonding, healthy lifestyles, and personal development.

Sadara supported multiple educational initiatives across Royal Commission schools in Jubail and Yanbu, including Step by Step, Sahl, Faseeh, Taqat Club, and Logischool, promoting digital literacy, problem-solving, and creativity in a safe learning environment. In addition, Sadara provided evening special education services and English proficiency training to support students' preparation for the STEP test. The company also supported the establishment of a computer lab for beneficiaries of the Wahaj Women's Charitable Association, providing a modern learning environment that enhances digital skills and improves employment opportunities for women, reinforcing its commitment to education and skills development aligned with Vision 2030.

Environmental Awareness and Engagement



Environmental Stewardship Through Employee Engagement

Sadara conducted an environmental cleanup campaign near its Chemical Complex, engaging employees in responsible waste management. The initiative mobilized 35 volunteers who collected approximately 100 kg of recyclable materials, supporting circular economy practices and reinforcing a culture of environmental responsibility.



Environmental Recognition and Awards

Sadara's environmental awareness and community engagement efforts were recognized at the regional level, securing first place in the Community Awareness category at the GPCA Responsible Care® Excellence Awards. This achievement reflects the impact and reach of Sadara's environmental education and engagement initiatives.

Health, Safety and Well-Being



Medical Equipment Assistance - Jubail Community & Tarabot Initiative

Sadara supported community health and patient care in Jubail in 2025 through Tarabot and relevant partners by enabling the provision of essential medical and respiratory equipment to vulnerable patients. Through the provision of devices such as oxygen concentrators, wheelchairs, ventilators, and other critical medical equipment, the initiative improved quality of life, facilitated access to treatment and home-based care, and helped patients remain with their families while reinforcing Sadara's commitment to advancing healthcare and supporting low-income patients.



Building Safer Communities Through First Aid Training

Sadara supported the Saudi Red Crescent Authority in delivering first aid training at shopping malls across the Eastern Province. The initiative promoted public health and safety, raised awareness of emergency response, and aligned with Saudi Vision 2030 objectives.



Flu Vaccination Campaign - "Don't Let the Flu Catch You"

Sadara Health Services conducted its annual flu vaccination campaign, providing preventive vaccinations to employees and contractors across all facilities, reinforcing workplace health and safety.



Blood Donation Campaign

In collaboration with Almana Hospitals, Sadara organized a blood donation drive at its Health and Wellness Center, supporting local blood bank reserves while promoting volunteerism and community responsibility.



Quit Smoking Campaign

In partnership with Dallah Hospital, Jubail General Hospital, and the Ministry of Human Resources and Social Development, Sadara delivered a comprehensive quit smoking campaign, including awareness sessions, medical consultations, and health screenings to support long-term well-being.



Health Awareness and Screening Activities

Sadara also conducted targeted health awareness initiatives, including breast cancer awareness sessions and general health screenings during national events, extending health education to employees and their families.

Cultural Awareness and Charitable Support



Ramadan Donation Campaign - "Pathway to Blessings"

In 2025, Sadara delivered its Ramadan "Pathway to Blessings" donation campaign in partnership with Wahaj and Resalah. The campaign mobilized employee contributions, complemented by company support, to provide essential assistance to families in need during the holy month. In addition to its direct community impact, the initiative strengthened employee engagement and reinforced a culture of solidarity and giving.



Partnering for Social Impact with Ministry of HRSD

Sadara partnered with the Ministry of Human Resources and Social Development to support orphaned children through targeted resource provision and assistance. This collaboration strengthened Sadara's role in social responsibility and community welfare, highlighting its commitment to impactful partnerships.



HRSD - Tarahum Initiative

In cooperation with the Ministry of HRSD and the National Committee for the Care of Prisoners, Sadara delivered training and rehabilitation programs aimed at skills development, labor market integration, and enhanced family and social stability.

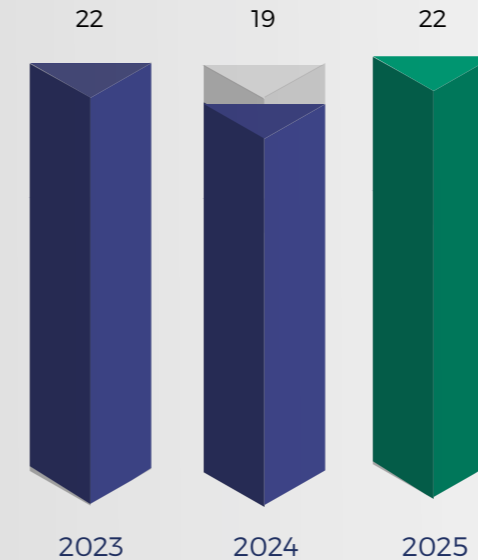
Employee Volunteerism

GRI 413-1, 413-2

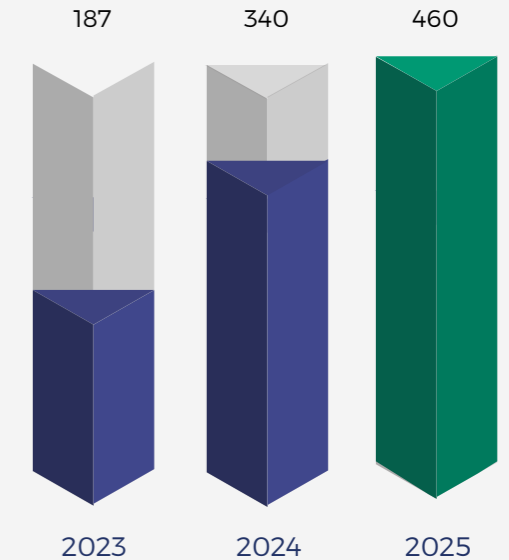
Community service is a key pillar of Sadara's social impact agenda, encouraging employees to contribute beyond the workplace. Through the Sadara Volunteers Club (SVC), Sadara enables employees to share their time and skills through a wide range of community-based initiatives that respond to local needs.

In 2025, employee volunteers supported Saudi Founding Day events, Ramadan charity drives, hospital visits, environmental clean-up campaigns, awareness workshops, and public health initiatives. In total, employees contributed 10,907 accumulated volunteer hours by 2025, an increase of 2,792 hours (34.4%) compared to 8,115 hours in 2024. These efforts benefited families, patients, youth, and the wider community, reinforcing Sadara's culture of service and social responsibility.

Number of volunteering activities



Number of volunteers



VOLUNTEERISM	UNIT	2023	2024	2025
Employee volunteer hours	Hours	5,948	8,115	10,907
Number of volunteering days	Days	39	29	22



Appendices

Appendix A: Acronyms

AEDs	Automated External Defibrillators	CSR	Corporate Social Responsibility
AI	Artificial Intelligence	CTT	Compliance Task Tool
B&S VP	Business and Services Vice President	CYSEC MENA	Cybersecurity Middle East and North Africa
BCM	Business Continuity Management	DAWC	Day Away Work Case
BGE	Butyl Glycol Ethers	DCC	Data Cybersecurity Controls
BIS	Bureau of Indian Standards	DMZ	Demilitarized Zone
CA	Chlor-Alkali	DPMO	Defects Per Million Opportunities
CAL	Central Analytical Laboratory	DSI	Day Sales Inventory
CC4	Crude C4	E&AT	Event and Action Tool
CCC	Cloud Cybersecurity Controls	EAE	Ethyl Acetate
CCD	Corporate Communications Department	EAL	Environmental Action Limit
CEO	Chief Executive Officer	ECC	Essential Cybersecurity Controls
CFO	Chief Financial Officer	EHS	Environmental Health Safety
CIC	Corporate Innovation Committee	EHS&S	Environmental Health Safety & Security
CISOs	Chief Information Security Officers	EHSS&Q	Environment, Health, Safety, Security, and Quality
CO	Carbon Monoxide	EIC	Energy Information Center
Cogen	Co-generation	e-IDP	Electronic Individual Development Program
COGS	Cost of Goods Sold	EnMS	Energy Management System
COI	Conflict of Interest	EO	Ethylene Oxide
CSCC	Critical Systems Cybersecurity Controls	EPO	Environmental Permit to Operate

ER	Employee Relations	HR	Human resources
ERGs	Emergency Response Guides	IBC	Intermediate Bulk Container
ERM	Enterprise Risk Management	IFRS	International Financial Reporting Standards
ERP	Enterprise Resource Planning	IIA	Institute of Internal Auditors
ERU	Employee Relations Unit	IKTVA	In-Kingdom Total Value Add
ESG	Environmental, Social, Governance	IMS	Integrated Management System
FCR	First Call Resolution	IP	Intellectual Property
GCC	Gulf Cooperation Council	IR VP	Industrial Relations Vice President
GHG	Greenhouse Gas	IRCA	International Register of Certificated Auditors
GHS	Globally Harmonized System	ISO	International Organization for Standardization
GME	Global Manufacturing Excellence	ISO Container	ISO containers are international intermodal containers that meet the standards specified by the International Organization for Standardization (ISO)
GOSI	General Organization for Social Insurance	ISS	Integrated Security System
GPCA	Gulf Petrochemicals and Chemicals Association	IT	Information Technology
GRC	Governance, Risk, and Compliance	IWT	Infrastructure and Waste Treatment
GRI	Global Reporting Initiative	JV	Joint Venture
GSSD	General Services & Support Department	JSA	Job Safety Analysis
GWh	Gigawatt-hour	KFIP	King Fahd Industrial Port
HCl	Hydrochloric Acid	KOH	Potassium Hydroxide
HFO	Heavy Fuel Oil	KPIs	Key performance indicators
HIET	High Intensity Electricity Consumption Tariff	LCGPA	Local Content & Government Procurement Authority
HIS	Health Information System	LDAR	Leak Detection and Repair program
HPPO	Hydrogen Peroxide-based Propylene Oxide	LDPE	Low-Density Polyethylene

LMS	Learning Management System
LOPC	Loss of Primary Containment
M&E VP	Manufacturing and Engineering Vice President
MC	Management Committee
MFC	Mixed Feed Cracker
MHRSD	Ministry of Human Resources and Social Development
MNB	Methyl Nucleobase
MOC	Management of Change
MoE	Ministry of Energy
MoH	Ministry of Health
MPC	Maintenance Project and Contractor
MRO	Maintenance, Repair, and Operations
MWAN	National Center for Waste Management
NCA	National Cybersecurity Authority
NCEC	National Center for Environmental Compliance
NCOSH	National Council for Occupational Safety and Health
NDA	Non-Disclosure Agreement
NID	Nitrogen Injection and Depressurization
NIST	National Institute of Standards and Technology
NOx	Nitrogen Oxides
NPS	Net Promoter Score

NPV	Net Present Value
OCS	Operation Clean Sweep
ODC	Oxidation Depolarized Cathode
ODMS	Operating Discipline Management System
OFIs	Opportunities for Improvement
OHS	Occupational Health Safety
OJT	On-the-Job Training
OSMACC	Organizations' Social Media Accounts Cybersecurity Controls
OSMMU	Off-Site Material Management Unit
OT	Operational Technology
OTCC	Operational Technology Cybersecurity Controls
PAL	Process Analytical Laboratory
PCOM	Packaging Center Operation Management
PG	Propylene Glycol
PMDI	Polymeric Methylene Diphenyl Diisocyanate
PO	Propylene Oxide
POD	People Organization Development
PSA	Pressure Swing Adsorption
PSIC	Process Safety Incidents Count
PSISR	Process Safety Incident Severity Rate
PSR	Product Supply Reliability
PSTIR	Process Safety Total Incident Rate

QNs	Quality Notifications
R&D	Research and Development
RC	Responsible Care®
RCER	Royal Commission Environmental Regulations
RCJY	Royal Commission for Jubail and Yanbu
RMC	Raw Material Center
RPA	Robotic Process Automation
SAIS	Supreme Authority for Industrial Security
SAP	Systems, Applications, and Products in Data Processing
ﷵ	Saudi Arabian Riyal
SATORP	Saudi Aramco Total Refining and Petrochemical Company
SBC	Sadara Business Complex
SDS	Safety Data Sheets
SEDC	Secure Edge Data Centre
SEEC	Saudi Energy Efficiency Center
SEED	Sustainability, Environment, Ethics and Development
SERA	Saudi Electricity Regulatory Authority
SGU	Steam Generation Unit
SHO	Solid Handling Operation
SIRI	Smart Industry Readiness Index
SLDP	Sadara Leadership Development Program

SOx	Sulfur Oxides
SPDP	Sadara Professional Development Program
SPE	Solution Polyethylene
SPOT	Sadara Program for Operators and Technicians
SQAS	Sustainability and Quality Assessment System
SVC	Sadara Volunteers Club
SWRO	Seawater Reverse Osmosis
TCC	Telework Cybersecurity Controls
TDI	Toluene Diisocyanate
TICA	Technology Implementation for Competitive Advantage
TOC	Total Organic Carbon
TRIR	Total Recordable Injury Rate
UN SDGs	United Nations Sustainable Development Goals
US GAAP	United States Generally Accepted Accounting Principles
USD	United States Dollar
VAT	Value Added Tax
VOCs	Volatile Organic Compounds
VP	Vice President
WEF	World Economic Forum
ZATCA	Zakat, Tax, and Customs Authority

Appendix B: GRI Content Index

Statement of use	Sadara has reported in accordance with the GRI Standards for the period 1st January 2025 to 31st December 2025 in accordance with the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	None

GRI STANDARD OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GCC ESG Reporting Metrics
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
General disclosures						
GRI 2: General Disclosures 2021	2-1 Organizational details	11 - 12			A gray cell indicates that reasons for omission are not permitted for the disclosure or that a GRI Sector Standard reference number is not available.	
	2-2 Entities included in the organization's sustainability reporting	6				
	2-3 Reporting period, frequency and contact point	6				
	2-4 Restatements of information	85, 111, 112				
	2-5 External assurance					
	2-6 Activities, value chain and other business relationships	11, 12				
	2-7 Employees	124 - 126				
	2-8 Workers who are not employees	All the workers performing work for Sadara are employees and we do not have any workers who are not employees.				
	2-9 Governance structure and composition	38 - 40				
	2-10 Nomination and selection of the highest governance body	38 - 40				
	2-11 Chair of the highest governance body	38 - 40				
	2-12 Role of the highest governance body in overseeing the management of impacts	38 - 40				
	2-13 Delegation of responsibility for managing impacts	38 - 40				
	2-14 Role of the highest governance body in sustainability reporting	38 - 40				
	2-15 Conflicts of interest	127, 135				
	2-16 Communication of critical concerns	23, 44, 45				
	2-17 Collective knowledge of the highest governance body	39, 40				

GRI STANDARD OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GCC ESG Reporting Metrics
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
	2-18 Evaluation of the performance of the highest governance body	38 - 40				
	2-19 Remuneration policies	Not disclosed		Confidentiality constraints	Due to Human Capital Policy	
GRI 2: General Disclosures 2021	2-20 Process to determine remuneration	Not disclosed		Confidentiality constraints	Due to Human Capital Policy	
	2-21 Annual total compensation ratio	Not disclosed		Confidentiality constraints	Due to Human Capital Policy	
	2-22 Statement on sustainable development strategy	7 - 10				
	2-23 Policy commitments	54, 72, 90, 127, 136				
	2-24 Embedding policy commitments	54, 72, 90, 127, 136				
	2-25 Processes to remediate negative impacts	127, 135 - 136				
	2-26 Mechanisms for seeking advice and raising concerns	45 - 46				
	2-27 Compliance with laws and regulations	45				
	2-28 Membership associations	42				
	2-29 Approach to stakeholder engagement	27				
	2-30 Collective bargaining agreements	Not disclosed		Legal prohibitions.	Collective bargaining is prohibited by Saudi Arabian laws.	
	Material topics					
GRI 3: Material Topics 2021	3-1 Process to determine material topics	25 - 26				
	3-2 List of material topics	26				
Occupational Health, Safety & Wellbeing						
GRI 3: Material Topics 2021	3-3 Management of material topics	54 - 55				S7. Injury Rate

GRI STANDARD OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GCC ESG Reporting Metrics
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
GRI 403: Occupational Health and Safety 2018	3-3 Management of material topics	54 - 55				
	403-1 Occupational health and safety management system	54				
	403-2 Hazard identification, risk assessment, and incident investigation	62				
	403-3 Occupational health services	55, 57				
	403-4 Worker participation, consultation, and communication on occupational health and safety	55				
	403-5 Worker training on occupational health and safety	57, 61				
	403-6 Promotion of worker health	55, 133				
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	62				
GRI 403: Occupational Health and Safety 2018	403-8 Workers covered by an occupational health and safety management system	61				
	403-9 Work-related injuries	58				
	403-10 Work-related ill health	58				
Talent Development & Employee Experience						
GRI 3: Material Topics 2021	3-3 Management of material topics	129 - 130				
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	132				
	202-2 Proportion of senior management hired from the local community	128				
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	125 - 126				S3. Employee Turnover
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	132				
	401-3 Parental leave	132				
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	127 - 128				
	405-2 Ratio of basic salary and remuneration of women to men	132				
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	130				
	404-2 Programs for upgrading employee skills and transition assistance programs	129 - 130				
	404-3 Percentage of employees receiving regular performance and career development reviews	129				

GRI STANDARD OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GCC ESG Reporting Metrics
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
Climate Change & GHG Emissions						
GRI 3: Material Topics 2021	3-3 Management of material topics	70				
	305-1 Direct (Scope 1) GHG emissions	71				E1. GHG Emissions
	305-2 Energy indirect (Scope 2) GHG emissions	71				E2. Emissions Intensity
	305-4 GHG emissions intensity	71				
	305-5 Reduction of GHG emissions	71				
	305-6 Emissions of ozone-depleting substances (ODS)	71				
Air Quality						
GRI 3: Material Topics 2021	3-3 Management of material topics	72				
GRI 305: Emissions 2016	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	73				
Ethics, Governance, & Compliance						
GRI 3: Material Topics 2021	3-3 Management of material topics	44				
GRI 205: Anti- corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	45				G5. Ethics & Prevention of Corruption
	205-3 Confirmed incidents of corruption and actions taken	45				
GRI 206: Anti- competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	There were no legal actions in 2025 for anti-competitive behavior, anti-trust, and monopoly practices.				

GRI STANDARD OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GCC ESG Reporting Metrics
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
Energy Management						
GRI 3: Material Topics 2021	3-3 Management of material topics	74				
GRI 302: Energy 2016	302-1 Energy consumption within the organization	75				E3. Energy Usage
	302-2 Energy consumption outside of the organization	75				E4. Energy Intensity
	302-3 Energy intensity	75				
	302-4 Reduction of energy consumption	75				
Water Management						
GRI 3: Material Topics 2021	3-3 Management of material topics	78				
GRI 303: Water and Effluents 2018	303-2 Management of water discharge-related impacts	78				E6. Water Usage
	303-3 Water withdrawal	78				
	303-4 Water discharge	78				
	303-5 Water consumption	78				
Circular Economy & Waste Management						
GRI 3: Material Topics 2021	3-3 Management of material topics	80 - 81				
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	85				
	306-2 Management of significant waste-related impacts	84				
	306-3 Waste generated	85				
	306-4 Waste diverted from disposal	85				
	306-5 Waste directed to disposal	85				
GRI 306: Effluents and Waste 2016	306-3 Significant spills	86				
GRI 301: Materials 2016	301-1 Materials used by weight or volume	82				
	301-2 Recycled input materials used	82				

GRI STANDARD OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GCC ESG Reporting Metrics
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
Human Rights Management						
GRI 3: Material Topics 2021	3-3 Management of material topics	127				S9. Child & Forced Labor S10. Human Rights
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	127				
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	127				
Biodiversity						
GRI 3: Material Topics 2021	3-3 Management of material topics	86				
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	86				
	304-2 Significant impacts of activities, products and services on biodiversity	86				
Social Responsibility						
GRI 3: Material Topics 2021	3-3 Management of material topics	137				
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	137 - 144				
Data Privacy & Cybersecurity						
GRI 3: Material Topics 2021	3-3 Management of material topics	49				
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	There were no substantiated complaints concerning breaches of customer privacy and losses of customer data in 2025.				G6. Data Privacy

GRI STANDARD OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GCC ESG Reporting Metrics
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
Customer Relations						
GRI 3: Material Topics 2021	3-3 Management of material topics	114				
GRI 416: Customer Health and Safety 2016	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	No incidents				
Economic Impact						
GRI 3: Material Topics 2021	3-3 Management of material topics	90				
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	92				
	201-2 Financial implications and other risks and opportunities due to climate change	30, 46				
	201-3 Defined benefit plan obligations and other retirement plans	90				
GRI 203: Indirect Economic Impacts 2016	203-2 Significant indirect economic impacts	77				
GRI 207: Tax 2019	207-1 Approach to tax	94				
	207-2 Tax governance, control, and risk management	94				
Diversity & Inclusion						
GRI 3: Material Topics 2021	3-3 Management of material topics	127				
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	39, 40				S4. Gender Diversity
	405-2 Ratio of basic salary and remuneration of women to men	132				G1. Board Diversity
Product Quality, Safety, & Stewardship						
GRI 3: Material Topics 2021	3-3 Management of material topics	114				
GRI 417: Marketing and Labeling 2016	417-2 Incidents of non-compliance concerning product and service information and labeling	113 - 114				S2. Gender Pay Ratio

GRI STANDARD OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GCC ESG Reporting Metrics
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
Supply Chain Management						
GRI 3: Material Topics 2021	3-3 Management of material topics	103 - 104				G4. Supplier Code of Conduct
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	111				
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	108				
	308-2 Negative environmental impacts in the supply chain and actions taken	108, 110				
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	108				
	414-2 Negative social impacts in the supply chain and actions taken	108				

Topics determined as material to the company but not covered by GRI Topic Standards

TOPIC						
Risk Management & Business Continuity						
GRI 3: Material Topics 2021	3-3 Management of material topics	47	49			
Innovation & Digital Transformation						
GRI 3: Material Topics 2021	3-3 Management of material topics	116 - 117				
Process Safety & Asset Integrity						
GRI 3: Material Topics 2021	3-3 Management of material topics	62				

Appendix C: IFRS Alignment

IFRS S1 Disclosures			
IFRS S1 Category	Index	Disclosure content	Reference
Governance	S1.27	<p>Governance</p> <p>a) Describe governance processes, controls, and procedures used to monitor, manage, and oversee sustainability-related risks and opportunities</p> <p>b) Explain how governance supports identification and management of sustainability-related risks and opportunities</p> <p>c) Enable understanding of governance's role in sustainability oversight for users of financial reports</p>	38, 44 - 46
	S1.27	<p>Board role</p> <p>Board committee or equivalent body's oversight of sustainability-related risks and opportunities including responsibilities, skills and competencies, frequency and form of communication and process for overseeing the company's strategy, making decisions and setting targets for managing sustainability-related risks and opportunities including how performance is linked to remuneration policies</p>	39 - 40
	S1.27	<p>Management role</p> <p>Management level committee or equivalent body to manage and oversee sustainability-related risks and opportunities including delegation of roles and controls and procedures used and integration with other control functions</p>	39 - 40
Strategy	S1.28	<p>Strategy</p> <p>a) Describe the entity's strategy for managing sustainability-related risks and opportunities</p> <p>b) Explain how the strategy addresses key sustainability issues and aligns with long-term objectives</p>	
	S1.29	<p>Sustainability-Related Financial Disclosures</p> <p>a) Disclose sustainability-related risks and opportunities that could reasonably affect the entity's prospects</p> <p>b) Explain current and anticipated effects on the business model and value chain</p> <p>c) Describe impacts on strategy and decision-making</p> <p>d) Identify effects on financial position, performance, and cash flows in the short, medium, and long term</p> <p>e) Assess resilience of strategy and business model to sustainability-related risks</p>	47, 90 - 91
	S1.30	<p>Sustainability-related risks and opportunities</p> <p>a) Describe sustainability-related risks and opportunities expected to affect Sadara</p> <p>b) Define time horizon - short/ medium/ long</p> <p>c) Explain time horizon selection and link to planning horizons and strategic decision-making</p>	24, 28 - 30

IFRS S1 Disclosures			
IFRS S1 Category	Index	Disclosure content	Reference
Strategy	S1.31	<p>Time Horizons</p> <p>a) Define short-, medium-, and long-term time horizons based on entity-specific and industry-specific factors</p>	-
	S1.32	<p>Business Model and Value Chain</p> <p>a) Describe current and anticipated effects of sustainability-related risks and opportunities on the business model and value chain</p> <p>b) Identify where risks and opportunities are concentrated (e.g., geography, facilities, asset types)</p>	11 - 12
	S1.33	<p>Strategy and Decision-Making</p> <p>a) Explain how the entity has responded or plans to respond to sustainability-related risks and opportunities</p> <p>b) Disclose progress against previously disclosed plans, using both quantitative and qualitative information</p> <p>c) Describe trade-offs considered in strategic decisions (e.g., environmental vs. social impacts)</p>	24 - 30
	S1.34	<p>Current and Anticipated Financial Effects</p> <p>a) Disclose current effects of sustainability-related risks and opportunities on financial position, performance, and cash flows</p> <p>b) Explain anticipated future effects over short, medium, and long term, considering integration into financial planning</p>	90 - 92
	S1.35	<p>Financial Position, Financial Performance and Cash Flows</p> <p>a) Provide quantitative and qualitative information on current financial impacts of sustainability-related risks and opportunities</p> <p>b) Disclose risks and opportunities that could lead to material adjustments in asset or liability values within the next reporting period</p> <p>c) Explain expected changes to financial position over short, medium, and long term, considering investment/disposal plans and funding sources</p> <p>d) Describe expected changes to financial performance and cash flows over short, medium, and long term, based on sustainability strategy</p>	90 - 92
Risk	S1.41	<p>Resilience of Strategy and Business Model</p> <p>a) Disclose the entity's capacity to adapt to uncertainties from sustainability-related risks</p> <p>b) Provide a qualitative—and where applicable, quantitative—assessment of the resilience of strategy and business model</p> <p>c) Include information on how the assessment was conducted and the time horizon used</p>	47 - 48
	S1.44	<p>Risk Management</p> <p>a) Processes/related policies to identify, assess, prioritize and monitor sustainability-related risks</p> <p>b) Processes/related policies to identify, assess, prioritize and monitor sustainability-related opportunities</p> <p>c) Describe integration into the overall risk management process</p>	47 - 48

IFRS S1 Disclosures			
IFRS S1 Category	Index	Disclosure content	Reference
Metrics and Targets	S1.46	Metrics Disclosure Requirements a) Disclose metrics related to sustainability-related risks and opportunities deemed to be material b) Disclose entity-specific metrics used to measure and monitor: i. The sustainability-related risk or opportunity ii. Performance and progress toward internal and regulatory targets	23 - 24
	S1.48	Industry-Specific Metrics a) Disclose metrics relevant to the entity's business model, activities, or industry-specific characteristics ensuring alignment with common industry practices and risks	26
	S1.49	Non-IFRS Metrics a) If using metrics from sources other than IFRS Sustainability Disclosure Standards, disclose both the source and the metric used	31 - 34
	S1.50	Entity-Developed Metrics a) Disclose how the metric is defined, including any adjustments from external sources and differences from those sources b) Specify whether the metric is absolute, relative, or qualitative c) Indicate whether the metric is third-party validated, and by whom d) Explain the calculation method, inputs, assumptions, and limitations	26
	S1.51	Targets Disclosure Requirements a) Disclose targets set by the entity and those required by law or regulation	37, 52, 67, 89, 123
	S1.52	Consistency of Metrics Over Time a) Definitions and calculations of metrics (including those used for targets) remain consistent over time b) If a metric is redefined or replaced, disclose a revised comparative amount, explain the changes and reason for change	26
	S1.53	Clarity in Metrics and Targets a) Label and define all metrics and targets using meaningful, clear, and precise names and descriptions	37, 53, 67, 89, 123

IFRS S2 Disclosures			
IFRS S2 Category	Index	Disclosure content	Reference
Governance	S2.6	Governance a) Describe governance processes, controls, and procedures used to monitor, manage, and oversee climate-related risks and opportunities b) Explain how governance supports identification and management of climate-related risks and opportunities c) Enable understanding of governance's role in sustainability oversight for users of financial reports	38 - 40, 41
	S2.6	Board role Board committee or equivalent body's oversight of sustainability-related risks and opportunities including responsibilities, skills and competencies, frequency and form of communication and process for overseeing the company's strategy, making decisions and setting targets for managing climate-related risks and opportunities including how performance is linked to remuneration policies	39 - 40
	S2.6	Management role Management level committee or equivalent body to manage and oversee climate-related risks and opportunities including delegation of roles and controls and procedures used and integration with other control functions	39 - 40
Strategy	308-2	Strategy a) Describe the entity's strategy for managing sustainability-related risks and opportunities b) Explain how the strategy addresses key sustainability issues and aligns with long-term objectives	
	S1.29	Sustainability-Related Financial Disclosures a) Disclose sustainability-related risks and opportunities that could reasonably affect the entity's prospects b) Explain current and anticipated effects on the business model and value chain c) Describe impacts on strategy and decision-making d) Identify effects on financial position, performance, and cash flows in the short, medium, and long term e) Assess resilience of strategy and business model to sustainability-related risks	47, 90 - 91
	S1.30	Sustainability-related risks and opportunities a) Describe sustainability-related risks and opportunities expected to affect Sadara b) Define time horizon - short/ medium/ long c) Explain time horizon selection and link to planning horizons and strategic decision-making	24, 28 - 30

IFRS S2 Disclosures			
IFRS S2 Category	Index	Disclosure content	Reference
Strategy	S2.9	Strategy a) Disclose climate-related risks and opportunities that could reasonably affect the entity's prospects b) Describe current and anticipated effects on the business model and value chain c) Explain impacts on strategy and decision-making, including the entity's climate transition plan d) Disclose effects on financial position, performance, and cash flows—both current and anticipated across short, medium, and long term e) Provide an assessment of the climate resilience of the entity's strategy and business model	47, 68, 70
	S2.10	Climate-Related Risks and Opportunities a) Describe climate-related risks and opportunities that could reasonably affect the entity's prospects b) Classify each risk as either a physical risk or a transition risk c) Specify the time horizon (short, medium, long term) over which each risk or opportunity may occur d) Define what the entity considers as short, medium, and long term, and link these to strategic planning horizons	47, 68, 70
	S2.12	Industry-Based Guidance Reference a) When identifying climate-related risks and opportunities, did the entity refer to and consider the applicability of industry-based disclosure topics in the Industry-based Guidance on Implementing IFRS S2	-
	S2.13	Effects on Business Model and Value Chain a) Describe the current and anticipated effects of climate-related risks and opportunities on the entity's business model and value chain b) Identify where these risks and opportunities are concentrated (e.g., by geography, facility, or asset type)	84
	S2.14	Strategy and decision-making a) Response to climate-related risks and opportunities b) Funding of response actions to climate-related risks and opportunities c) Information on progress	68 - 70
	S2.15	Current and Anticipated Financial Effects a) Disclose the current effects of climate-related risks and opportunities on financial position, performance, and cash flows during the reporting period b) Disclose anticipated effects over the short, medium, and long term, including how these are incorporated into financial planning	80 - 82

IFRS S2 Disclosures			
IFRS S2 Category	Index	Disclosure content	Reference
Strategy	S2.16	Detailed Financial Impact Disclosures a) Provide quantitative and qualitative information on how climate-related risks and opportunities have affected financial position, performance, and cash flows during the reporting period b) Identify climate-related risks and opportunities that may lead to material adjustments to asset or liability values in the next reporting period c) Explain expected changes to financial position over short, medium, and long term, considering: i. Investment and disposal plans (e.g., CapEx, divestments, innovation) ii. Planned sources of funding d) Describe expected changes to financial performance and cash flows over time, based on the entity's climate strategy (e.g., low-carbon revenue, physical climate impacts, adaptation costs)	47, 68
	S2.21	Disclosure When Quantitative Information Is Omitted a) Explain why quantitative information is not provided b) Provide qualitative information, including affected financial statement line items, totals, and subtotals c) Disclose quantitative information on combined financial effects with other climate-related risks and factors, unless such disclosure would not be useful	NA
	S2.22	Climate resilience a) Climate resilience for reporting period b) Climate-related scenario analysis	70
	Risk Management	S2.25	Risk Management a) Processes/ related policies to identify, assess, prioritize and monitor climate-related risks b) Processes/ related policies to identify, assess, prioritize and monitor climate-related opportunities c) Describe integration into the overall risk management process

IFRS S2 Disclosures			
IFRS S2 Category	Index	Disclosure content	Reference
Metrics and Targets	S2.28	Metrics and Targets Disclosure Requirements a) Disclose information relevant to cross-industry metric categories b) Disclose industry-based metrics linked to business models and activities c) Report on climate-related targets set by the entity or required by law, including metrics used by governance or management to track progress	67, 71
	S2.29	Metrics and targets a) Scope 1/2/3 GHG (Scope 3 operational) b, c and d) Climate-related transition and physical risks and opportunities	71
	S2.32	Industry-Based Metrics Disclosure a) Disclose industry-based metrics linked to specific business models, activities, or common industry features b) Did the entity refer to and consider the Industry-based Guidance on Implementing IFRS S2 when determining applicable industry metrics	70 - 71
	S.2.33	Climate-Related Targets Disclosure a) Disclose the metric used to set each target (see B66-B67) b) State the objective of the target (e.g., mitigation, adaptation, science-based alignment) c) Specify the scope of the target (entity-wide or specific units/ regions) d) Indicate the period over which the target applies e) Identify the base period for measuring progress f) Include milestones and interim targets g) For quantitative targets, specify if absolute or intensity-based h) Explain how the latest international climate agreements and jurisdictional commitments have influenced the target	67 - 70
	S.2.34	Approach to Target Setting and Monitoring a) Disclose whether the target and its setting methodology have been third-party validated b) Describe the entity's processes for reviewing targets c) Specify the metrics used to monitor progress d) Explain any target revisions and the reasons for changes	67, 70
	S.2.35	Performance Against Targets a) Disclose performance results for each climate-related target b) Provide analysis of trends or changes in performance over time	67

IFRS S2 Disclosures			
IFRS S2 Category	Index	Disclosure content	Reference
Metrics and Targets	S.2.36	Greenhouse Gas Emissions Targets Disclosure a) Specify which greenhouse gases are covered by the target b) Indicate whether the target covers Scope 1, Scope 2, or Scope 3 emissions c) State if the target is a gross or net greenhouse gas emissions target; if net, also disclose the associated gross target d) Disclose if the target was derived using a sectoral decarbonisation approach e) Explain planned use of carbon credits for net targets, including: i. Extent and manner of reliance on carbon credits ii. Third-party verification or certification schemes iii. Type of carbon credits (nature-based, technological removals, reduction/removal) iv. Additional factors relevant to credibility and integrity (e.g., permanence assumptions)	67, 70, Appendix
	S.2.37	Reference to Metrics for Target Setting and Monitoring a) When identifying and disclosing metrics used for target setting and progress monitoring, did the entity consider: i. Cross-industry metrics ii. Industry-based metrics, including those in applicable IFRS Sustainability Disclosure Standards iii. Metrics that meet IFRS S1 requirements	67, 70 - 71

Appendix D: SASB Alignment

Relevant SASB Industry	Topic	Metric	Unit of Measure	Relevant SASB Code	Page number(s) and/or direct answers
Chemicals	Greenhouse Gas Emissions	Gross global Scope 1 emissions	Metric tons (t)	RT-CH-110a.1	71
		Percentage covered under emissions-limiting regulations	Percentage (%)		70 - 71
		Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	n/a	RT-CH-110a.2	Not Applicable
	Air Quality	Air emissions of NO _x (excluding N ₂ O)	Metric tons (t)	RT-CH-120a.1	73
		Air emissions of SO _x	Metric tons (t)		73
		Air emissions of volatile organic compounds (VOCs)	Metric tons (t)		73
		Air emissions of hazardous air pollutants (HAPs)	Metric tons (t)		73
	Energy Management	Total energy consumed	Gigajoules (GJ)	RT-CH-130a.1	75
		Percentage grid electricity	Percentage (%)		Not Applicable
		Percentage renewable	Percentage (%)		75
		Total self-generated energy ²	Gigajoules (GJ)		75
	Water Management	Total water withdrawn	Thousand cubic meters (m ³)	RT-CH-140a.1	78
		Total water consumed	Thousand cubic meters (m ³)		78
		Percentage of each in regions with High or Extremely High Baseline Water Stress	Percentage (%)		78
		Number of incidents of non-compliance associated with water quality permits, standards, and regulation	Number	RT-CH-140a.2	78
		Description of water management risks and discussion of strategies and practices to mitigate those risks	n/a	RT-CH-140a.3	78
	Hazardous Waste Management	Amount of hazardous waste generated, percentage recycled ³	Metric tons (t)	RT-CH-150a.1	80
		Percentage recycled ³	Percentage (%)		82
	Community Relations	Discussion of engagement processes to manage risks and opportunities associated with community interests	n/a	RT-CH-210a.1	137
	Workforce Health & Safety	Total recordable incident rate (TRIR)	Rate	RT-CH-320a.1	58
Fatality rate for direct employees		Rate	58		
Fatality rate for contract employees		Rate	58		
Description of efforts to assess, monitor, and reduce exposure of employees and contract workers to long-term (chronic) health risks		n/a	RT-CH-320a.2	54 - 56	

Relevant SASB Industry	Topic	Metric	Unit of Measure	Relevant SASB Code	Page number(s) and/or direct answers
Chemicals	Safety & Environmental Stewardship of Chemicals	Percentage of products that contain Globally Harmonized System of Classification and Labeling of Chemicals (GHS) Category 1 and 2 Health and Environmental Hazardous Substances	Percentage (%) by revenue	RT-CH-410b.1	96
		Percentage of such products that have undergone a hazard assessment	Percentage (%)		96
		Discussion of strategy to manage chemicals of concern	n/a	95 - 98	
		Discussion of strategy to develop alternatives with reduced human and/or environmental impact	n/a	RT-CH-410b.2	95
	Genetically Modified Organisms	Percentage of products by revenue that contain genetically modified organisms (GMOs)	Percentage (%) by revenue	RT-CH-410c.1	Not Applicable
	Management of the Legal & Regulatory Environment	Discussion of corporate positions related to government regulations and/or policy proposals that address environmental and social factors affecting the industry	n/a	RT-CH-530a.1	39 - 40
	Operational Safety, Emergency Preparedness & Response	Process Safety Incidents Count (PSIC)	Number	RT-CH-540a.1	62
		Process Safety Total Incident Rate (PSTIR)	Rate		62
		Process Safety Incident Severity Rate (PSISR) ⁶	Rate		Not Applicable
		Number of transport incidents ⁵	Number		RT-CH-540a.2

² Note to RT-CH-130a.1 – The entity shall discuss its efforts to reduce energy consumption and/or improve energy efficiency throughout the production processes.

³ Note to RT-CH-150a.1 – The entity shall disclose the legal or regulatory framework(s) used to define hazardous waste and recycled hazardous waste, and the amounts of waste defined in accordance with each applicable framework.

⁴ Note to RT-CH-540a.1 – The entity shall describe incidents with a severity rating of 1 or 2, including their root cause, outcomes, and corrective actions implemented in response.

⁵ Note to RT-CH-540a.2 – The entity shall describe significant transport incidents, including their root causes, outcomes, and corrective actions implemented in response.

⁶ Note to RT-CH-000.A – Production should be disclosed for each of the entity’s reportable segments, where products and service segments are determined according to FASB ASC 280-10 and production is reported as weight for solid products and volume for liquid and gas products.

Appendix E: External Assurance Statement

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Sadara

