

# RESPONSIBLE CHEMISTRY FOR A SUSTAINABLE FUTURE

SUSTAINABILITY REPORT 2024





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

**Welcome to Sadara Chemical Company’s 2024 Annual Sustainability Report, our seventh consecutive publication detailing our environmental, social, and governance (ESG) performance. At Sadara, we remain deeply committed to advancing a sustainable future for our company, our stakeholders, and the Kingdom of Saudi Arabia. This report has been carefully reviewed and validated by Sadara’s Reporting and Disclosure Committee to ensure that all data and disclosures align with the relevant reporting standards and frameworks.**

## REPORT BOUNDARY

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

## REPORTING PERIOD

The 2024 Sustainability Report covers Sadara’s sustainability performance from Jan 1, 2024, to Dec 31, 2024.

## REPORTING STANDARDS AND GUIDANCE

This report has been written in accordance with Global Reporting Initiative (GRI) standards and aligned with the Saudi Exchange’s (Tadawul) ESG Disclosure guidelines and the Gulf Cooperation Council (GCC) Unified ESG Metrics for Listed Companies.

The information of our 2024 Sustainability Report is also aligned with the United Nations Sustainable Development Goals (UN SDGs), International Financial Reporting Standards (IFRS) and Saudi Vision 2030.

## RESTATEMENTS OF INFORMATION

Certain data has been restated and is presented in the footnotes beneath the corresponding data tables.

## EXTERNAL ASSURANCE

Please see Appendix D.

## FEEDBACK

To improve future versions of this report, we appreciate any feedback. Please contact us at the following email address:

[sustainability@sadara.com](mailto:sustainability@sadara.com)

We would appreciate you taking a few minutes to answer our questions by scanning the QR code on the right.



## 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.





# MESSAGE FROM THE CEO

Sustainability is not just a strategic priority for Sadara, it is a core part of our corporate responsibility and deeply embedded in our culture.

I am pleased to welcome you to Sadara's 2024 Sustainability Report, our seventh annual edition, which highlights our unwavering commitment to ESG excellence.

As a key player in the region's chemical industry, Sadara has both a responsibility and an opportunity to lead with purpose, reduce our environmental footprint, and contribute to a more sustainable future. Our continuous drive to improve all aspects when it comes to sustainability follows the Kingdom's intense focus on combating climate change, improving quality of life, and protecting the environment for future generations. At Sadara, we embrace the challenge as a chance to strive for meaningful change from within.

Sadara's collective achievements in 2024 are something to be proud of. Guided by our values and united in purpose, we strengthened our sustainability framework, improved

our environmental and social impact, and upheld world-class standards in compliance and governance. Our exemplary safety record, with a total recordable injury rate of just 0.04, underscores our enduring commitment to the health and well-being of everyone who works with or for Sadara.

Underlying these achievements is Sadara's Transformation Program, a focused program facilitating the clear identification of our strengths, untapped opportunities, and the ability to confront potential risks with clarity and confidence. The program serves as the engine that drives Sadara forward on a journey that is not only for us and our parent companies, but also for our country and the future generations who will benefit from the foundation we are laying today. As a result, more impactful initiatives were implemented, achieving savings of \$359 million – a testament to our genuine vision for efficient and agile performance.

Our efforts toward sustainability are bolstered by our compre-



**FAYEZ M. ALSHAREF**

Chief Executive Officer

hensive Corporate Social Responsibility (CSR) Strategy. Through this strategy we extend efforts beyond our operations and into the community. Over the course of the year, we expanded our outreach through various environmental awareness campaigns, philanthropic donations, and sponsorships. We launched 44 community-driven initiatives focused on our engagement with local communities. In total, our outreach efforts amounted to an investment of over \$5 million, reflecting our support for environmental stewardship and social responsibilities. These efforts earned Sadara two Gold Awards at the Ministry of Human Resources and Social Development's (MHRSD) Global CSR Forum – a reflection of our leadership in sustainable industrial practices.

Our efforts earned significant prestigious recognition both locally and globally. We were proud to receive the DOW Sustainable Environmental Engagement at Dow (SEED) Award for reducing ethylene boil-off gas flaring at the Mixed Feed Cracker (MFC) and a DOW Tech Center Award for enhancing reactor performance in Isocyanates, specifically through TDI tar reduction. Notably, Sadara received the Global Energy Management Insight Award from the Clean Energy Ministerial, recognizing our leadership in energy performance improvement and the

integration of advanced energy management systems, reinforcing our drive for decarbonization and operational excellence. Sadara was also honored with the Aramco Downstream President Digital Horizons Award for the Real Time Optimization (RTO) of the MFC Plant. Furthermore, we achieved a notable 12% reduction in greenhouse gases (GHG) emissions (Scope 1&2) compared to the 2020 baseline – demonstrating our proactive role in addressing climate change.

These achievements are more than just corporate milestones; they are a testament to our shared ambition, discipline, and dedication to sustainability. I extend my most profound appreciation to our Board of Directors (BOD) for their strategic guidance, to our executive leadership team for steering performance and transformation, and to every Sadara employee whose passion and integrity bring our sustainability vision to life.

As we look to the future, we remain anchored in purpose, driven by innovation, and committed to leading positive change for our business, our communities, and the world around us.



# SADARA AT A GLANCE

GRI 2-1, 2-6

Known for progressive leadership and superior performance, Sadara Chemical Company is one of the driving forces to Saudi Arabia’s downstream strategy and economic growth.

Named Sadara, an Arabic word which means ‘at the forefront,’ Sadara Chemical Company was formed in 2011 through a joint venture (JV) between the Saudi Arabian Oil Company (Saudi Aramco) and the Dow Chemical Company. Today, Sadara is a leader in the Middle East’s production of high-performance plastics and chemicals used to make products that serve the Kingdom’s growing consumption and support emerging economies around the world.

Located in Jubail Industrial City, Sadara encompasses the world’s most extensive single-phase development petrochemical complex. Comprised of 26 world-class manufacturing plants representing an investment of over \$20 billion, the Sadara Chemical Complex has the capacity to produce more than three million metric tons of chemicals annually. Additionally, Sadara is collaborating with the RCYJ for the continuous development of the PlasChem park, a dedicated downstream facility intended to manufacture specific products using Sadara’s products. Through the complex and the PlasChem park, we are transforming the region’s chemical landscape, contributing to the Kingdom’s economic diversification and the ambitions of the Saudi Vision 2030.

Sadara operates a MFC and uses ethane and natural gasoline as feedstock. Through the strategic introduction of state-of-the-art technologies and groundbreaking new products, Sadara continues to lead industrial innovation in the Kingdom. Many of these offerings, including specialty polyurethanes, high alpha olefin polyethylene resins, elastomer resins, polyols, co-polymer polyols, isocyanates, and glycol products, were previously unavailable locally or reliant on imports, these products now help our customers diversify their production and enhance domestic value.



We operate across five key manufacturing domains:



## VISION, MISSION, AND VALUES

### VISION

Lead the evolution of the chemical industry by creating value for Sadara, Saudi Arabia and the world.



### MISSION

Producing chemicals via innovative technologies and operational excellence to enable value-adding products, improved quality of life and a diversified Saudi economy.



### VALUES

1 Safety



2 Integrity



3 Teamwork



4 Efficiency & Effectiveness



5 Learning & Growth





# 2024 SADARA HIGHLIGHTS

## FIRST QUARTER

- Achieved full professional certification for Environment, Health, and Safety (EHS) compliance in alignment with the Occupational Health and Safety (OHS) requirements of the MHRSD.
- Honored by Ruqy Charity for supporting the Student Training Program.
- Sadara hosts Saudi Aramco leaders for executive management safety review.



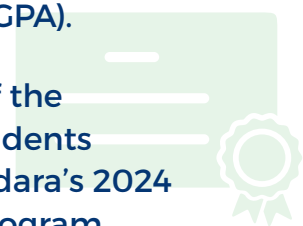
- Celebrated winners of the CEO Awards for outstanding EHS and sustainability performance.
- Recognized by HRH Prince Saud bin Nayef bin Abdulaziz, Governor of the Eastern Province for sponsoring Tarabot Healthcare Programs.
- Organized a Mangrove Plantation Drive on Abu Ali Island in celebration of World Environment Day.
- Local Content success recognized by the LCGPA.
- Sadara participates in Sixth Saudi International Conference on Occupational Health and Safety (OSH), led by CEO Fayez AlSharef.



## SECOND QUARTER

## THIRD QUARTER

- Sadara wins Saudi Aramco Downstream President Digital Horizons Award.
- Received the Global Energy Management Insight Award from the Clean Energy Ministerial (CEM).
- Attained a 50.25% Local Content score in an evaluation by the Local Content and Government Procurement Authority (LCGPA).
- First batch of the university students complete Sadara's 2024 Internship Program.



## FOURTH QUARTER

- Won two Gold Awards at HRSD's inaugural Global CSR Forum for industrial sector leadership and best practices.
- Launched the 'Wattenha' Local Content Program at the Local Content Forum in Riyadh.
- Published the 2023 ESG Report, reinforcing transparency and performance.
- Received the SEED Award for MFC ethylene boil-off gas flaring reduction, and the Tech Center Award for TDI reactor improvement.





# 2024 SADARA SUSTAINABILITY ACHIEVEMENTS

## GOVERNANCE AND INTEGRITY

**Zero**  
Non-Compliance  
Incidents  
Reported.

In 2024, Sadara established a **CISO communication** channel industry-wide via the Ministry of Energy.

**Successful  
execution**  
of 2024 Audit  
Plan Across  
Departments.

Sadara’s business lines achieved full **Saudi  
Aramco Business Continuity (BC)  
compliance** and completed **two major  
continuity drills** on critical operations.

## OCCUPATIONAL HEALTH AND SAFETY

Completed  
**10 Integrated  
Management  
System audits.**

Safely transported Sadara products covering  
over **30 million km** without any major  
transportation incidents.

Sustained a  
Total Recordable  
Injury Rate  
(TRIR) **below  
0.05** for the  
fourth conse-  
cutive year.

Achieved **ZERO Level 1 Process Safety** and  
Containment Events for four consecutive years.

Achieved over **20** emergency preparedness drills,  
maintaining ISS system availability above 98%.

**100% of workers** covered by an Occupational  
Health and Safety Management System.

## CLIMATE CHANGE AND NATURAL RESOURCES CONSERVATION

Achieved  
**zero spill  
incidents**  
in 2024.

Received the **Energy Leadership Insight Award**  
from the Clean Energy Ministerial.

Recycled  
**52.2%**  
of our total  
waste  
generated.

**Completed the low Carbon fuel switch project**  
in Q4-2024, contributing to a 1% GHG reduction for  
imported fuels compared to 2022.

Reduced total GHG intensity by **11.78%** compared  
to 2022.

## BUSINESS GROWTH AND OPERATIONAL EXCELLENCE

Total  
capitalization  
reached  
**\$127 million.**

Achieved **record-low Defects Per Million  
Opportunities (DPMO)** in 2024, demonstrating  
enhanced product quality and customer satisfaction.

Expanded  
our local  
supplier  
network to  
**2,523  
contracted  
partners.**

Achieved **ZERO non-compliance incidents**  
in 2024 related to health and safety of our  
products, services, and supply chain.

Achieved a record-breaking **92.8% prime  
production rate** for elastomers.

## PEOPLE AND COMMUNITY

**100%**  
**employee  
return rate**  
after leave.

**100% of Sadara  
employees** receive  
biannual performance  
and career reviews.

**77.65%** of Sadara’s  
full-time workforce  
were Saudi nationals  
in 2024.

Achieved a  
**75% increase**  
in donations  
and sponsor-  
ships.

Increased community investments by **11.5%**  
and local programs by 76%.



# DRIVING SUSTAINABLE IMPACT





WHAT MATTERS MOST:

# SADARA'S DOUBLE MATERIALITY ASSESSMENT

GRI 2-25, 3-1

Sadara's strategic direction and our approach to sustainability is closely aligned with the interests and expectations of our stakeholders as well as evolving Sustainability standards, best practices within the global chemical sector, and sustainability-related industry trends. Periodically, we conduct in-depth materiality assessments to ensure our ongoing alignment with these priorities, issues, and trends.

In 2024, we undertook a comprehensive double-materiality assessment for this purpose. In the context of Sadara's sustainability strategy and disclosure, this double-materiality assessment assessed the impact of environmental, social, and governance topics on our business (financial materiality), as well as the impact of our business on society and the environment (impact materiality).

Conducted in accordance with the GRI Standards and other world-class assessment processes for double materiality, the assessment included a review of existing ESG topics identified as material to Sadara via previous materiality assessments and benchmarking against leading chemical sector peers.

The process also encompassed a series of stakeholder engagement activities, including targeted engagement sessions, surveys, and one-on-one consultations with internal and external stakeholders to gather insights on priority issues and emerging trends.

The double materiality process resulted in a refined list of material topics updated to better reflect Sadara's current position, operational realities, and future strategic direction. Some of the most notable changes in our materiality topics for 2024 include the merging of Circular Economy and Waste Management into a single material topic, as well as the addition of new topics that directly reflect the most current stakeholder concerns, including Air Quality, and Process Safety & Asset Integrity. Other material topics have been renamed and/or expanded to better encompass Sadara's holistic approach to health, innovation, and social responsibility.

For example, "Occupational Health & Safety" was updated to "Occupational Health, Safety & Well-being" to reflect a more comprehensive view of employee health. "Employee Engagement & Satisfaction" became "Talent Development & Employee Experience" to cover the full employee lifecycle, while "CSR & Community Engagement" was renamed "Social Responsibility" to broaden its scope to wider social impact efforts. Additionally, "Product Risk & Stewardship" was expanded into "Product Quality, Safety & Stewardship," and "Product & Technology Innovation" was merged with "Digital Transformation" under the new topic "Innovation & Digital Transformation." These refinements ensure our material topics are aligned with current stakeholder priorities and operational focus areas.

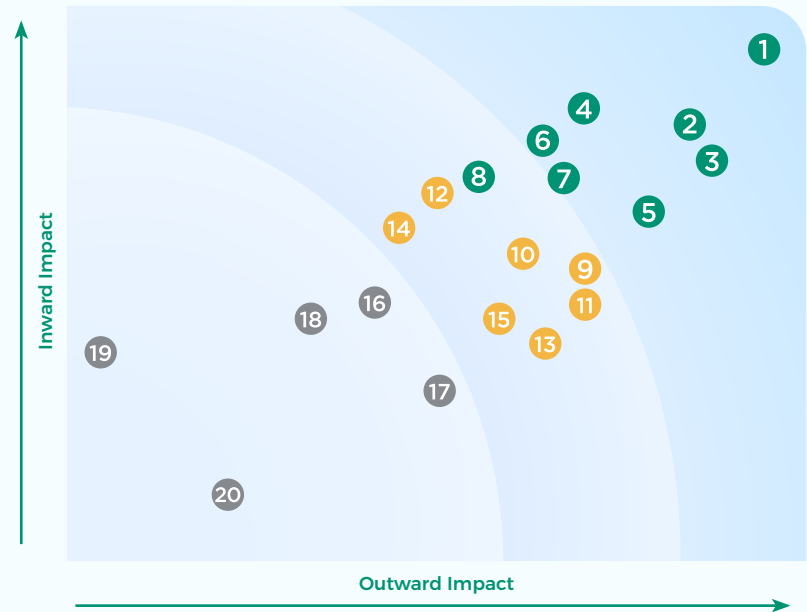
This refined and updated list of material topics directly reflects our most current understanding of stakeholder needs and expectations, industry trends and challenges, and ESG opportunities for 2024 and beyond.





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**

  - 1 Occupational Health, Safety & Well-being
  - 2 Economic Impact
  - 3 Product Quality, Safety, & Stewardship
  - 4 Climate Change & GHG Emissions
  - 5 Data Privacy & Cybersecurity
  - 6 Process Safety & Asset Integrity
  - 7 Ethics, Governance, & Compliance
  - 8 Human Rights Management
- MORE IMPORTANT**

  - 9 Air Quality
  - 10 Customer Relations
  - 11 Energy Management
  - 12 Innovation & Digital Transformation
  - 13 Talent Development & Employee Experience
  - 14 Water Management
  - 15 Supply Chain Management
- IMPORTANT**

  - 16 Social Responsibility
  - 17 Risk Management & Business Continuity
  - 18 Circular Economy & Waste Management
  - 19 Biodiversity
  - 20 Diversity & Inclusion

STAKEHOLDER ENGAGEMENT

GRI 2-16, 2-29

Sadara deeply values the relationship with key stakeholder groups, including the individuals, entities, and organizations most impacted by our company and our activities, including our investors and shareholders, government entities and regulators, employees, customers, suppliers, contractors, local communities, and civil society groups. Knowing their insights, needs, and priorities play a vital role in shaping our strategic direction and driving continuous improvement. We actively communicate with our stakeholders through a variety of channels, ensuring they remain up to date on our performance – and have the chance to share feedback with us. Input from stakeholders is also directly factored into our business planning and scheduling processes.

Our approach to building trusting, collaborative relationships with our stakeholders is driven by Sadara’s strong commitment to communication and transparency. Throughout the year, our teams engage directly with relevant stakeholder groups on a day-to-day basis, as well as through a range of purposeful communications and engagement activities. These include routine review meetings on a daily, weekly or monthly basis via both online and face-to-face meetings; ad-hoc exchanges via email and telephone, and regular email communication.

Each year, we also conduct collaborative stakeholder workshops and stakeholder surveys to gather broader insight into stakeholder needs, priorities, and satisfaction levels, plus provide formal annual communications including our sustainability report.



All Sadara stakeholders are invited to share feedback, including complaints and queries, with Sadara via our regular engagement channels or [https://www.sadara.com/en/Contact\\_Us](https://www.sadara.com/en/Contact_Us).





OUR PATH FORWARD:  
SUSTAINABILITY STRATEGY AND  
SUSTAINABILITY FRAMEWORK

Launched in 2020, our five-year sustainability strategy is underpinned by five key pillars encompassing 10 strategic goals and 24 key performance indicators (KPIs) that reflect the most materially important topics for our stakeholders and our company. Sadara’s Sustainability Council is responsible for overseeing implementation of the strategy and driving progress towards our strategic objectives.

STRATEGIC PILLARS	STRATEGIC GOALS	KPIs
Governance & Integrity	1. Strengthen Corporate Governance	Ensure validity of all company certificates Maintain level of implementation for Corporate Operating Discipline Management System (ODMS)
	2. Ensure Business Ethics and Integrity	Increase Supplier Code of Conduct acknowledgment Reduce number of grievances
Occupational Health & Safety	3. Achieve World-Class Health and Safety Performance	Maximize employees' Medical Check-up Program Improve Total Recordable Injury Rate Maintain Global Harmonization System implementation Control Transportation Incident L1 Rate
	4. Promote Product Stewardship Practices	Minimize Process Safety & Containment Event-L1 Rate

STRATEGIC PILLARS	STRATEGIC GOALS	KPIs
Climate Change & Natural Resources Conservation	5. Minimize Environmental Impact	Reduce GHG intensity Reduce energy intensity Reduce water intensity
	6. Support Circular Economy	Reduce material effectiveness intensity Reduce plastic pellet losses
Business Growth & Operational Excellence	7. Ensure Operational Excellence	Enhance Product Supply Reliability (PSR) DPMO
	8. Support Downstream Industry Local Content	Increase number of PlasChem Park tenants Increase percentage of spending on local suppliers
People & Community	9. Strengthen the Value of Employee Proposition	Increase employee engagement score Accelerate Saudization Increase employee training hours and development programs Increase the rate of women's inclusion and employment
	10. Support the Local Community	Increase community engagement initiatives Raise employee volunteering hours



# GLOBAL IMPACT: ADVANCING THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

Sadara fully supports the global ambitions of the UN SDGs. As part of our commitment to advancing the sustainable development of Saudi Arabia, we are dedicated to supporting our region's contributions towards the SDGs.

Governance & Integrity

8 DECENT WORK AND ECONOMIC GROWTH

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

17 PARTNERSHIPS FOR THE GOALS

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 Intergration & Operations Excellence Department) dedicated to governing Sadara's Operating Discipline Management System (ODMS).
- ▶ Third-party auditors certified 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 SDG Ambition Program.

Occupational Health & Safety

3 GOOD HEALTH AND WELL-BEING

8 DECENT WORK AND ECONOMIC GROWTH

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

CONTRIBUTIONS

- ▶ Ensures facilities, resources and management systems are available for the safe & secure operation of Sadara.
- ▶ Encourages a healthy balance between work and personal life for employees.
- ▶ Promotes sustainability and 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 Global Harmonization System implementation.
- ▶ Conducts yearly health related campaigns for Sadara employees.

Climate Change & Natural Resources Conservation

11 SUSTAINABLE CITIES AND COMMUNITIES

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

13 CLIMATE ACTION

14 LIFE BELOW WATER

15 LIFE ON LAND

CONTRIBUTIONS

- ▶ GHG emissions management aiming towards net zero.
- ▶ Maintains ISO 50001:2018 Energy Management System (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 & Operational Excellence

7 AFFORDABLE AND CLEAN ENERGY

8 DECENT WORK AND ECONOMIC GROWTH

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

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 & Community

3 GOOD HEALTH AND WELL-BEING

4 QUALITY EDUCATION

5 GENDER EQUALITY

10 REDUCED INEQUALITIES

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 especially by marking the related International Days on Sadara social media.



# NATIONAL ALIGNMENT: SUPPORTING VISION 2030 & THE SAUDI GREEN INITIATIVE

Designed to guide Saudi Arabia’s sustainable transition and support the Kingdom’s efforts to address climate change, the **Saudi Green Initiative** has three objectives: emissions reduction, afforestation with land regeneration, and environmental protection. Sadara’s support for these objectives is encompassed by our sustainability strategy, which includes continual improvement on environmental efforts on optimizing energy, reducing emissions, conserving water, minimizing waste and increasing our recycling.

Sadara’s strategy and operations fully support the pillars of **Saudi Vision 2030**, aligning with its aims to drive positive change in Saudi society and the environment through the following:



## VIBRANT SOCIETY

focuses on creating a vibrant society in which all citizens can thrive and pursue their passions. A strong social infrastructure is underpinned by a society that values cultural traditions, national pride, and modern amenities all while embodying the spirit of Islam and providing effective services.

### ALIGNMENT

- ▶ 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 98% 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 82% 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.



## THRIVING ECONOMY

centers around creating an environment that supports economic growth and job creation for all Saudis by leveraging our unique location and potential, attracting top talent, and increasing global investment.

### ALIGNMENT

- ▶ 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 5% female employment by 2025.
- ▶ Completing the Sadara Railway Project to enhance efficiency in product transportation.



## AN AMBITIOUS NATION

aims to create a nation committed to efficiency and accountability at all levels, including building a government that is effective, transparent, accountable, empowering and high performing.

### ALIGNMENT

- ▶ 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 & INTEGRITY



# GOVERNANCE & INTEGRITY

STRATEGIC GOALS	KPIs	UNIT	2024 PERFORMANCE	2024 TARGET	2025 TARGET
1. Strengthen Corporate Governance	Ensure validity of all company certificates	Percentage	100	100	100
	Maintain level of implementation for Corporate ODMS	Percentage	90	90	> 90
2. Ensure Business Ethics and Integrity	Increase Supplier Code of Conduct acknowledgment	Percentage	90.5	90	100
	Reduce number of grievances	Number	11	15	14

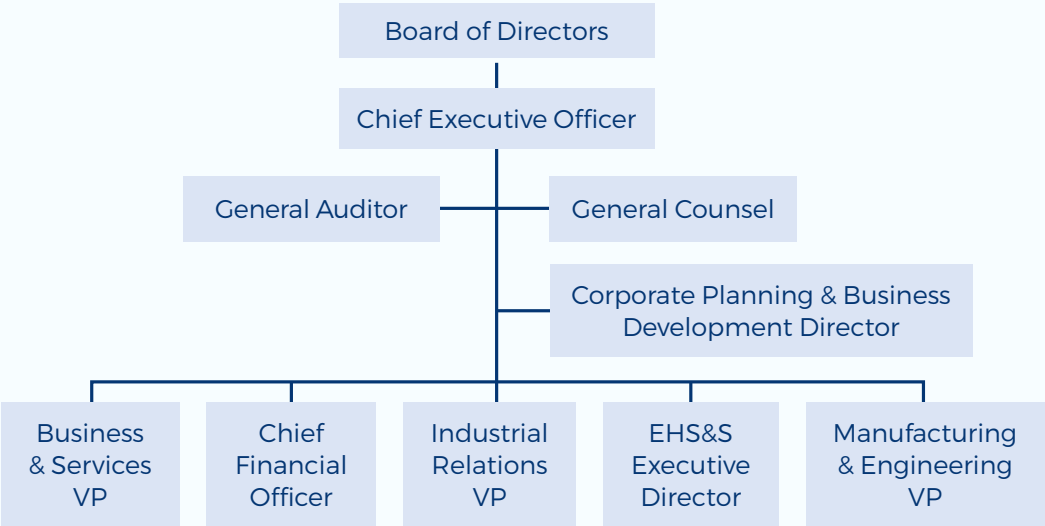
World-class governance practices, business ethics, and rigorous risk and compliance measures are at the core of Sadara’s corporate culture, and the driving force behind our mission to generate long-term value for our stakeholders, strengthen Saudi Arabia’s economy, and improve quality of life for all.



## ORGANIZATIONAL STRUCTURE

GRI 2-9

Sadara’s ownership is divided between two shareholders: Saudi Aramco (65%), and the Dow Chemical Company (35%). Helmed by our Board of Directors and executive leadership team, our corporate governance system is designed to ensure world-class standards of integrity, ethics, and compliance at every level of the company.



BOARD OF DIRECTORS

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

Appointed by founding shareholders Saudi Aramco and Dow, Sadara’s Board of Directors convenes quarterly to review, evaluate and steer the company’s progress, performance, and strategic direction. These meetings also provide the Board with an opportunity to assess Sadara’s sustainability initiatives, ESG achievements, challenges, and opportunities.



**Ashraf A. Al-Ghazzawi**  
Chairman  
Saudi Arabian Oil Company  
(Saudi Aramco)



**John Sampson**  
Deputy Chairman  
Dow Chemical Company



**Dr. Khalid Y. Al Qahtani**  
Board Member  
Saudi Arabian Oil Company  
(Saudi Aramco)



**Nawaf K. Al Dabal**  
Board Member  
Saudi Arabian Oil Company  
(Saudi Aramco)



**Ibrahim M. Al Nitaifi**  
Board Member  
Saudi Arabian Oil Company  
(Saudi Aramco)



**Marco ten Bruggencate**  
Board Member  
Dow Chemical Company



**Moosa Al Moosa**  
Board Member  
Dow Chemical Company



**Charles Swartz**  
Board Member  
Dow Chemical Company

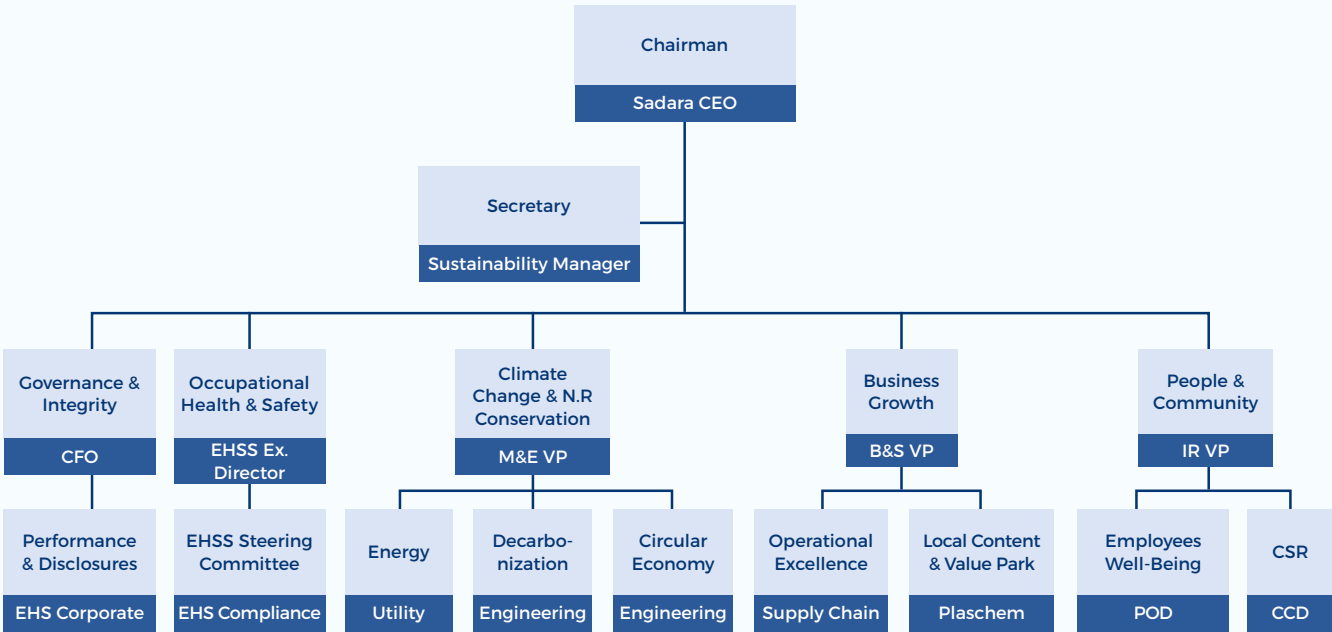
Board of Directors

	Unit	2022	2023	2024
Percentage of Board seats occupied by independent managers	Number	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	1	0	0
Percentage of Board seats occupied by women	Percentage	12.5	0	0
Male members of the Board	Number	7	8	8

SADARA’S COMMITTEES

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

The Board of Directors is supported by a range of leadership committees established to oversee the execution of our corporate strategy and guide the implementation of initiatives designed to drive progress towards our sustainability performance objectives. These committees include Finance; Environmental Health, Safety, and Security, Audit, and Ethics and Compliance.



Sustainability Council

Sadara’s Sustainability Council provides an umbrella of oversight for all existing efforts related to the five pillars of our sustainability strategy. The Council is comprised of several committees, each focused on a particular element of our strategy, including Governance and Integrity; Occupational Health and Safety; Climate Change and Natural Resources Conservation; Business Growth and Operational Excellence, and People and Community. Collectively, these committees oversee initiatives related to their focus area. They also work to enhance engagement with employees, customers, suppliers, regulators, and other stakeholders.





Memberships, Associations, and Certificates



**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 Governmental Conference of Industrial Hygienists (ACGIH)**  
www.acgih.or

Certification



**ISO 50001:2018**  
Energy Management System



**ISO 45001:2018**  
Occupational Health and Safety Management System



**ISO 14001:2015**  
Environmental Management System



**RC 14001**  
Responsible Care Management System



**ISO 9001:2015**  
Quality Management System



**VR Certification** by the United States National Board of Boiler and Pressure Vessel Inspectors



**T/O Certificate of Authorization** by the United States National Board of Boiler and Pressure Vessel Inspectors.



**Local Content Certification** from the LCGPA

INTERNAL AUDIT

Led by our General Auditor, our Internal Audit Department provides internal assurance and consulting services, including monitoring and assessing the effectiveness of our risk management and control processes, and the implementation of our annual audit plan, including special reviews or projects requested by the Board Audit Committee or the management team. The department performs three types of engagements: regular audits, special audits (investigations), and consulting/advisory services. The department closely adheres to the International Standards for the Professional Practice of Internal Auditing established by the Institute of Internal Auditors.

The 2024 Audit Plan was successfully completed, with 13 audits and related audit reports issued on time and within budget to various departments and functions across the company. The audits included key areas such as Governance, Risk and Compliance (GRC), and ESC audits. The department remains committed to executing audits efficiently, ensuring optimal use of resources, and continuously enhancing auditors' knowledge and capabilities in modern audit methodologies.



ETHICS, GOVERNANCE, & COMPLIANCE

OPERATING DISCIPLINE MANAGEMENT SYSTEM

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

Governed by our Site Integration and Operations Excellence department, our ODMS encompasses all policies, processes, requirements, best practices, and procedures necessary for the effective management of our Manufacturing, Engineering, Quality (Products and Technology Innovation), Environmental, Health and Safety, Business and Services, Industrial Relations, and Corporate Business lines. To ensure effective integration and compliance with the ODMS, each department covered by the ODMS must conduct a periodic self-assessment in addition to undergoing an internal audit via our Internal Audit Department.

Sadara recognizes the certification process for ISO and Responsible Care® as a robust tool for sustaining high-quality products, services, and performance through a robust operation and administration system.



SADARA’S 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

Sadara’s deeply ingrained commitment to its core values, including ethical business practices, integrity, respect, equality, and environmental protection, are embedded in the Code of Ethics and Business Conduct, which applies to all Sadara employees, contractors and vendors, as well as to Sadara’s JVs, affiliates or subsidiaries, if any, which adopt the Code.

Designed to protect and enhance Sadara’s reputation and the reputation of the company’s JVs, the Code outlines the standards of behaviour and expectations for living Sadara’s values, collective responsibility, management responsibility, speaking up, no retaliation, and upholding the law, the Code, and company policy.

All employees are obligated to report any behavior that contradicts Sadara’s values, the standards set forth in our Code of Ethics and Business Conduct or the law. To ensure employees can make reports safely, securely, and without fear of reprisal, reports can be made via an anonymous report form on the Sadara website, or by emailing [ethicshotline@sadara.com](mailto:ethicshotline@sadara.com). The company also has an independently hosted General Auditor Hotline in place to provide a confidential way for employees to seek assistance or to report potential violations of ethics and compliance such as conflicts of interest, falsification of documents, inappropriate gifts and entertainment, breaches of confidentiality, misuse of company assets, improper handling or destruction of company records, bribes and kickbacks, bid tampering, inappropriate invoicing, inaccurate reporting of timekeeping or expenses, and theft. Anonymity is retained upon request, and Sadara is fully committed to ensuring no action will be taken against anyone who reports a concern in good faith.

To guard against corruption, Sadara regularly conducts anti-corruption training for all employees. In 2024 the company conducted e-learning sessions on anti-corruption policies to 148 employees, including e-learning sessions specifically focused on fraud prevention and detection awareness. There were no incidents of non-compliance with laws or regulations reported in 2024.

For more information on our Code of Ethics, please visit our **2022** and **2023 Sustainability Reports** via the Sustainability webpage of Sadara: [www.sadara.com](http://www.sadara.com).

There were no incidents of non-compliance with laws or regulations reported in 2024.

Anti-Corruption Training	Unit	2022	2023	2024
Total number of employees that the organization’s anti-corruption policies have been communicated to	Number	62	438	148

RISK MANAGEMENT & BUSINESS CONTINUITY

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

Sadara’s Enterprise Risk Management (ERM) unit plays a central role in identifying, analyzing, and managing strategic and operational risks across the organization. Using an Enterprise Risk Matrix, the ERM team systematically monitors potential threats and develops appropriate mitigation strategies to minimize their impact. The unit works closely with senior leadership to assess both internal and external risks, spanning safety, security, health, environment, operations, finance, strategy, reputation, and business continuity, that could affect the long-term sustainability of Sadara’s operations. By maintaining daily oversight and staying responsive to emerging developments, the ERM unit supports informed decision-making and helps ensure resilience across key business areas.

Looking ahead, we are committed to further strengthening our risk management foundation by enhancing agility and integration across our practices. By aligning ESG considerations with enterprise risk processes, we aim to better anticipate emerging challenges, foster resilience, and consistently deliver long-term sustainable value.

Risk and Opportunities Register

Sadara records all identified risks, including Operational, Compliance and Environmental Health and Safety Risks, in a Risk and Opportunities Register, which is regularly reviewed and updated. The register includes an assessment of the severity, probability, and mitigation measures for all recorded risks in alignment with all relevant compliance and operational standards and requirements.

BUSINESS CONTINUITY

GRI 2-23

Strategic provisions for business continuity in the event of an unanticipated disruption are proactively integrated into our sustainability strategy in alignment with Saudi Aramco’s Business Continuity Management Lifecycle.

These provisions are operationalized through our Business Continuity Management (BCM) process, which provides a systematic approach to prevention, crisis management, and the recovery of key business areas after an unplanned disruption or an emergency. Fully integrated into Sadara’s Corporate Management System Review, the BCM process follows the Plan-Do-Check-Act improvement cycle and involves regular risk assessments, employee training, and investment in resilient infrastructure with the aim of safeguarding our stakeholders and assets, protecting our workforce, ensuring we maintain service reliability, and contributing to a secure, sustainable future.

In 2024, all Sadara Business Lines achieved full compliance with Saudi Aramco’s Business Continuity requirements. We also conducted two major BC drills across Sadara’s main critical business line.



# DATA PRIVACY & CYBERSECURITY

GRI 3-3, 418-1

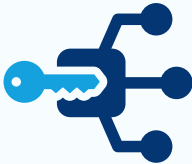
In a highly globalized, fast-evolving business landscape, maintaining rigorous cybersecurity standards, including governance, risk, and compliance, is a core strategic priority. Our Information Security (IS) division is responsible for mitigating cyber risk and safeguarding Sadara’s organizational, informational, and digital assets against internal and external threats in accordance with all government mandates, international guidelines, and best practices.

The IS division deploys a range of tools and measures to strengthen and enhance Sadara’s digital infrastructure, including regular cybersecurity risk assessments, the provision of training for all relevant business units, and an annual cybersecurity capability maturity assessment based on the National Institute of Standards and Technology (NIST), Capability Maturity Model Integration (CMMI) and Cybersecurity Capability Maturity Model (C2M2) frameworks for information and industrial technologies. To cultivate a security-conscious environment and facilitate employee cybersecurity competency, the division also runs continuous cybersecurity awareness campaigns, bi-weekly simulation exercises, and Clear Desk Assessments to ensure all physical documents and devices are secured.

In alignment with our commitment to continuous improvement, in 2024 we established a channel of communication with other Chief Information Security Officers (CISO) in the industry through the Ministry of Energy (MoE). This engagement enables us to benchmark our cybersecurity practices with peers and to share best practices for strengthening the collective cybersecurity of our industry. Our 2024 cybersecurity initiatives also included conducting several cybersecurity risk assessments, running a Security Awareness campaign across the Sadara Enterprise, and improving our compliance scores with respect to Saudi Arabia’s National Cybersecurity Authority (NCA) Controls.



## CYBERSECURITY PENTEST ASSESSMENT



Pentest helped Sadara’s security monitoring team create new logics for the advance detection of cyber risk, with the aim of avoiding financial loss should a cyber-attack occur.



## CYBERSECURITY PENTEST ASSESSMENT

We simulated a cyberattack in the Sadara environment to test the readiness and effectiveness of our **Cybersecurity Incident Response Plan** in the event of a real cyberattack.

## VULNERABILITIES ASSESSMENT



We automated a daily Vulnerability Management report for Demilitarized Zone (DMZ) assets, expanded the range of our vulnerability scans through the addition of more assets and devices, and created additional dashboards to monitor and communicate the vulnerability status of our overall environment to Sadara management.



## CYBERSECURITY MONITORING ASSESSMENT

We completed a use case assessment and conducted an assessment of our Cybersecurity Monitoring System through the addition of further security controls.

For more information on Sadara’s information and cybersecurity, please visit our **2022** and **2023 Sustainability Reports**.





## SUCCESS SPOTLIGHT

### DIGITIZING INTERNAL PROCESSES

#### Streamlining Employee Requests

In 2024, Sadara's Corporate Planning & Business Development (CP&BD) department implemented an end-to-end digital solution for automating employee requests. Aimed at enhancing operational efficiency, improving convenience, and ensuring seamless coordination across departments, the system will be scaled across future iterations to streamline further processes including routing, reviewing, and approving forms electronically, advanced search capabilities for efficient information retrieval, email notifications to personnel, and comprehensive reporting.

#### Automating Audit Reports & Actions

Until recently, all Integrated Management System (IMS) and External Audit data was updated monthly and shared via email with Sadara leadership, and all associated actions resulting from the audits were tracked manually. In 2024, Sadara's IT and assurance teams collaborated on a new system designed to link IMS and External Audit performance reports with Event and Action Tool (E&AT), automate delivery of the reports, and provide access to live data as needed. Currently in the final testing stages, the newly automated system is scheduled to go live with the assurance team in 2025.



# OCCUPATIONAL HEALTH AND SAFETY





# OCCUPATIONAL HEALTH AND SAFETY

STRATEGIC GOALS	KPIs	UNIT	2024 PERFORMANCE	2024 TARGET	2025 TARGET
3. Achieve World-Class Health and Safety Performance	Maximize employees' Medical Check-up Program	Percentage	99.9	95	98
	Improve Total Recordable Injury Rate (TRIR)	Rate	0.04	0.09	0.06
	Minimize Process Safety & Containment Event-L1 Rate	Rate	0	0.04	0.02
4. Promote Product Stewardship Practices	Maintain Global Harmonization	Percentage	100	99	100
	Control Transportation Incident L1 rate	Rate	0	0	0

## HEALTH, SAFETY AND WELL-BEING

GRI 3-3

Keeping people safe is always at the top Sadara’s agenda, and the company strives to foster a safety-first culture that prioritizes both the health and well-being of everyone who is part of Sadara. The company is proud to model world-class standards for health, safety, and well-being.

### Promoting Personal Health

Sadara’s holistic approach to health and safety includes a range of initiatives to facilitate the personal health and well-being of its employees. Through Sadara Health Services, all Sadara employees have access to a range of medical services and health support programs designed to support their physical and mental well-being. In 2024, through a partnership with the College of Medicine at Imam Abdulrahman bin Faisal University, Sadara Health Services provided practical training in occupational medicine for 10 postgraduate fellowship doctors. Based on the overwhelmingly positive feedback for this new program, plans are in place to continue the program, and key metrics are in place to assess the program’s efficacy over the long term.



#### SUCCESS SPOTLIGHT

#### SADARA WELLNESS CHALLENGE

To promote healthier lifestyles, Sadara Health Services ran a weight loss competition for employees from June to October 2024. The initiative focused on weight management through education about diet and calorie control, as well as the importance of regular physical activity. Awareness sessions were also conducted for participants before the challenge, along with training on how to calculate calorie intake, calories burned, and weight loss planning. The 14 week program also featured key milestones including initial and final assessments, and an award ceremony. One hundred and nine employees joined the challenge, and nine participants achieved significant levels of weight loss – a testament to the program’s effectiveness and Sadara’s commitment to creating a culture that supports healthier lifestyles.



HEALTH AND SAFETY PERFORMANCE

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

Sadara’s safety record is a strong testament to the company’s commitment to world-class health and safety standards and practices, and Sadara has a range of practices in place to drive a safety-first culture focused on exceptional EHS performance.

“We are proud to have maintained a strong safety record with zero employee and contractor fatalities since 2021.”

Engaging employees in the continuous improvement of Sadara’s safety standards and practices, encouraging them to share ideas and solutions to promote sustainability and EHS performance, is a key part of the company’s approach. To foster a safety-first mindset and behaviors, Sadara also celebrates safety performance by sharing regular sustainability and EHS reports across the company, providing safety training and education, conducting regular EHS performance reviews, and evaluating its suppliers and service providers. In effect, this ensures their compliance with all EHS regulatory requirements and management system standards in alignment with Responsible Care® guiding principles. We are proud to have maintained a strong safety record with zero employee and contractor fatalities since 2021.

OHS-related KPIs	Unit	2022	2023	2024
Total employee manhours	Number	6,826,393	7,280,816	6,531,788
Total contractor manhours	Number	11,801,449	13,918,180	11,354,035
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	3	2	3
Contractor work-related injury (excluding fatality and high consequence work)	Number	2	2	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

HEALTH AND SAFETY COMMITTEE

The EHS&S steering committee is monitoring Sadara’s Health & Safety performance. All employees are included in the Health and Safety Management System, and the company has a formal joint management-worker health and safety committee in place. Sadara also has an agreement Maintenance Project and Contractor (MPC) in place.

Health and Safety Management	Unit	2022	2023	2024
Workers covered by the Health and Safety Management System	Number	2,987	2,892	2,759
Total workers covered by the Health and Safety Management System	Percentage	100	100	100

Annual Employee’s Medical Check-Up Program	Unit	2022	2023	2024
Employee’s Medical Check-Up Program	Percentage	100	100	99.9

ENVIRONMENTAL HEALTH AND SAFETY MANAGEMENT

GRI 403-1, 403-2

We are dedicated to continuously improving our EHS performance through regular benchmarking against local, regional, and international companies and association, and by upholding leading global EHS standards including RC 14001, ISO 50001, and ISO 45001.

On an operational basis, our EHS performance and management practices are integrated into Sadara’s ODMS through our Environment, Health, and Safety Management System. The system features robust internal processes for risk management and continuous improvement as well as rigorous protocols and procedures for protecting the safety of our employees, contractors, and the communities in which we operate, including EHS ODMS integrated assessments, near-miss reporting, safety observation reporting, a behavior based safety program, and exposure risk assessment.

To demonstrate the effectiveness of the management system, Sadara safely transported 90,000 shipments of finished products to marketers’ locations and completed 47,000 trips where finished products and raw materials move to and from King Fahd Industrial Port (KFIP). In 2024, we safely transported products over 30 million kilometers with zero major transportation incidents.

“In 2024, we safely transported products to over 30 million kilometers with Zero major transportation incidents.”





ENVIRONMENT HEALTH, SAFETY  
AND SECURITY ASSESSMENT PROGRAM

GRI 403-2

Our EHS&S Assessment and Assurance Program promotes a standardized approach, content, and methodology for EHS&S assessments. The EHS&S Integrated Management System Assessment validates our compliance with international EHS&S standards and assesses facilities’ activities, operation, and performance with internal ODMS and external requirements. The results of

these assessments are regularly communicated to employees through meetings, flyers, and Sadara’s intranet which serves as a central platform for sharing revised documents following any Management of Change process. During 2024, we conducted 10 Integrated Management System Audits and one IMS Assessment for our Solvay third-party facility.

The program also facilitates external audits and compliance with leading international certifications and standards. In 2024, this included managing third-party audits for ISO 45001 Recertification, ISO 14001 Surveillance-2, ISO 50001 Surveillance-2, and RC 14001:2015 to RC 14001:2023 Surveillance-1 and transition. To fulfill one of the RC-14001 requirements, we also conducted third-party assessments for two of our waste management facilities (EDCO and AlMajwal).

During 2024, we conducted 10 Integrated Management System Audits and one IMS Assessment for our Solvay third-party facility.

EHS Training

GRI 403-5

Sadara includes all contractors and employees in the EHS training program, ensuring all relevant individuals receive job-specific safety training. These sessions covering a broad range of topics, including process safety, personal safety, chemical spill management, and the correct handling of chemicals with a primary focus on delivering training that has the highest relevance and impact on the safety and well-being of our employees.

Health and Safety Training and Management	Unit	2022	2023	2024
Total hours of HSE training provided to employees	Hours	59,166	24,895	10,488
Average hours of HSE training per employee	Hours	19.8*	8.6*	3.8*
Number of workers covered by an occupational health and safety management system	Number	3,851	2,734	2,787

\* Figure restated.

PROCESS SAFETY & ASSET INTEGRITY

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

To safeguard our operations and assets, Sadara implements the Process Risk Management Standard and Loss Prevention Principles across all chemical manufacturing sites, pipelines, warehouses, and loading/unloading facilities. In addition, we apply a dedicated Reactive Chemicals Standard to proactively manage risks associated with reactive substances.

We systematically identify and manage process safety risks, including Loss of Primary Containment (LOPC) events, which are classified as Level 1 or Level 2 based on their impact. These incidents are promptly addressed and reported to prevent escalation. We are proud to report zero Level 1 Process Safety and Containment Events for the past four consecutive years.

Loss of Primary Containment	Unit	2022	2023	2024
Process Safety and Containment Event- L1	Percentage	0	0	0
Process Safety and Containment Event- L2	Percentage	0.02	0.01	0.01

INDUSTRIAL SECURITY SYSTEM

GRI 418-1

Our Industrial Security approach focuses on safeguarding Sadara’s people and assets, preserving neighboring industries, and protecting the safety of our local communities. To accomplish this, our Industrial Security department is comprised of highly qualified and experienced personnel supported by the latest technologies and our full compliance with the most current procedures.

In 2024, as part of our emergency readiness strategy, we performed more than 96 awareness practice drills focused on emergency preparedness, and we maintained an integrated security system (ISS) performance level of higher than 98% availability. We also conducted over 20 emergency drills and delivered multiple awareness sessions to promote excellence in maintenance and safety performance.







**CLIMATE CHANGE  
AND NATURAL RESOURCES  
CONSERVATION**



# CLIMATE CHANGE AND NATURAL RESOURCES CONSERVATION

STRATEGIC GOALS	KPIs	UNIT	2024 PERFORMANCE	2024 TARGET	2025 TARGET
5. Minimize Environmental Impact	Reduce energy intensity	GJ/metric ton of product	27.882	27.000	26.500
	Reduce GHG intensity	Metric ton CO <sub>2</sub> e/ton of product	1.836	1.800	1.700
	Reduce water intensity	m <sup>3</sup> /metric ton of product	11.304	9.408	9.313
6. Support Circular Economy	Reduce plastic pellet losses	Percentage	0.100	0.500	0
	Reduce material effectiveness intensity	Metric ton material loss/metric ton product	0.108	0.137	0.132

Sadara is continuously contributing to a greener, more resilient future for Saudi Arabia and the region by advancing decarbonization, enhancing energy efficiency, and promoting circular economy practices.

## ENVIRONMENTAL STRATEGY, MANAGEMENT, AND COMPLIANCE

GRI 2-23, 3-3

Our climate change and natural resource conservation strategy is established by Sadara's Climate Change and Natural Resources Conservation Committee, which is a key component of our Sustainability Council. The Committee sets forth organizational approaches that align with our ESG performance targets and the Kingdom's national ambitions, including the Saudi Green Initiative and the Saudi Vision 2030.

All environmental protection and conservation strategies are operationalized through our Sustainability Policy and our Environmental Management System, which are designed to promote resource optimization and minimize our carbon footprint while ensuring full compliance with all applicable environmental regulations and stakeholder requirements.

To drive rigorous environmental governance throughout our operations, we place significant emphasis on maintaining internationally recognized certifications including ISO 14001 environmental management systems certification, ISO 50001 energy management systems certification, and Responsible Care® (RC) 14001, the chemical industry's global initiative. Practiced in 52 countries, RC® 14001 engages chemical companies around the world in working together to improve their health, safety, environmental, and security performance.

We regularly conduct comprehensive internal assessments and third-party audits to guarantee our compliance and drive continuous improvement.

In 2024, we achieved full compliance with all applicable regulatory requirements through the submission of 527 monitoring reports. These reports covered a wide range of environmental aspects, including monthly reports on gas flaring composition, continuous emissions monitoring, odorous chemicals, industrial wastewater, seawater cooling discharge, variance streams, treated effluent, and shutdown/start-up notifications. Annual reports were submitted for stack emissions, fugitive emissions, groundwater monitoring, hazardous substances, and boundary noise surveys. In addition, we submitted quarterly and semi-annual reports on waste transport and disposal, as well as facility compliance status. We also submitted five Environmental Permit Application Packages to RC for the renewal of the Environmental Permit to Operate (EPO).

In line with this strategy, Sadara continues to advance targeted initiatives that reduce GHG emissions across its operations. A dedicated Decarbonization Team works closely with the Energy Management team to ensure that energy efficiency improvements translate into measurable emissions reductions.







SUCCESS SPOTLIGHT

BUILDING ENVIRONMENTAL AWARENESS

Sadara continually engages employees, suppliers, communities, and other stakeholders in topics related to environmental responsibility, climate stewardship, and natural resource conservation as part of our broader commitment to the Saudi Vision 2030 and the Saudi Green Initiative. In 2024, we collaborated with the Royal Commission for Jubail and Yanbu (RCJY) on seven external engagement campaigns to promote environmental conservation, including the Be the Change Campaign, which engaged school students in the importance of protecting our environment.

The program included educational sessions focused on helping students learn about plastic waste and sustainability, a series of awareness lectures conducted with the Royal Commission for Jubail and Al-Murooj Intermediate School, Clean-up Campaigns including beach clean-ups and Mangrove rehabilitation, encouraging sustainable habits at home and school through student and family participation, and a student-led Environmental Club focused on promoting creative products using recycled materials.

CLIMATE CHANGE & GHG EMISSIONS

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

Sadara’s drive to net zero is aligned with national and global targets. The decarbonization strategy encompasses a range of initiatives designed to help us leverage cutting-edge technologies and industry best practices on our path to net zero Scope 1 and Scope 2 GHG emissions by 2050, consistent with our shareholder’s ambitions and the Kingdoms Net Zero 2060. To achieve net zero, the current and short term strategy focuses our efforts on high impact opportunities including enhancing energy efficiency, investing in renewable energy, and optimizing our manufacturing processes.

Drawing insights and data from a detailed emissions analysis, we are continuing to investigate innovative abatement categories such as direct emissions reductions through technology upgrades, indirect emissions reductions through renewable energy solutions and potential carbon capture and storage.

In 2024, our continued shift toward natural gas use in boilers helped reduce reliance on high-carbon liquid fuels, leading to an annual CO<sub>2</sub> emissions reduction of approximately 101,235 metric tons compared to the base year 2020. The reduction is only partial (representing 54% of the expected) since in 2024 the project was completed at the end of the year. Additionally, Sadara received two SEED/Tech Center awards from Dow in recognition of emissions-reducing innovations:

- Reducing ethylene boil-off gas, which minimized flaring and associated emissions.
- Improving reactor performance, specifically through TDI tar reduction in isocyanates, resulting in lower emissions and improved operational efficiency.

Looking ahead, we are also continuing to implement advanced catalytic processes, continually improving thermal efficiencies, and invest in emerging carbon capture technologies –driving even greater impact on our emissions reductions.

GHG and Other Air Emissions

Sadara fully supports the government’s relevant GHG emissions reduction programs such as the Saudi Green Initiative (SGI), which includes the Circular Carbon Economy Framework; and reporting to specific agencies such as the RCJY, and the Ministry of Energy’s Energy Information Center (EIC).

We continuously monitor and track our GHG and non-GHG emissions performance using a standardized GHG calculation and reporting methodology integrated into our Footprint Protocol. This approach ensures both data validity and consistent reporting. We measure GHG intensity as the main indicator, which is expressed as the total Scope 1 and Scope 2 emissions from Sadara’s facilities divided by the total products we sell to the market. In 2024, we reduced our GHG intensity by 12% compared to the base year 2020, and we reduced our total emissions by 17%.

GHG data, along with other selected Sustainability KPIs, undergoes an independent assurance assessment via a 3rd party consultant. The assurance is intended to verify Sadara’s accounting methodology and validate the report GHG performance.



Production Data	Unit	2022	2023	2024
Total products sold	Million metric tons	2.995	2.697	2.937

GHG Emissions	Unit	2022	2023	2024
Direct GHG emissions (Scope 1)	Million metric ton of CO <sub>2</sub> eq	3.764	3.230	3.712
Indirect GHG emissions (Scope 2)	Million metric ton of CO <sub>2</sub> eq	1.732	1.686	1.682
Total GHG Emissions (Sum of Scope 1 and 2)	Million metric ton of CO <sub>2</sub> eq	5.496	4.916	5.394
Emission intensity (total GHG emissions/tons product sold)	Metric ton of CO <sub>2</sub> eq/ton product	1.835	1.823	1.836

AIR QUALITY

Sadara is committed to protecting air quality by minimizing specific pollutant emissions and ensuring full compliance with all regulatory requirements. Air quality is managed under our comprehensive Environmental Protection & Resource Conservation Management System. Additionally, Sadara has an existing EHS&S Policy, which reflects our proactive approach to environmental stewardship, continuous improvement, and alignment with national and international standards.

Our environmental management system ensures that air emissions are routinely tracked, assessed, and reported, with corrective actions taken as needed. In 2024, we maintained stringent control over key air pollutants including nitrogen oxides (NOx), sulfur oxides (SOx), volatile organic compounds (VOCs), carbon monoxide (CO), and particulate matter (PM). NOx and SOx emissions continued their downward trend, reaching 1.26 and 0.39 thousand metric tons respectively. VOC emissions declined by 2.5%, while hazardous air pollutants (HAPs) saw a significant reduction of 53.6%.

The notable improvement in HAPs during 2024 can be attributed to the successful implementation of a new preventive maintenance strategy targeting potential leak sources. By proactively identifying and addressing leaking components such as valves, flanges, and fittings before failure, the strategy minimized fugitive emissions and maintained system integrity. This approach not only reduced unplanned downtime and maintenance costs but also ensured consistent compliance with environmental standards. Enhanced reliability and early detection measures played a critical role in sustaining optimal ambient air quality levels throughout the year.

A key enabler of these outcomes is Sadara’s robust Leak Detection and Repair (LDAR) Program, which supports compliance with the Royal Commission Environmental Regulation (RCER 2015). Since its launch in 2017, the LDAR program has grown to monitor over 75,000 regulated components annually across our facilities. Through semi-annual and annual inspection cycles, the program has consistently achieved a leak repair success rate exceeding 90%, with proactive schedules that significantly limit emissions at the source.

To enhance cost-efficiency, the LDAR program transitioned in 2019 from a time unit rate contract to a work unit rate model, achieving cost savings of approximately ₦10.7 million, an 87.5% reduction in related expenditures, while maintaining operational effectiveness.

Advanced emissions monitoring technologies, including Continuous Emissions Monitoring Systems (CEMS), support the program by enabling real-time tracking and swift corrective actions. These systems are complemented by targeted initiatives to reduce flaring and optimize the efficiency of combustion systems.

Together, these efforts reflect Sadara’s ongoing commitment to responsible and compliant operations. Notably, no significant air quality violations were recorded in 2024. Looking ahead, we remain focused on integrating innovative technologies and best practices to further enhance air quality management and contribute to a healthier environment for our employees and neighboring communities.

Non-GHG Emissions	Unit	2022	2023	2024
NOx emissions (excluding N <sub>2</sub> O)	Thousand metric tons	1.521	1.288	1.311
SOx emissions	Thousand metric tons	0.546	0.525	0.412
VOCs	Thousand metric tons	13.134	11.092	10.813
Hazardous air pollutants	Thousand metric tons	4.105	4.152	1.927

To further track our air quality performance, Sadara monitors the Environmental Action Limit (EAL) as a key performance indicator. The table below outlines actual versus target values over the past three years and includes the 2025 target:

Year	EAL Actual	EAL Target
2022	1,110	1,112
2023	507	1,054
2024	256	877
2025	—	702



ENERGY MANAGEMENT

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

Maximizing energy efficiency is one of Sadara’s strongest opportunities to drive significant impact on our decarbonization, environmental protection, climate change efforts and compliance to specific frameworks and standards. As part of achieving and maintaining ISO 50001:2018 Energy Management System certification, our technical and operational experts continuously focus on driving significant reductions in our energy consumption and costs while ensuring regulatory compliance.

In 2024, Sadara’s energy intensity (EI), expressed as gigajoule/metric ton (GJ/mt), has reduced by 1.75% compared to the base year 2020 and the absolute energy consumption reduction was 7.37% (equivalent to 6,514,810 GJ) compared to the base year.

In 2024, we completed the low Carbon fuel switch project and the imported heavy fuel oil was eliminated at the end of the year. As a result, imported heavy fuel oil was 23.4% lower than 2023. This initiative has led to the development of 7 more energy saving initiatives, which includes the reduction of the % excess Oxygen in the boilers leading to improved efficiency, isolation of the Boiler Feed Water Preheaters leading to Steam savings and lower stack temperature, HFO Preheaters Isolation, decommissioning of the HFO pumping system, isolation of the Atomizing Steam required for liquid fuels, significant reduction of steam wasted in the boilers Soot-blowers, and elimination of the Instrument air required in the Pulsation system of the flue gas treatment package. In addition, our 2024 energy management measures also included completing the optimization of the hot oil heaters in the LDPE plant by reducing excessive heating of hot oil and later being cooled down with fin fan cooler, optimizing wastewater pump operation in the EO plant, an LED lighting upgrade for office areas, and other power saving initiatives.

Sadara is an ISO 50001:2018 certified company since 2022, and this certification serves as a cornerstone of our energy efficiency strategy. In 2024, we successfully passed the 2<sup>nd</sup> third-party surveillance audit, reaffirming our alignment with international standards and commitment to continuous improvement. Additionally, we ensured full compliance with all Saudi Energy Efficiency Center (SEEC) requirements, including annual reporting and measurement & verification processes.

A major milestone in 2024 was receiving the Energy Leadership Insight Award from the Clean Energy Ministerial (CEM). This recognition highlights our successful implementation of the EnMS and how Sadara improves energy efficiency. The entry includes a major energy optimization initiative, the comprehensive Waste Heat Recovery (WHR) system. This generated steam equivalent to 12% of total site demand, and reduced overall site energy intensity by 4.1% over the past three years—surpassing our 2025 target well ahead of schedule. More information is provided in the **CEM website** for the 2024 Global winners of the award.



Energy Consumption

	Unit	2022	2023	2024
Petrol consumption from vehicles	Liters	573,749	546,133	564,587
Diesel consumption from operations	Liters	1,506,337	3,908,266	1,827,943
Diesel consumption from vehicles	Liters	36,236	12,135	20,999
Electricity consumption (branches, offices, etc.)	GJ	10,260,534	9,832,645	10,226,688
Renewable energy consumption (branches, offices, etc.)	GJ	31.22	31.22	90.19
Total Energy consumption (direct + indirect)	Million GJ	81.665	73.371	81.899
Energy Intensity (total energy consumption in Gigajoules/total products sold in tons)	GJ/ton	27.265	27.220	27.882

WATER MANAGEMENT

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

We acknowledge that Sadara operates in a region affected by water-scarcity. We are careful with our water use and remain focused on continually reducing the volume of water we consume for steam generation, water cooling, domestic use, irrigation, and the washing of equipment. Located within Sadara’s chemical complex, the Marafiq Seawater Reverse Osmosis (SWRO) plant is our primary source of industrial water. In 2024, our water efficiency measures continue to recycle condensate from its processes and continue to campaign for water efficiency in the Sadara Business Complex.

Water

	Unit	2022	2023	2024
Water intensity (water consumption/ total products sold)	m <sup>3</sup> /products sold	11.314	10.655	11.304
Total water consumption	Million m <sup>3</sup>	33.888	28.969	33.204
Recycled wastewater	m <sup>3</sup>	6,312.77	6,584.87	0*
Wastewater TOC discharged	Thousand metric tons	1.866	1.338	1.488

\*Changes in local regulatory policies have shifted the recycling of wastewater from the original recycler to a different industrial wastewater reuse facility. The previously reported numbers were streams recycled by a 3rd party and excludes treated industrial wastewater reused in local wetlands.



# CIRCULAR ECONOMY & WASTE MANAGEMENT

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

We are systematically working to embed circular economy principles and practices across our operations, optimizing our resources and protecting our environment by maximizing the value of the resources and materials we use, and ensuring constructive pathways of recycling or reuse for those materials from one lifecycle to the next.

Attaining a circular system for waste in particular will amplify our capacity to protect the environment and conserve natural resources, positioning us to take advantage of new innovations and cross-sector partnerships now, and far into the future. We have ambitious goals in place for realizing these circular systems while simultaneously minimizing waste generation across our facilities and operations.

To manage our circularity and waste management processes we have a special team in place within our Environmental Operations department, and all waste management and recycling is handled through the Off Site Material Management Unit (OSMMU) as a centralized unit. Our KPIs include achieving a 55% recycling rate and a 5% spending reduction for waste management spending.

While our year on year total waste quantity increased by 11.22% in 2024, we were able to reduce our total waste management spending by 7.7% (₹2,480,000) over 2023. Our circular economy and waste management initiatives included saving ₹19,565,268 in disposal costs by diverting waste to Recycling/Reuse through our OSMMU facility, leading to generated revenue of ₹1,839,789 from our 2024 recycling activities. Other major actions undertaken in 2024 included further reducing our waste management costs through new waste management contracts, channeling TDI tar from Suez company and Veolia Tahwil into energy recovery, and recycling slop oil, Heavy Fuel Oil (HFO), scrap polyol, liquid organic non-peroxide wastes such as sulfuric acid. We also advanced a series of new and ongoing products for diverting Brine filter cake, sludge from the settling pond, and Steam Generation Unit (SGU) lime sludge from landfill into sustainable disposal channels.



In 2024 we also reached milestone in our circularity practices by recycling 52.2% of the total waste we generated. Through OSMMU we also safely handled 43,509 metric tons of hazardous and non-hazardous waste throughout the year, out of which 22,699 metric tons was recycled and 20,810 metric tons was properly disposed.

Looking ahead, we aim to achieve a higher recycling rate for our waste through new waste management and recycling contracts. In line with its commitment to sustainable industrial practices, Sadara entered into a Waste-to-Energy (WTE) agreement with Veolia Middle East on December 9, 2018. Under this agreement, Veolia developed a dedicated WTE and central utilities facility at the heart of PlasChem Park. The facility received its Environmental Permit to Operate (EPO) from the RCJY in May 2023 and began operations in the third quarter of 2024. Sadara commenced waste deliveries to the facility in November 2024.

As part of the agreement, Veolia manages Sadara’s incinerable industrial waste streams including both liquid and solid waste, with a minimum annual commitment of 6.3 KTA and capacity to handle up to 19 KTA. Forecasted waste volumes include 12 KTA of TDI tar and 6 KTA of other incinerable waste. The facility uses advanced Suez technology to convert this waste into steam energy, which is supplied to PlasChem Park tenants. This process not only enables full energy recovery but also significantly reduces GHG emissions associated with conventional incineration.

## SUCCESS SPOTLIGHT

### RECYCLING CAUSTIC RESIDUE

#### Successful Diversion from Incineration to Recycling

In 2024, Sadara achieved a significant sustainability milestone by securing RCJY approval to recycle high-purity (HP) caustic residue, outside of the Jubail industrial city. This stream is generated by the Saudi Hydrogen Peroxide Company (SHPCO), JV between Sadara & SSHPCo/ Solvay. This residue is one of the largest incinerable waste streams, and has historically been sent for incineration, with an annual volume of 4,000 to 4,200 metric ton since 2016.

The final approval was granted in September 2024 by RCYJ, and began recycling HP caustic residue through certified partners GEMS and Taaheel and shipped using advanced Reviva and Taaheel technologies.

This initiative is expected to save approximately ₹3.78 million annually while contributing to Sadara’s circular economy goals and significantly reducing emissions associated with incineration. It stands as a strong example of innovation, collaboration, and commitment to sustainable industrial practices.



Cost Savings	Unit	2022	2023	2024
Total revenue from recycling	﷼	931,113	2,234,645	1,839,789
Total saved disposal cost	﷼ Million	21,783,382	22,812,225	19,565,268
Wooden pallets re-used	Number	8,141	8,600	1,800
Recycled input materials used: recycled fuels (pyoil, tail gas, Pressure Swing Adsorption (PSA) recycle, off gas)	Thousand metric tons	502.28	2,234	525.51
Percentage of recycled input material used	Percentage	14.22	15.26	17.89

Circular Economy	Unit	2022	2023	2024
Total waste diverted from landfill	Thousand metric tons	20,234	26,553	5,186
Percentage of waste diverted from landfill (total recycled + incinerated waste/total generated)	Percentage	61.22	90.26	31.65

Recycled Materials	Unit	2022	2023	2024
Recycled mixed materials (Plastic, paper, metal, etc.)	Thousand metric tons	1,354	1,500	0.770
Recycled TDI tar	Thousand metric tons	8,808	9,676	13,937
Total paper recycled	Kilograms	9,310	6,280	24,500
Total electronic waste products recycled	Kilograms	25,412	59,816	33,259
Portion of waste generated that was recycled	Percentage	61.44	32.67	52.2

Material Effectiveness

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

From waste collection at our facilities to on-site waste-to-energy generation and waste disposal via third-party waste management facilities in Jubail, Sadara manages its entire waste process from start to finish. Throughout this process, we prioritize the continuous improvement of our material effectiveness and management practices at our manufacturing plants, ensuring compliance with all relevant legal requirements for waste disposal and recycling processes, identifying opportunities for improvement, and sharing best practices. In 2024, our material losses/effectiveness intensity decreased by 20.43% compared to our base year 2020.

Material Effectiveness	Unit	2022	2023	2024
Total waste generated	Thousand metric tons	43.376	85.801	37.467
Hazardous waste sent to disposal	Thousand metric tons	6.417	40.376	12.092
Non-hazardous waste sent to disposal	Thousand metric tons	15.317	13.468	4.826
Total waste recycled	Thousand metric tons	21.642	26.693	22.699
Flaring loss <sup>1</sup>	Thousand metric tons	245.299	244.991	172.113
Material effectiveness intensity	Metric tons material loss/ metric tons products	0.131	0.152	0.108

<sup>1</sup> Includes all types of waste gases to the flares, including purge gas such as Nitrogen.







BIODIVERSITY

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

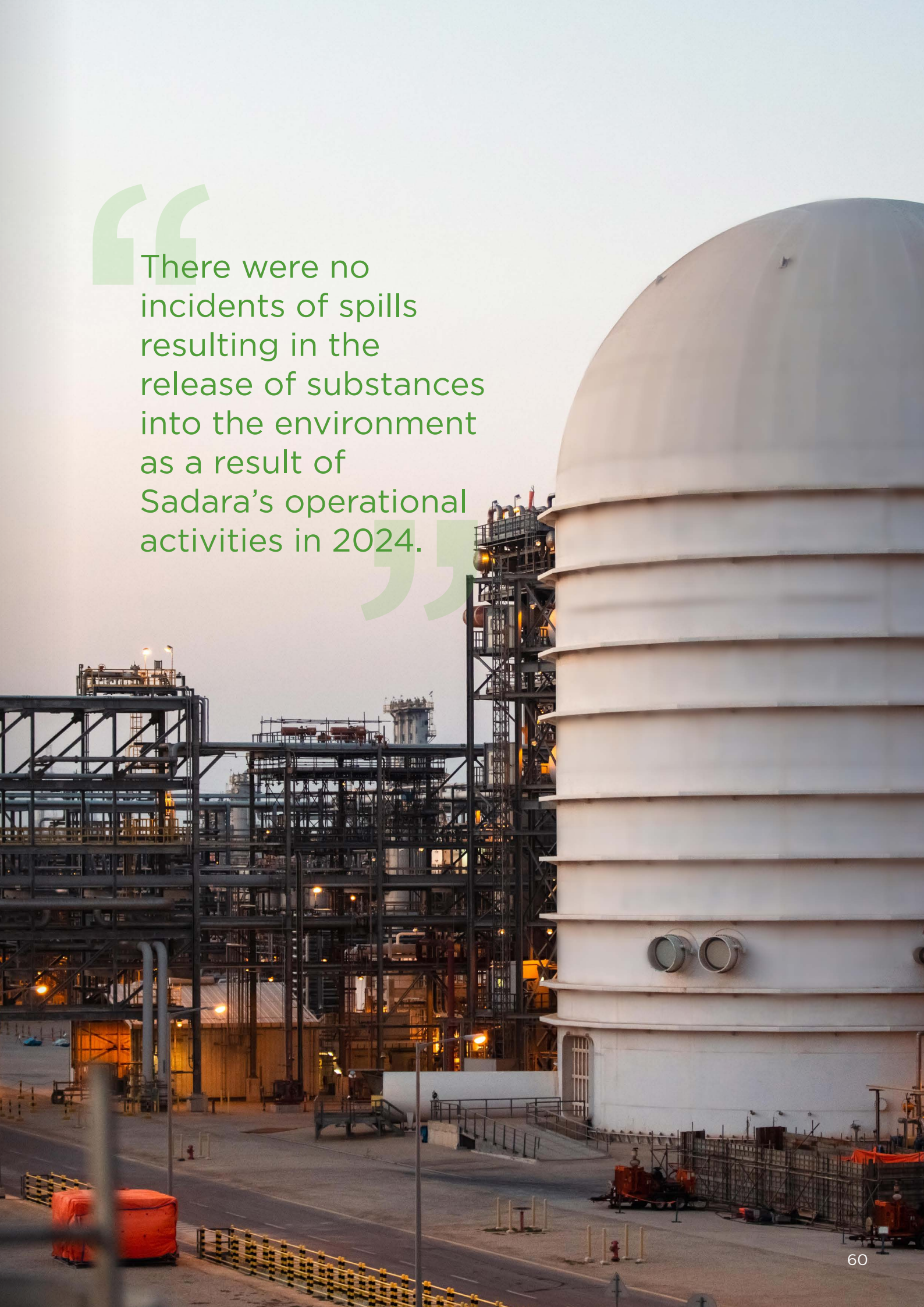
Sadara’s proximity to various areas of ecological importance means that we are very aware of the impact our operations can have on biodiversity. To help us avoid negative impacts, we uphold all the biodiversity requirements set forth in the RC 14001 standard, and we are vigilant work to protect and encourage thriving, healthy ecosystems around our facilities.

Some of the steps we take to ensure biodiversity protection include preventing pellet loss into the ocean through the use of supersacks, green mesh, and regular cleaning, and ensuring all teams and contractors consistently follow all compliance requirements at our plastics manufacturing facilities.

Since 2021, we have also maintained OCS certification from the GPCA. We hold the distinction of being the first company in the GCC to receive this certification, which aims to prevent and reduce spills into the natural environment.

Integrating OCS into the Sadara ODMS further ensures that our teams and contractors remain in full compliance with all environmental standards across our plastics manufacturing facilities. 48 walk-throughs were also conducted to monitor compliance throughout 2024. There were no incidents of spills resulting in the release of substances into the environment as a result of Sadara’s operational activities in 2024.

Spills	Unit	2022	2023	2024
Total recorded significant spills	Number	0	0	0
Total recorded quantity of significant spills	m <sup>3</sup>	0	0	0



“There were no incidents of spills resulting in the release of substances into the environment as a result of Sadara’s operational activities in 2024.”





# BUSINESS GROWTH AND OPERATIONAL EXCELLENCE



# BUSINESS GROWTH AND OPERATIONAL EXCELLENCE

STRATEGIC GOALS	KPIs	UNIT	2024 PERFORMANCE	2024 TARGET	2025 TARGET
7. Ensure Operational Excellence	Increase Product Supply Reliability (PSR)	Percentage	88.8	95.60	96
	Decrease Defects Per Million Opportunities (DPMO)	Number	211	1,300	3,000
8. Support Downstream Industry Local Content	Increase number of PlasChem tenants	Number	9	9	10
	Increase percentage of spending on local suppliers	Percentage	91	78	90

Through our strategic focus on continuous performance enhancement, local procurement, and customer satisfaction, Sadara is actively supporting sustainable economic development for our region.

## ECONOMIC IMPACT

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

We drive economic impact through, clear strategic planning and business finance processes, and a strategic approach to asset management focused on value generation through asset effectiveness, optimization, and reliability improvements.

Our structured Investment Guidelines categorize our capital investments into three main streams:

1. A board-approved five-year project plan aligned with our vision and strategic direction, includes both discretionary investments such as value optimization and revenue generation, and non-discretionary investments such as EHS&S, compliance, reliability, and sustainability improvements.
2. A turnaround strategy for the periodic upgrading and/or renewal of major assets.
3. A Recurring Maintenance Strategy to ensure the regular or recurring maintenance of specific asset areas, ensuring they remain as close to their original condition as possible.

Energy efficiency projects and decarbonization efforts are integral to these three streams, which form part of the overall capital project structure. We also have a Lease Policy in place to guide effective and efficient financing decisions for purchasing or leasing assets.

For the past four years, Sadara has consistently managed our prime controllable costs by keeping our actual costs significantly below planned costs. In 2024, we continued this trend, leveraging precise budgeting and control mechanisms to lower our actual spending by 3% below budget.

As part of our commitment to responsible financial stewardship, Sadara provides stakeholders with transparent financial reporting in compliance with IFRS and US Generally Accepted Accounting Principles (US GAAP).

In 2024, a key priority was enhancing financial resilience through a company-wide transformation initiative aimed at strengthening our cash position and supporting long-term value creation. Actions included postponing non-critical projects, reducing discretionary

spending, and negotiating more favorable terms with suppliers. These efforts resulted in a \$243 million improvement in cash position, enabling Sadara to maintain investment in strategic sustainability initiatives while narrowing the company's funding gap. In 2024, our total capitalization reached \$127 million.

The Finance Department also provided advisory support for key projects such as the planned Co-generation (Cogen) Project, which will contribute to lower-emission and cost-efficient power and steam generation. In addition, the team led the Saudi Electricity Regulatory Authority (SERA) economic evaluations to help reduce interim power tariffs, reinforcing alignment between financial strategy and sustainability outcomes.

“In 2024, our total capitalization reached \$127 million.”



Sadara is also implementing a rail transport system connecting its site to two local ports. This initiative supports the Kingdom’s infrastructure goals and provides a more sustainable alternative to road transport, reducing emissions and logistics-related impacts.

Looking ahead, Sadara will continue exploring digital transformation and AI tools to improve financial forecasting, operational efficiency, and integration of sustainability considerations into financial decision-making.

Direct Economic Value Generated and Distributed	Unit	2022	2023	2024
Revenues	﷼ Million	14,484	10,699	11,586
Operating Costs	﷼ Million	-13,773	-12,275	-12,610
Employee wages and benefits	﷼ Million	-1,628	-1,601	-1,588
Total payments to providers of capital	﷼ Million	-1,020	-693	-533
Total tax paid	﷼ Million	-38	2.3	0.00

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

Tax Strategy

GRI 207

Subject to quarterly review and approval by Sadara’s senior leadership, our tax strategy is based on the most current industry standards including all updated tax regulations published by the Zakat, Tax, and Customs Authority (ZATCA). The strategy is implemented by our Tax team, who is regularly trained and updated on tax regulations and supported by the expertise of our tax advisors and shareholders.

The Tax team is responsible for preparing Sadara’s monthly Value Added Tax (VAT) returns, Withholding Tax returns, and annual Income Tax returns, as well as Transfer Pricing documentation, including country-by-country reports. The Tax Manager and Controller are accountable for reinforcing the importance of accuracy and performance across the team, ensuring that all activities are carried out in line with the approved tax plan and in full compliance with the latest regulations issued by the tax authorities.

All returns are regularly audited by the tax authority. Under the guidance of our internal audit and ethics committees, we also follow established corporate governance procedures to ensure full transparency, accuracy, and timely delivery of reports and data. Any concerns are swiftly and confidentially addressed through an evidence-based approach.

Sadara Chemical Company and Sadara Basic Services company are under ZATCA’s jurisdiction. Additionally, five Sukuk entities report under the Netherlands Jurisdiction.

Tax Strategy	Unit	2022	2023	2024
Prime controllable cost	(Actual/Plan) %	71%	99%	97%

PRODUCT QUALITY, SAFETY, & 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 petrochemical and plastics producers, Sadara has a deep obligation to model the highest standards of responsible product stewardship from raw materials to distribution, and abiding commitment to ensuring product quality and safety, along with the health and safety of our employees, customers, communities and the environment sits at the core of our approach.

We uphold this obligation through rigorous EHS&S governance and compliance procedures and by applying health, safety, and environmental related information to our product development, manufacturing and handling practices in line with our focus on continuous improvement. Main-

“There were no recorded significant chemical spills in 2024.”

taining ISO 14001 environmental management system certification, along with Facility LOPC requirements, further reinforces our product stewardship practices: Our risk-based approach to incident prevention, including the prevention of accidental releases of hydrocarbons and other materials, is embedded into our ISO 14001 strategy and safety practices.

Should a spill occur, we have an emergency response plan and dedicated unit in place to handle any incidents. There were no recorded significant chemical spills in 2024.

Globally Harmonized System

As part of our product stewardship practices, in 2024, we continued the process of aligning all Sadara products with internationally recognized standards of classification by implementing the UN’s Globally Harmonized System of Classification and Labelling in addition to our existing compliance with all local product labelling regulations. Sadara complies with the REACH (Registration, Evaluation, Authorization, and Restriction of Chemicals) regulations and the Royal Commission Environmental Regulations for our products. No incidents of non-compliance with regulations, voluntary codes, or supplier standards that could affect the health and safety of our products, services, handling, transport, or storage occurred in 2024.

“No incidents of non-compliance with regulations, voluntary codes, or supplier standards that could affect the health and safety of our products, services, handling, transport, or storage occurred in 2024.”



In accordance with Sadara’s commitment to transparency and disclosure, we use Material Safety Data Sheets (MSDS), Emergency Response Guides (ERGs), our product labelling system, and training to communicate product hazards, risk controls, and transportation, storage, and handling requirements to our customers and the public. We also provide direct engagement with our stakeholders through quarterly site walk-throughs, risk assessments, and behavior-based performance reviews focused on improving our product stewardship practices.

Customer Health and Safety	Unit	2022	2023	2024
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	2022	2023	2024
Percentage of products that contains the Globally Harmonized System of Classification and Labelling of Chemicals (GHS) Category 1 and 2 Health and Environmental Hazardous Substances	Percentage	100	100	100
Percentage of such products that has undergone a hazard assessment	Percentage	100	100	100

Product Transportation

We transport our products using Sadara’s internal services such as the Sadara Railway Company, as well as via qualified third parties. In both cases, we monitor and manage our transportation performance with a focus on the safe handling, storage, transportation, and warehousing of chemicals and with close attention to minimizing the impact of these activities on people and on the environment. New contractors are carefully assessed for their competency in these areas, and our Distribution Risk Review Work Process tracks all transportation events on a monthly basis. Any incidents that occur are subject to comprehensive investigation, and we work closely with drivers to provide training and safety awareness. Sadara has recorded zero transportation incidents for four consecutive years.

Sadara has recorded zero transportation incidents for four consecutive years.

To maximize the human and environmental safety benefits of rail transportation, Sadara entered into a landmark 25-year rail service agreement with Saudi Railway Company in 2020 to form the Sadara Railway program – paving the way for the first use of rail transport for liquid and solid products in Jubail Industrial City. In 2024 we reached the final stage of implementing the program, which is slated for completion in mid-2025. When fully launched, the program will replace approximately 200,000 truckloads of Sadara products with rail transport to Jubail ports each year – reducing our transportation-related emissions by 73% in the process.

Transportation Safety	Unit	2022	2023	2024
Transportation Incident Level 1 Rate	Number	0	0	0
Number of transport incidents	Number	0	0	0

PRODUCT DEVELOPMENT

GRI 3-3,

We strive to cultivate a culture of innovation throughout the company, encouraging everyone to share their ideas for improving our existing products and developing new ones – all with the aim of supporting our customers now, and anticipating their future needs.

Sadara’s recently launched Hydrocarbons Optimization Program is a flagship example of how this innovation-forward approach can drive value for our company and our stakeholders. The program initially targeted our MFC Feedslate, generating more than \$20 million through the meticulous assessment of operating and market conditions, financial impact, and value generation opportunities. Throughout 2024, we continued to implement enhancements to the MFC Feedslate as a result of this assessment, driving greater optimizations in throughput, efficiency, and effectiveness.

SUCCESS SPOTLIGHT

WAVE TOOL INTRODUCTION

We recently introduced Wave, an innovative tracking tool designed to capture and monitor all Sadara Transformation Initiatives in one centralized platform. The Initiatives then go through a 5-step stage gate process, starting from L0 (Idea) to L5 (Value realized and confirmed). Wave then stores all initiative-related information in different tabs, enabling seamless access to initiative details, ownership, and data attributes such as actual realized value (yearly, quarterly, and monthly), milestones, KPIs, and progress status.



MANUFACTURING OPERATIONAL PERFORMANCE

GRI 403-2, 403-8

Sadara’s highly complex operations include 26 integrated plants along with raw materials suppliers, distribution and transportation logistics, and all associated governance and local and international regulatory compliance requirements. Given this degree of complexity and integration, we place significant emphasis on maintaining seamless operations while safeguarding employees’ health and safety, and we take great pride in continuously delivering exceptional standards of EHS&S and production performance. In 2024, we achieved the lowest DPMO on record, confirming customers’ satisfaction with both product quality and service.

“In 2024, we achieved the lowest DPMO on record, confirming customers’ satisfaction with both product quality and service.”

To facilitate seamless operations and processes, we use a Product Supply Reliability measure to track our capacity to consistently supply the same quality product at reasonable cost within an acceptable timeframe. To strengthen operational stability, each unit continuously monitors operational KPIs and EHS performance and compliance from their respective control rooms. These monitoring systems then communicate consolidated observations and expected impacts, including environmental and financial, to site management, providing valuable insight for real-time decision-making and forward-looking strategy. We achieved a record prime production rate of 92.8% for elastomers in December 2024—the highest since startup.

“We achieved a record prime production rate of 92.8% for elastomers in December 2024—the highest since startup.”



In 2024 our Quality department further maintained our high standard of manufacturing operational performance through a range of achievements:

1. All 26 Sadara units optimized samples/analysis, reducing consumables, chemical consumption, instrument reutilization, workload, and waste generation, resulting in a combined 11% sample optimization savings.
2. We added 52 new or enhanced capabilities to our Central Analytical Laboratories (CAL) to enhance lab support for all 26 units, including improvements to 18 analytical methods, the addition of 26 newly developed analytical methods, and the installation of eight new technologies such as Inductive Coupled Plasma (ICP), Gas Chromatography (GC), Ion Chromatography (IC), viscosity, and titration.
3. We developed new in-house software to analyze data generated from our Accelerating Rate Calorimetry Instrument. The tool generates all necessary reports for our reactive chemical platform within a few clicks, avoiding manual calculation and improving the results interpretation of reactive chemical analysis in real time.
4. CAL completed an extensive evaluation for MFC operations on environmentally preferable, sustainable disposal alternatives to incineration for slop oil.
5. We enhanced our analysis of phenol in brine water by HACH Technology by transitioning to a reagent-less gas chromatography process that provides faster data throughput. By relying on gas chromatography for all components in one test, this enhanced process minimizes analysis turnaround time, optimizes chemical consumption, and limits waste generation.

TRANSPORTATION AND LOGISTICS

In 2024, we focused on accelerating and expanding the induction of rail as a safer, more cost-effective, and less environmentally impactful method of transportation. Through the Sadara Rail program collaboration with Saudi Railways, we began the trial loading and transportation of 20- and 40-foot containers to the Jubail Commercial Port, resulting in the loading of more than 200 containers on flat rail cars without incident. Two successful dry-run trials of tank wagons were also conducted in preparation for liquid product deliveries to KFIP. In a further step towards full deployment of the Sadara Rail program in 2025, we also successfully commissioned Gate 5B, the rail security building, and the security tower in alignment with Solid Handling Operation (SHO) operational goals. We achieved certification in 2024 for solid handling operations for shipping 12-layer packaging, improving logistics flexibility.

“We achieved certification in 2024 for solid handling operations for shipping 12-layer packaging, improving logistics flexibility.”



On the organizational development front, Sadara focused on strengthening its Logistics Services team, alongside the induction of rail, by facilitating cross-training, industry conferences, and engagement with service providers and partners. In 2024, the team set a new 24-hour record for mode-of-transport (MOT) loading—achieving 217 units (comprising 181 40ft containers and 36 flatbeds), surpassing the previous record of 210 units. This initiative contributed to an estimated \$1 million in cost savings, driven by efficiency efforts such as Empty Containers Direct Delivery and Round Trip optimization.

The Logistics Services department also recorded a series of performance milestones in 2024:

- The highest annual palletized drumming throughput of 291.85 KT, surpassing the 2023 record of 270.89 KT.
- The highest annual TDI drumming throughput of 11,740 MT, exceeding the previous record of 11,700 MT (set in July 2023).
- A new monthly palletization throughput record of 28,677 MT in April 2024, exceeding the previous high set in October 2023.
- The highest-ever loaded quantity from solid packaging production lines and warehouses, reaching 147 KT in April 2024.

These achievements underscore Sadara’s ongoing efforts to improve logistics efficiency, operational reliability, and service excellence across the value chain.

Production Data	Unit	2022	2023	2024
Total market facing products manufactured	Million metric tons	2.796	2.594	2,847
Total products sold to the market	Million metric tons	2.995	2.697	2,937
Increase product supply reliability	Percentage	91.5	84.1	88.8



SUPPLY CHAIN MANAGEMENT

GRI 2-6, 3-3

Sadara’s Supply Chain Department is responsible for managing the supply of raw materials to our manufacturing operations, ensuring our capacity to deliver quality products to our customers safely, cost-effectively, and on time. All supply chain team processes are tracked and controlled via the annual supply plan, 90 day lifting schedule, and our Day sales inventory (DSI) corporate KPI with oversight and approval from our marketing council. For the purpose of marketing Sadara’s products across wider market locations, we also partner with DOW and Sabic. In 2024, the Supply Chain team achieved \$33.12 MM in savings through a combination of cost avoidance, cost savings, and value generation initiatives.

“In 2024, the Supply Chain team achieved \$33.12 MM in savings through a combination of cost avoidance, cost savings, and value generation initiatives.”

In alignment with our support for the economic diversification and development ambitions of the Saudi Vision 2030, we are dedicated to operating a first-class procurement system that prioritizes local suppliers and supports the growth of our local economy. To drive and maintain our high standards of safety and product quality, all suppliers are subject to our formal assessment and audit programs.

As part of our rigorous governance, compliance and oversight procedures, the Supply Chain team is also regularly subject to internal and external audits and assessments. In 2024, this included completing ISO 45001, 14001, and RC Surveillance Audits and the Raw Material Center (RMC), Ethylene Oxide & Derivatives (EOD) & Propylene Oxide & Derivatives (POD) ISO 9001-2015 Surveillance audit for Supply Chain – Raw Material. We also finalized four non-consumable contract agreements, introducing long-term contracts for all packaging items, and completed the annual inventory count with zero variances, maintaining an eight-year streak of perfect records.

We also completed the automation of our Track and Trace system, which monitors all controlled material movements within the company, enhancing operational transparency and control over inventory and logistics.

Trade Compliance

In 2024, we successfully moved spent catalyst and other final export shipments with total value around \$19.2 MM, as well as successfully delivering 92% as an overall delivered percentage of orders for PE1, and 96% as an overall delivered percentage of orders for TDI.

Supply Chain	Unit	2022	2023	2024
Volume of products exported	Tons	2,998,000	2,696,550	2,319,082
Number of customer shipments	Number	77,965	56,591	69,164





SUCCESS SPOTLIGHT

SUPPLY CHAIN IDEATION

At the beginning of each calendar year, we conduct an ideation session with participants across the Sadara supply chain operations network to brainstorm supply chain improvement opportunities, then identify tangible, actionable initiatives and projects to drive these improvements forward. Throughout the year, the Supply Chain department then works to implement, monitor, and facilitate feasible initiatives.

SUPPLIER QUALIFICATION AND AUDITING

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

“2,474 local suppliers were qualified in 2024.”

All new suppliers are subject to suitability assessments conducted by our Prequalification Committee. The committee evaluates potential suppliers for specific goods or service grouping and assessments for EHS performance, deploying our EHS assessment program as a key tool.

Assessment factors include the supplier’s HSE Policy Statement, SMART Objectives, Training Matrix, Audit Procedure, and relevant ISO certifications. All Sadara suppliers are also regularly audited to evaluate their performance and adherence to key ESG criteria. In 2024, the number of suppliers subject to audits increased from 610 in 2023 to 641, and 2,474 local suppliers were qualified.

Supplier Code of Conduct

All Sadara suppliers must adhere to the Sadara Code of Conduct, which sets forth our expectations and standards for human rights, labor practices, environmental protection, and business integrity. To further ensure responsible, sustainable practices we also prioritize the safeguarding of workers’ rights, and the timely payment of salaries and benefits, requiring our suppliers to include a letter certifying full payment to all personnel, along with their invoices. In 2024, 94% of suppliers acknowledged the Sadara Code of Conduct – an increase of 7%.

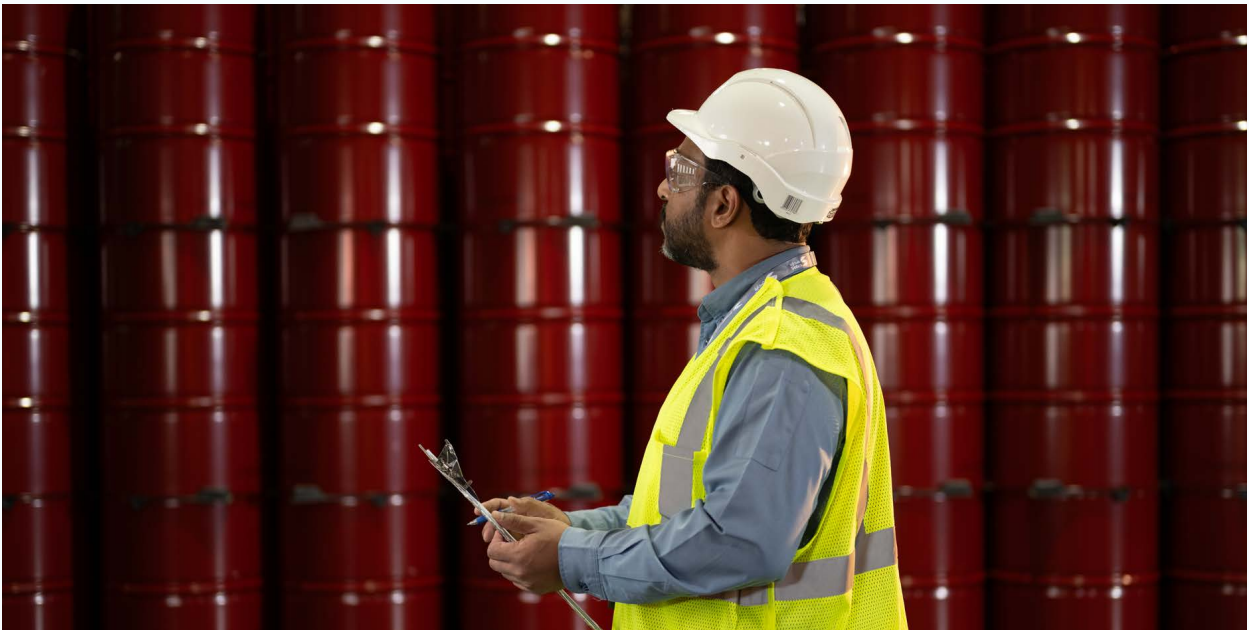
Supplier Code of Conduct	Unit	2022	2023	2024
Supplier Code of Conduct Acknowledgement	Percentage	86	87	94

SUPPLIER SUSTAINABILITY ASSESSMENT

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

To enhance and improve our own sustainability performance, all key Sadara suppliers must undergo a sustainability assessment designed to help us identify and understand the environmental and social impacts of our supply chain. The assessment questionnaire covers ESG topics aligned with the GRI and the Saudi National Sustainability Reporting standards.

All of Sadara’s logistics services providers are also required to undergo GULF Sustainability and Quality Assessment System (SQAS) assessments, an industry-standard evaluation designed to assess and improve Environment, Health, Safety, Security, and Quality (EHSS & Q) performance. The assessment ensures high operational standards across our entire value chain, promotes continuous improvement, and supports Responsible Care® principles through transparent, independent evaluations that foster strong, collaborative partnerships.





SUPPLIER SATISFACTION

GRI 204-1, 308-1

“In 2024, we were proud to achieve a 94% satisfaction rate with zero complaints.”

Every year, we conduct a satisfaction survey of Sadara suppliers, using insights from the survey to improve our supplier engagement and procurement processes. Throughout the year, our procurement department also facilitates meetings between our CEO and strategic suppliers, as part of our focus on enhancing our customer experience. In 2024, we were proud to achieve a 94% satisfaction rate with zero complaints.

Supplier Audits	Unit	2022	2023	2024
Suppliers subject to audits	Number	712	610	706
Suppliers with which improvements were agreed upon as a result of audits	Number	31	46	35
Suppliers with which relationships were terminated as a result of audits	Number	1	0	0

LOCAL CONTENT

GRI 204-1, 308-1

Sadara fully supports the economic development ambitions of the Saudi Vision 2030, and we have a range of strategies, programs, and procedures in place to improve the ability of local suppliers and contractors to support our operations and projects. In 2024, the company launched its Local Content program “Wattenha”. Wattenha is a comprehensive umbrella program designed to drive and maximize long-term economic growth and sustainability in the petrochemicals sector in accordance with the Saudi Vision 2030 focus on localizing the industrial supply chain, attracting downstream investments, developing local innovation plans, and promoting Local Content development activities.

The LCGPA recognized Sadara’s efforts by sponsoring the launch of Wattenha with a launch ceremony during the annual LCGPA Forum in November 2024.

In 2024, the percentage of spending on local suppliers increased from 87% to 91%, reflecting a strategic shift toward prioritizing local procurement, and the number of local suppliers we contracted with rose to 2,523.

Local Content practices are integrated into our corporate procurement processes to ensure local suppliers receive fair opportunities to participate in our tender awards. To facilitate this process further, in 2024 we entered into a collaboration between Sadara’s SRM and Local Content team

to actively engage with local suppliers and manufacturers in Asharqia Chamber to accelerate and streamline the registration process. The initiative aims to enhance local supplier participation in tenders by encouraging their registration on Jadeer portal. Part of our agreement with the Small and Medium Enterprises (SMEs) General Authority “Monsha’at,” the Jadeer Service is a free online service that aims to qualify and empower SMEs by facilitating their access to procurement opportunities offered by Monsha’at’s service partners in the public and private sectors. Through these efforts, Sadara supported the registration of 183 local suppliers, including 29 local factories, contributing to increased awareness and participation in Local Content initiatives providing new avenues for economic diversification and localization. A total of 3,687 Saudi trainees benefited from various training programs, including leadership development, engineering, graduate development, and safety training, reinforcing Sadara’s commitment to developing national talent. Additionally, collaboration between Sadara’s IT and Local Content departments led to a significant milestone: the successful acquisition of the first locally manufactured servers by Hewlett Packard Enterprise in partnership with AlFanar Company. This made Sadara the first company in the oil and gas sector to localize its server infrastructure.

Sadara’s Local Content score, as reported in the audited financial year of 2023, increased to 50.25% (60% including export revenue), compared to 47.36% in 2022. This improvement reflects steady progress toward national localization objectives and exceeded the sector score in the petrochemical sector. The measurement encompasses four key elements: goods and services, labor, depreciation and amortization, and capacity building, demonstrating Sadara’s comprehensive approach to maximizing in-Kingdom value across its operations:

Year	2020	2021	2022	2023	2024
Sadara’s Local Content Score %	45.71%	47.13%	47.36%	50.25%	53% *

\*2024 Local Content Score under auditing and expected to be finalized in August 2025.

“The total number of local suppliers registered with Sadara in 2024 reached 2,523, while the number of registered local factories reached 308.”

To speed up the supplier registration process, create a direct communication channel, and spread awareness of Local Content, Sadara, in coordination with the Dammam Chamber of Commerce, obtained a supplier registration office in 2024. This step had a huge impact on spreading awareness about Local Content in Sadara and encouraging suppliers to register on the Jadeer platform: 183 local suppliers were registered, including 29 local factories. As a result, the total number of local suppliers registered with Sadara in 2024 reached 2,523, while the number of registered local factories reached 308.



Our Local Content mechanisms are also aligned with LCGPA mandates, which have been embedded in our procurement manual to facilitate the prioritization of compliant local suppliers and manufacturers in competitive bidding. In 2024 our Local Content department signed a Memorandum of Understanding (MOU) with LCGPA to drive and enhance our Local Content. The MOU includes regular monthly meetings and quarterly and semi-annual reports to demonstrate compliance with LCPGA mandates. As a company under the Ministry of Energy, we also provide semi-annual reports on Local Content progress to the Ministry.

Sadara continued to strengthen its commitment to national economic development in 2024 by further embedding Local Content within its procurement operations. The proportion of procurement services sourced locally increased from 87% in 2023 to 91% in 2024, reflecting steady progress in supporting the Kingdom’s supply chain and local industry growth.

Our Local Content achievements for 2024 included the successful acquisition of the first locally manufactured servers by Hewlett Packard Enterprise in partnership with Al Fanar Company, making Sadara the first company in the oil and gas sector to localize its servers, and the delivery of training programs for 3,687 trainees, including developing Saudi leaders, developing engineers, developing graduates, and safety training.

For more information on how Sadara defines and calculates Local Content, please refer to our **2022** and **2023 Sustainability Reports**.

SUCCESS SPOTLIGHT

CREATING LOCAL SME SUBJECT MATTER EXPERTS

In 2024 we initiated phase two of the Special Technical Training Program to prepare and create local SME subject matter experts and technical workforces within the Quality Department to support all 26 Sadara plants with technical knowledge. Established by our Central Analytical Laboratory in 2023 to enhance analytical support of our plants and operations, the program is a focused technical training plan designed to increase the teams’ knowledge level and facilitate the smooth transfer of knowledge through coaching. The program’s ultimate goal is to improve analytical thinking for more effective problem-solving and troubleshooting.

Specialized in-house training software was developed as part of this effort to measure the program’s efficiency and performance. Initiated in 2024, phase two focuses on measuring the program’s effectiveness within the department by ensuring each chemist has absorbed the necessary technical knowledge transfer to achieve the skills required for each Lab and its related technology, and to assess readiness for emergencies and related critical problem-solving scenarios. The program covered major human resources development subjects including Sadara Site Integration, Analytical Reactive Chemicals, Industrial Hygiene, Analytical Material Characterization, and soft-skills such as creativity and public speaking.

Spending	Unit	2022	2023	2024
Procurement spending on all suppliers	﷼ Million	8,172	6,708	8,240
Percentage of spending on local suppliers	Percentage	92%	87%	91%

CUSTOMER RELATIONS

Sadara places great emphasis on meeting our customers’ needs in a timely manner while delivering a high-quality product. To elevate customer experience, Sadara holds quarterly meetings with marketers and has implemented improvements to process automation systems.

To evaluate the quality of our products, Sadara tracks DPMO using the Six Sigma methodology.

Product Quality	Unit	2022	2023	2024
DPMO	Number	856	312	211

CUSTOMER SURVEY

GRI 3-3

Ensuring customer satisfaction by delivering the highest standards of product quality and service is our ultimate objective. We use regular customer surveys to help us gather data-driven insights into our customer satisfaction performance, and as a means of identifying opportunities for further improvement.

Should a customer complaint occur, we have a Corrective Action Management Process (CAMP) system in place to manage quality and services (supply chain) concerns from customers or other stakeholders. In 2024, we achieved a 100% overall customer satisfaction rating, with 13% of customers stating that they were satisfied and 87% very satisfied with their experience with Sadara.



“In 2024, we achieved an 100% overall customer satisfaction rating, with 13% of customers stating that they were satisfied, and 87% very satisfied with their experience with Sadara.”



Customer satisfaction	Unit	2022	2023	2024
Number of customer complaints received	Number	335	237	238
Number of customer complaints resolved	Number	335	237	238
Number of first call resolution (FCR)	Number	331	234	238
Customer Satisfaction Score (0 to 10)	Number	10	10	10
Net Promoter Score (NpS)	Number	50	40	28
Percentage of customers actively responding the survey	Percentage	80	52	52
Resolved issues that were raised through the complaint channels	Percentage	100	100	100

# INNOVATION & DIGITAL TRANSFORMATION

GRI 3-3

As a future-focused company dedicated to leading our industry and enabling Saudi Vision 2030 ambitions for a diversified and resilient economy, Sadara sees innovation and digital transformation as a business imperative. We actively invest in cultivating a culture that encourages innovative thinking and welcomes ideation at every level of our company, knowing all contributions can help to improve our product portfolio and generate value.

Our Transformation Pathway fosters a culture of innovation and ideation by emphasizing organizational resilience, enhancing operational efficiency, and delivering excellence across core functions such as Manufacturing and Engineering, Finance, Commercial, Supply Chain, EHS&S, and Digital and Information Technology.

In 2024, Transformation initiatives delivered a realized impact of \$359 million, reflecting strong management alignment, assurance of our leadership, workforce-wide engagement. Looking ahead, our ambition is to scale impact further, accelerate innovation, and advance Sadara’s position to become a world leading chemical manufacturer, admired by its workforce, trusted by our customers, and valued by society.

Led by our Corporate Innovation Committee, our Technology Center leads Sadara’s Research and Development and innovation efforts across the company. In 2024 our annual R&D budget as a percentage of total revenue reached 4.3 million. The center works in collaboration with internal stakeholders across Sadara, including our Quality Assurance Lab, Process Safety, Speciality Engineering, Operations & Supply Chain departments.

In 2024, Sadara advanced several innovation and operational initiatives that underscored its commitment to reliability, efficiency, and value generation. Innovation highlights included the development of rigid polyols and a crude Methylene diphenyl Diisocyanate (MDI) product, as well as enhancements to the phosgene/PMDA reactor mixer in the isocyanates unit, which contributed to reduced TDI tar waste. Additionally, Sadara introduced a new polyethylene grade

and successfully implemented the Hydrogen Peroxide to Propylene Oxide (HPPO) additive switch. This switch extended catalyst life, reduced plant downtime, and enabled a directional reduction in energy consumption.

Operationally, Sadara achieved a number of key performance milestones across its production facilities. The TDI plant recorded its highest annual production to date at 166 KT, driven by improved reliability and enhanced asset utilization, which helped reduce production losses and tar formation. In the HPPO plant, the adoption of a new additive solution led to a nearly 5% increase in yield and a reduction in maintenance costs. Meanwhile, the Propylene Oxide (PO) plant achieved a 60% reduction in methanol consumption, improving raw material efficiency and supporting cost savings.

Several other plants experienced asset capability increases through targeted debottlenecking and technical optimization. Both the Ethylene Oxide Adducts (EOA) and Butyl Glycol Ethers (BGE) plants recorded a 1% increase in maximum asset capability, with an additional 0.5% increase achieved in a separate BGE initiative. The brine system also underwent successful debottlenecking, resulting in a 1% increase in capacity and improved operational reliability.

## SUCCESS SPOTLIGHT

### THE SADARA INNOVATE@ PROGRAM

Established to facilitate a culture of innovation, the Innovate@ program uses web-based software from HYPE Technologies to incentivize, enable, and reward employees to share their ideas across three primary innovation areas: General Ideation, which includes the Vice President of Industrial Relations; Manufacturing Ideation, which is managed by a team of improvement engineers from various production facilities, and Intellectual Property (IP) Innovation, which includes the IP Compliance Manager, IP review committee, representatives from Legal, Corporate planning and Commercial Departments.

The program uses an automated solution to generate and track ideas submitted by employees from conception and evaluation through to execution. Department panels, including the department director and selected members, evaluate the ideas submitted to their department.

Employees can accumulate points based on each approval action done in the system, and all accrued points are linked to Balance of Consequences (BOC) to reward the deserving employees. In 2024, we conducted multiple campaigns to encourage employees to share their ideas and promote innovation culture in Sadara, resulting in the submission of 876 ideas and the acceptance of 615 ideas for evaluation.

“In 2024, 876 ideas were submitted by employees, out of which 615 ideas were accepted for evaluation.”



Sustainable and Innovative Products

Our Corporate Innovation Committee (CIC) includes five permanent members and one ad hoc member focused on overseeing research and innovation at Sadara. Noting the significance of rigorous methodologies in determining our carbon footprint and circularity percentage, in 2024 CIC remained focused on overseeing R&D at Sadara with an emphasis on developing sustainable, circular, and efficient products.

Investment in R&D	Unit	2022	2023	2024
Amount spent on research and development of sustainable products and services	﷼ Million	2,082,625	4,000,000	4,300,000

DIGITAL TRANSFORMATION

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

Guided by our Digital Transformation Strategy, we made significant progress towards our target maturity score and our aspiration of becoming a World Economic Forum (WEF) Lighthouse in 2024. The broad-scope strategy includes conducting digital maturity assessments, exploring and introducing emerging technologies to our functions, solving complex business challenges, developing business cases from Digital Transformation initiatives and governing projects from a value realization perspective. To enable these initiatives, we use a suite of emerging technology solutions including Cloud, Robotic Process Automation, Low Code-No Code development platform, 3D printing, and mobile devices for operator rounds. We have also established a collaboration channel with our parent companies Saudi Aramco and Dow Chemicals, to leverage their experience and leverage the high value solutions in the digital transformation space.

Sadara’s adoption of emerging technologies has also led to our adoption of Artificial Intelligence, Video Analytics, Robotic Process Automation, and Conversational AI to deliver an estimated economic value of approximately \$27 million over five years.

In 2024 we were proud to receive the Saudi Aramco Downstream President Digital Horizon Award for our implementation of Adaptive Process Control (APC) + RTO in MFC, which reflects the Downstream commitment to Digital Transformation and Technology Deployment. As part of our advanced control and optimization project, APC+RTO was implemented in MFC to economically benefit and drive external targets with MFC plant based on the feed, utility, and product prices contributing to the yield optimization of the plant with a multi-million dollar value generation every year.

Sadara also identified a range of applied digital technology use cases in 2024, including the use of blockchain technology for custody metering in 2024, the use of RTO and Artificial Intelligence for inventory optimization and yield optimization, and more use cases of Robotic Process Automation. We also completed all preparation work for the Artificial Intelligence based Asset Predictive Analytics initiative. In a further groundbreaking step, a Digital Twins Framework has been developed in-house, vetted by Gartner Analyst and is now being used for Asset Predictive Analytics use case.

We also conducted a Smart Industry Readiness Index (SIRI) assessment at the end of the year, with results delivered in 2025.

Downstream Investment Opportunities in PlasChem Park

As part of our commitment to downstream investment, we supply tenants at PlasChem Park with feedstock to enable their own production of diversified specialty products, including oil and gas chemicals, construction materials, detergents, home and personal care products, water treatment chemicals, and coating and paint applications. More information on our downstream investment is available in our [2022](#) and [2023 Sustainability Reports](#).

PlasChem Park	Unit	2022	2023	2024
Number of PlasChem Park accumulative tenants who have direct contracts with Sadara	Number	8	9	9







## PEOPLE AND COMMUNITY



# PEOPLE AND COMMUNITY

STRATEGIC GOALS	KPIs	UNIT	2024 PERFORMANCE	2024 TARGET	2025 TARGET
9. Strengthen the Value of Employee Proposition	Increase employee engagement score	Out of 10	6.5	7	7.7
	Accelerate Saudization	Percentage	77.6	80	82
	Increase Employee Training Hours and Developmental Programs	Hours	137,839	125,000	183,060
	Increase the Reach of Women's Inclusion and Employment	Percentage	2.6	3	5.0
10. Support the Local community	Increase Community Engagement Initiatives	Number	44	20	25
	Raise Employee Volunteering Hours	Hours	8,115	8,000	10,000



## OUR PEOPLE

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

Our people are the heart of our business, and we are proud to attract and employ some of the best talent in our region – and the world. As such, we invest significantly in providing the resources, support, and benefits our people need to pursue thriving, successful careers with Sadara at every stage of their professional journey, including training, housing, benefits, and advancement opportunities.

### Workforce

Sadara has maintained a relatively stable workforce for the past three years, with a slight decline in our total number of full-time employees (from 2,987 in 2022 to 2,787 in 2024), with females making up 2.58% of the workforce and male employees comprising 97.42%.

We have a range of recruitment policies in place to maintain and grow our workforce, including a suite of distinct policies for recruitment, external hiring, internal hiring, and supplemental manpower, ensuring our practices are transparent, fair, and fully aligned with our values and standards.

Workforce	Unit	2022	2023	2024
Full-time employees	Number	2,987	2,892	2,787
Female employees	Number	89	80	72
Male employees	Number	2,898	2,812	2,715
Part-time employees	Number	0	0	0
Permanent employees	Number	2,987	2,892	2,787
Female employees	Number	89	80	72
Male employees	Number	2,898	2,812	2,715
Temporary employees	Number	297*	272*	265
Female employees	Number	20	17	21
Male employees	Number	277	255	244

\* Figure restated.

Workforce by Age Group	Unit	2022	2023	2024
18-30	Number	866	793	513
31-40	Number	1,217	1,227	1,347
41-50	Number	704	683	720
51+	Number	200	189	207



Turnover	Unit	2022	2023	2024
Total number of employees who left the organization	Number	217	219	180
Turnover rate	Percentage	7.1%	7.4%	6.4%
Turnover by gender				
Female	Number	6	17	12
Male	Number	211	163	168
Total number of missed workdays	Number	24,122.73	18,687.84	24,680.00
Total workdays (full-time employees)	Number	6,745,440	6,631,488	6,417,952
Employee absentee rate	Percentage	0.26	0.28	0.31

## DIVERSITY & INCLUSION

### DIVERSITY

GRI 3-3, 405-1

We are fully committed to offering a fair, inclusive, and welcoming work environment that respects and invites the contributions of every person associated with Sadara. Beyond providing equal opportunities for men and women in accordance with Saudi Labor Law, we seek to cultivate a culture that celebrates and encourages diversity in every corner of our company.

### HUMAN RIGHTS MANAGEMENT

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

As part of our comprehensive Ethics and Compliance program and Conflict of Interest policies, Sadara has a Human Rights Policy in place that enshrines our respect for internationally recognized human rights standards for equal opportunity and adequate working conditions. Aligned with all relevant local laws, national standards, and the Saudi Vision 2030, the policy extends to our supply chain as well as our employees. All employees are trained on the policy, as well as their rights and obligations with access to all relevant materials. We also have a formal grievance mechanism in place to enable the safe, confidential reporting of policy violations and facilitate the swift address of any concerns.

For more information on how Sadara manages Human Rights, please visit our **2022** and **2023 Sustainability Reports**.

### SAUDIZATION

GRI 202-2

Sadara fully supports the nationalization ambitions of the Saudi Vision 2030, and we are fully committed to nurturing the Kingdom's economic diversification and sustainable growth by promoting the localization of our workforce, investing in skills development, and providing career advancement opportunities for Saudi nationals through purposefully developed initiatives and strategic partnerships. In 2024, Saudi nationals represented 77.65% of Sadara's full-time workforce.

To achieve this, our CSR and HR strategies focus on developing and qualifying local talent to meet Sadara's demand for new employees and to help fulfill the Saudi market's requirements. Our national employee recruitment strategy encompasses three programs designed to create pathways to employment at Sadara and beyond by providing opportunities for qualified high school and vocational college graduates, and college and university students to acquire practical, on-the-job experience and develop valuable professional skills.

“In 2024, Saudi nationals represented 77.65% of Sadara's full-time workforce.”

Workforce by Nationality	Unit	2022	2023	2024
Number of full-time national employees	Number	2,267	2,249	2,164
Female national employee	Number	89	80	72
Male national employees	Number	2,178	2,169	2,092
National full-time employees in senior management	Number	30	25	26
Number of employees of other nationalities	Number	720	643	623





WOMEN’S EMPOWERMENT

GRI 3-3, 405-1

Diversifying our workforce remains a key tenet of Sadara’s hiring strategy, and we aim to make Sadara one of the leading workplaces for women in our industry. To help us meet this objective, in 2024 we continued to implement a female employment strategy designed to help us grow the number of women employed at Sadara. And to enable and support the women who are already part of Sadara’s workforce, we have a Women’s Empowerment Program in place. The program provides professional development opportunities for women at Sadara, and works to build awareness of the valuable contributions made by our female employees. Each year, we recognize those contributions as part of International Women’s Day. Featuring recognition from the CEO, the celebration highlights the role female employees play in Sadara’s success.

Workforce	Unit	2022	2023	2024
Senior Management	Number	108	116*	175
Male employees	Number	108	116*	175
Female employees	Number	0	0	0
Middle Management	Number	344	221	250
Female employees	Number	4	5	4
Male employees	Number	340	216	246

\* Figure restated.



TALENT DEVELOPMENT & EMPLOYEE EXPERIENCE

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

In a competitive industry and marketplace, offering top-class talent development programs and employee experiences are key to attracting and retaining top talent at every career stage. With this in mind, we have a variety of resources, programs and support in place to provide our employees with personal and professional development and educational advancement.

All Sadara employees receive twice-yearly performance evaluations and career development reviews. These appraisals enable employees and their immediate supervisors or managers to exchange ideas, evaluate individual performance against annual targets, and work together to identify new performance goals and enhancement opportunities.

To advance their professional growth, all Sadara employees have access to training programs focused on employee leadership, technical skills, and business skills through our centralized Learning Management System. All training programs and opportunities are monitored by our Human Capital Development team, who regularly assess our training offer to ensure it continues to support skills fulfillment and our short- and long-term strategic objectives.



- Launched in 2022, the Sadara Leadership Development Program (SLDP) cultivates the development of current and future organizational leaders across different groups within the company through competency-building and skills enhancement.
- Our SPOT Automation program (Sadara Program for Operators and Technicians) is a strategic initiative designed to prepare and equip operators and technicians across the company for technical roles in operations and maintenance. Fully integrated into our HR and career progression system, this competency-based program is built around specific Job Certification Packages for each technical role within Sadara, enabling a standardized training and certification framework.
- Designed to enable new graduates to perform in their current job roles while preparing them for future careers, the Sadara Professional Development Program (SPDP) Talent Foundation Program (TFP) track is a foundational development-level program that offers a mix of developmental and experiential learning activities focused on equipping participants with the skills and knowledge to meet organizational goals.



We also offer a broad spectrum of specialized training offerings for all employees through the Sadara Professional Development, Sadara Leadership Development, Safety, and Technical programs. In 2024, this included 56 in-house technical training sessions conducted by Sadara’s Central Analytical Laboratories. These newly designed technical training sessions applied coaching strategies to increase the knowledge levels of our technical team with the aim of improving analytical thinking for more effective problem-solving and troubleshooting. Our Control Performance Management program also proved successful, with a 100% completion rate.

Following the Lombardo 70:20:10 development philosophy, our Success Factors e-IDP program also allows employees to pursue their own professional development goals through learning activities outside of our mandatory learning management system.

For more information on Sadara’s training and development, please visit our **2022** and **2023 Sustainability Reports**.

Program	Unit	2022	2023	2024
SLDP	Number of participants	474	480	580
SPOT	Number of participants	684	793	1,540
SPDP	Number of participants	915	893	1,154

Training and Development	Unit	2022	2023	2024
Total number of training for females	Number	69	141	356
Total number of training for males	Number	2,728	4,562	4,980
Total number of training for total workforce	Number	2,797	4,703	5,336
Total number of training for senior management	Number	34	60	38
Total number of training for middle management	Number	327	236	152

Sustainability Training

To activate progress towards Sadara’s sustainability objectives and drive internal engagement, we conduct regular sustainability and ESG training for employees throughout the year.

Sustainability Training	Unit	2022	2023	2024
Number of ESG/Sustainability training sessions	Number	10	8	4
Number of attendees of Sustainability Awareness Training on Sadara platform	Number	60	10	38

Sustainability Training	Unit	2022	2023	2024
Number of attendees of Footprint Training on Sadara platform	Number	36	161	1
Total ESG/Sustainability training hours	Hours	98	242	197

WAGES AND BENEFITS

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

We strive to offer competitive compensation and benefits for Sadara employees that recognize, incentivize, and reward performance, support health and well-being, and promote a healthy work-life balance, and we are committed to providing these benefits within a culture of equal opportunity and fairness.

In addition to competitive salaries, our compensation system is also linked to individual performance and achievement, providing opportunities to reward exceptional performance in contributing to departmental and organizational goals and objectives. In line with government regulations, we also provide a 9.75% basic salary match and housing allowance for the General Organization for Social Insurance (GOSI).

Other benefits available to Sadara employees include:

- **Financial support for employees to pursue professional certification and continuing education** through tuition reimbursement and associated fees.
- **A Thrift Plan (Amaan)** for all regular Saudi employees
- **An over-base allowance, annual benefits supplement, and guaranteed bonus** equivalent to one month’s basic salary during Ramadan.
- **The Sadara Home Loan Program and Home Owners Program**, The Sadara Home Loan Program and Home Owners Program, which offer our regular Saudi employees the chance to obtain a home loan to purchase a property of their choice or to enter the home owners program for residential units in Jubail Industrial city - developed by the Jubail and Yanbu Industrial Cities Services Company (JABEEN).
- **Beneficial retirement plans** including retirement packages and end-of-service awards calculated per the Ministry of Human Resources and Social Development.

Wages and Benefits	Unit	2022	2023	2024
Salaries paid (includes standard elements basic pay and consolidated allowances etc.)	ﷲ Million	789,542	765,130	765,645
Benefits paid (includes elements such as Pension, Gratuity, Medical Insurance, Annual Passage, Education etc.)	ﷲ Million	367,635	432,614	452,025



PARENTAL LEAVE

GRI 401-3

We provide comprehensive parental leave for male and female employees at Sadara in accordance with Saudi Labor Law. In addition to paid parental leave, female employees have the opportunity to work from home during their third trimester and have the option of extending their maternity leave with one month of unpaid leave. In 2024, three female employees and 245 male employees took parental leave. All employees returned to work at Sadara following their leave, continuing our high retention rate.

Parental Leave	Unit	2022	2023	2024
Total number of employees that took parental leave (female)	Number	8	7	3
Total number of employees that took parental leave (male)	Number	288	237	245

EMPLOYEE ENGAGEMENT AND WELL-BEING

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

Helping employees foster a healthy work-life balance is at the heart of our focus on creating a welcoming, engaging work environment and rewarding employee experience.

We count on clear, honest feedback from our employees to help us create a positive work environment that fosters personal and professional growth. To gather this feedback, we regularly conduct surveys to measure employee engagement and these surveys focus on nine core drivers of employee engagement through 34 targeted questions. They are designed to measure key psychological factors that influence engagement and motivation, such as professional growth, work environment, diversity and inclusion, strategy, and organizational/cultural alignment.

To support physical well-being, we provide a variety of facilities including recreation and sports centers at Sadara sites and a desert camp, “Sadara Resort.” The resort provides employees and their families with world-class facilities and social opportunities. In addition, Sadara’s Self-Directed Group Program helps employees explore a range of extracurricular activities such as sports and volunteering. Employees also have access to discounted gym memberships, travel and hotel accommodations, store discounts, and health initiatives.

Employee Engagement	Unit	2022	2023	2024
Employee Engagement	out of 10	6.7	6.7	6.5

Employee Relations

We established Sadara’s Employee Relations Unit (ERU) to maintain a harmonious relationship between Sadara and our employees by increasing awareness of employees’ rights and obligations, administrating conflict resolution, and ensuring compliance with related internal/external regulations. This is achieved through conducting awareness sessions and handling grievances, complaints, violations, and labor litigation.

The ERU has recently undertaken amplified efforts to increase workforce awareness of regulations around anti-harassment and anti-discrimination, we have strict disciplinary measures in place for such incidents in full compliance with internal and external regulations on these matters.

In 2024, the ERU created and updated processes, procedures, and guidelines to ensure a fair and effective approach to managing employees including a complete overhaul of our Internal Work Rules and Table of Offenses and Penalties to reflect current laws and regulations and ensure fair and inclusive workplace for all employees. The unit also overhauled our Performance Improvement Plan implementation to ensure that employees’ performance issues are addressed in a timely, effective, and compliant manner; successfully completed the Conflict of Interest Process to ensure all members of the company have accurately declared any conflicts, and established a new Non-Disclosure Agreement (NDA) to ensure employees formally acknowledge and commit to maintaining confidentiality when temporarily assigned to another department.

The ERU also completed 135 overall Safety observations varying from EHS observations, Leaders walkthrough, department safety meetings on a weekly basis, and Safety moments.





Grievances

Sadara does not tolerate any incidents of workplace harassment or discrimination, and we are committed to taking necessary measures to prevent and address any such incidents. Our Grievance Policy enshrines this commitment and sets forth our position on anti-harrassment and anti-discrimination, and the grievance process is handled by Sadara’s Employee Relations unit (ERU), which is fully responsible for every step of the grievance process.

The process ensures every employee and stakeholder has the right to report a grievance or concern securely, confidentially, and without fear of retaliation or reprisal.

Employees may submit two types of grievances: Formal and Informal. For an informal grievance, the employee shall first informally discuss the case that is deemed unfair. For a formal grievance, an employee will submit a written complaint to the ERU to start an investigation without prejudice to his/her right to resort to the appropriate Labor Office or the Commission for Settlement of Labor Disputes, particularly in the case of termination. In the case of behavioral grievances, an employee may submit a formal written complaint to the ERU to start the investigation within five days of the date of the incident.

If an employee is found to be in violation of Sadara’s Code of Conduct or any of our policies and procedures, the ERU is responsible for taking corrective actions, which can include counselling sessions and guidance, or employment termination in severe cases.

In 2024, Employee Relations Unit successfully closed more than 308 cases within Sadara, demonstrating our commitment to resolving workplace issues and promoting employee well-being.

To track the effectiveness of our grievance mechanisms and remediation process, plus drive continuous improvement, the ERU regular reviews our system. Lessons learned are captured and shared with all relevant stakeholders, processes and policy are continuously revisited to ensure an optimized approach, and all grievance cases are meticulously documented and tracked.

Employee Grievances	Unit	2022	2023	2024
Number of employee grievances filed in the reporting period	Number	20	19	11
Number of these employee grievances addressed or resolved	Number	20	19	11



SUCCESS SPOTLIGHT

STRENGTHENING A POSITIVE WORK ENVIRONMENT

In accordance with Sadara’s commitment to maintaining a warm, inviting, and engaging work environment that cultivates talent from within, we implemented an initiative to constructively address challenging employee behaviors through effective engagement and communication. Focused on maintaining a healthy and positive work environment for everyone, the initiative engages the ERU and direct leaders or managers in addressing disruptive behaviors through constructive, mediated engagement designed to provide all parties with the opportunity to provide insight and work together to address problematic behavior.



SOCIAL RESPONSIBILITY

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

Supporting growth and quality of life for communities throughout Jubail, the Eastern Province, and Saudi Arabia is more than a cornerstone of our sustainability strategy: it is central to our values as a company. In 2024, our community outreach and engagement activities gathered greater momentum as we continued to focus on helping those in need supporting the development and education of younger generations, building social awareness, partnering with non-profit organizations, and working to educate communities on environmental responsibility.

As a result, the total value of our community investments increased by 11.5%, and the number of local programs focused on community-specific needs grew by 76%, from 25 programs in 2023 to 44 in 2024.

We also made a crucial step-change in our CSR approach for 2024 by adapting our CSR pillars to align with the Ministry of Human Resources and Social Development’s (MHRSD) CSR strategy framework, which promotes corporate commitment to sustainable social, environmental, and economic development. This adjustment in the focus of our own CSR approach ensures Sadara’s current and future initiatives become even more impactful, compliant, and aligned with national goals, reinforcing our role as one of the Kingdom’s leading entities for sustainability and corporate responsibility.

As part of the process of adapting to the MHRSD framework, we fostered partnerships with government bodies and non-profit local organizations throughout 2024 to build a clear understanding of the new directives and further align our own initiatives for compliance and impact. Over the next one to two years we plan to introduce enhanced CSR evaluation criteria to improve transparency, resource allocation, and impact assessment in line with the MHRSD’s CSR strategy.

None of Sadara’s operations had significant actual and potential negative impact on local communities in 2024.

Community Engagement	Unit	2022	2023	2024
Total value of community investments	ﷲ Million	10,310,931	13,080,778	18,853,344
Total number of local community development programs based on local community needs	Number	19	25	44
Donations and sponsorships	ﷲ Million	1,444,995	1,823,023	1,507,726

COMMUNITY OUTREACH

GRI 413-1, 413-2

Sadara’s community development efforts primarily emphasize education and charitable initiatives. All community development programs are carefully selected to align with one of the five key pillars of Sadara’s outreach strategy: Education, Environment, Health & Safety (EHS), Culture, and Charity & Volunteerism.

As part of our outreach strategy, Sadara has established partnerships with several government, non-profit organizations, and community-based groups focused on community development, education, healthcare, and support for vulnerable groups, reflecting Sadara’s commitment to making a positive impact within the communities we serve.

In 2024 these partnerships included:



Ministry of Human Resources and Social Development (HRSD)



Ertiqa Association for Educational Development



Jubail Health Network



Benaa Charity Association for Orphan Care



Wahaj Women's Charitable Association



Jubail Orphans Charity Association



Tarmeem Charity Organization



Resalah Association for Social Development



Tarabot Association for Medical Support



Royal Commission Hospital in Jubail



Prince Sultan Rehabilitation Complex (Efaa)



Noor Almarefa Co. High Training Institute



Al-Morouj Intermediate School



Thouq Organization for Public Etiquette



As part of our commitment to community development and social responsibility, we supported Noor Almarefa Co. High Training Institute in 2024 to facilitate the implementation of a specialized education and empowerment program for visually impaired women. The initiative provides a comprehensive two-year diploma program tailored to equip students with essential skills and knowledge, enabling them to pursue meaningful career opportunities and achieve financial independence.

In addition, Sadara conducts development programs at its premises for Saudi students, supporting the growth of national talent to meet market demands in alignment with Sadara’s human resource objectives and Saudi Vision 2030 ambitions. We further collaborate with academic institutions to foster knowledge-sharing and development.

2024 Community Sponsorships & Investment

Our sponsorships and donations are focused on supporting the communities in which Sadara operates, as well as broader initiatives across the Kingdom. These contributions are overseen by a dedicated cross-functional committee which operates under a structured team charter and established guidelines. The committee ensures that all sponsorship and donation activities align with Sadara’s code of conduct, corporate strategy, and sustainability and community outreach objectives.

Empowering Communities

**Sponsorship of ChemLLMathon**, a hackathon exploring AI-driven solutions in chemistry designed to enhance economic performance and develop from within. The event fostered innovation and collaboration among chemists, AI enthusiasts, and students, reinforcing Sadara’s commitment to advancing technological solutions in the chemical sector.

**Support for Tarabot Association** through the financing of two vehicles to assist Tarabot, a charity providing medical transport for patients in need. The initiative improved access to medical treatment for patients facing financial hardship, positively impacting community health.

**Helping Tarmeem Charity’s mobile maintenance workshop**, providing home repairs for families in need, helping approximately 70 households annually, enhancing the quality of life for low-income families while fostering community development through training opportunities.



Responsible Operations

**Contribution to the construction of a specialized burn unit at the RCJ Hospital**, improving emergency care in Jubail. The unit provides critical treatment for burn victims, offering immediate care and reducing the need for travel to distant facilities.

**Joining GPCA’s “Be the Change” Campaign, a waste management campaign at Al-Morouj Intermediate School**, promoting recycling and environmental responsibility. The initiative educated students on sustainable waste management practices, contributing to the broader goal of environmental sustainability.







SUCCESS SPOTLIGHT

IMPROVING COMMUNITY FIRE SAFETY

Throughout 2024, our Fire Protection and Emergency Services team conducted an outreach program for Jubail communities to raise awareness and educate the public about home fire safety. The program used simulators to cover critical fire safety topics and enhance awareness through near-real scenarios for adults, families, and children.

EDUCATION

GRI 413-1, 413-2

Sadara wins Saudi Aramco 2023 Downstream President Digital Horizons Award:

Sadara won the prestigious Saudi Aramco 2023 Downstream President Digital Horizons Award for the Real Time Optimization (RTO) of the MFC Plant.

Sadara Gold Sponsor of JUBCOR 2024:

A Sadara delegation participated in the Jubail Corrosion Conference and Exhibition (JUBCOR 2024), of which the company was a gold sponsor, on Sept. 2-4, 2024, at the King Abdullah Cultural Center. Held under the theme “Innovative Solutions for Corrosion Challenges,” the event underlined the importance of reducing the risks of corrosion in industrial facilities, and the need to enhance opportunities for cooperation and exchange of information on sustainable assets.

Sadara Celebrates Internship Program Graduates:

Sadara hosted an intern graduation ceremony, marking the successful completion of training for the second batch of students who participated in the 15-week internship program for 2024. The ceremony, held on Oct. 9, 2024 at the Training Building on site, celebrated the achievements of interns, a total of 14 fresh graduates – eight females and six males. The non-employee training program aims at fulfilling Sadara’s own manpower needs as well as creating a pool of national talents to contribute to the achievement of Saudi Vision 2030 goals.

Sadara Wins Two CSR Gold Awards at HRSD Global CSR Forum 2024:

Sadara’s CSR efforts were recognized with gold awards in two categories at the Ministry of Human Resources and Social Development’s (HRSD) inaugural CSR Awards for the year 2024. Sadara won gold in the ‘Best Company in the Industrial Sector’ and ‘Best Practices’ categories for its unwavering commitment to its sustainable efforts in the Corporate Governance, Environmental and Social domains. The prestigious awards were presented to Sadara CEO Fayez AlSharef by H.E. Ahmed Al-Rajhi, Minister of Human Resources and Social Development, at the HRSD’ Global CSR Forum 2024 in Riyadh on Monday, Oct. 28, 2024.

Sadara Honored for Misbar 8 Sponsorship:

In recognition of its strong commitment to CSR, Sadara sponsored the eighth edition of the Misbar Scientific Camp (Misbar 8). The Misbar camp, organized by the Benna Charity Association, is a flagship initiative designed to empower orphaned youth in the region with advanced science and technology skills.





ENVIRONMENT, HEALTH & SAFETY:

GRI 413-1, 413-2

Sadara’s Weight Loss Race:

Organized by Sadara Health Services Division, the competition ran from July 14 to Oct. 20, 2024. Designed to encourage a healthier lifestyle, the 14-week program saw a total of 109 employees participating.

Breast Cancer Awareness Program:

Sadara, in collaboration with Jubail Health Network, recently hosted a breast cancer awareness program at Sadara Resort. Held on Wednesday, Oct. 9, 2024, the program aimed to educate and spread awareness among Sadara employees and their families on breast cancer with the focus on early detection.

Annual Flu Vaccination Campaign:

Sadara conducted a successful flu vaccination campaign across all its facilities under the theme “Don’t Let the Flu Catch You.” Organized by Sadara Health Services Division, the annual vaccination campaign which took place from Nov. 5 - 12, 2024, targeted all employees and contractors except those with medical exemptions. During the campaign, a total of 400 Sadara staff received the flu jabs.

Be the Change Campaign:

In partnership with the Royal Commission for Jubail and Al-Murooj Intermediate School, Sadara launched the “Be the Change” campaign to promote environmental awareness and sustainable practices among youth. This campaign featured educational and hands-on activities including clean-up drives, recycling contests, and mangrove planting. By engaging students and families, the initiative fostered a culture of sustainability, strengthened community partnerships, and reinforced Sadara’s commitment to environmental stewardship.



CHARITABLE WORK

GRI 413-1, 413-2

Sadara Supports Wahaj Charity’s ‘Children of Vision 2030’ Entertainment Festival:

Sadara through its Volunteers Club (SVC) recently supported several events and activities during the “Children of Vision 2030,” entertainment festival, which was organized by Wahaj Women’s Charitable Society (Wahaj), in cooperation with the Royal Commission for Jubail (RCJ). Held on July 2-3, 2024, at the Knowledge and Creativity Center in Jubail Industrial City, the festival comprised activities and competitions aimed at introducing children to artificial intelligence (AI), enhancing their cognitive imagination, and instilling in them the spirit of creativity.

Sadara Donates Over 3000 IT Devices to Ertiq:

In line with its CSR strategy, Sadara recently donated over 3,000 digital devices and related equipment, including computers, printers and accessories, to Ertiq, a non-profit organization which collects, repairs, and distributes used IT equipment to educational and social institutions across the Kingdom.





EMPLOYEE VOLUNTEERISM

GRI 413-1, 413-2

“In 2024, Sadara employees collectively devoted 8,115 hours to volunteer activities.”



Volunteerism is a central component of our community outreach strategy, and we actively promote a culture of giving back within our organization and across the broader community. Sadara employees are actively encouraged to take part in this culture of service by sharing their skills, talents, and time through the Sadara Volunteers Club, which provides opportunities throughout the year to participate in opportunities to support those in need across the communities in which we operate. In 2024, Sadara employees collectively devoted 8,115 hours to volunteer activities.

Volunteerism	Unit	2022	2023	2024
Number of volunteers	Number	270	187	340
Employee volunteer hours	Hours	3,035	5,948	8,115
Number of volunteering days	Days	28	39	29
Number of volunteering activities	Activity	21	22	19



APPENDIX



APPENDIX A: ACRONYMS

<b>AGCIH</b>	American Governmental Conference of Industrial Hygienists	<b>EDCO</b>	Environment Development Co.Ltd.
<b>AI</b>	Artificial Intelligence	<b>EHS</b>	Environment, Health, and Safety
<b>APC</b>	Adaptive Process Control	<b>EHS&amp;S</b>	Environment Health, Safety and Security
<b>B&amp;S VP</b>	Business and Services Vise President	<b>EHSS &amp; Q</b>	Environment, Health, Safety, Security, and Quality
<b>BC</b>	Business Continuity	<b>EIC</b>	Energy Information Center
<b>BCM</b>	Business Continuity Management	<b>e-IDP</b>	electronic Individual Development Program
<b>BGE</b>	Butyl Glycol Ethers	<b>EnMS</b>	Energy Management System
<b>BOC</b>	Balance of Consequences	<b>EO</b>	Ethylene Oxide
<b>BOD</b>	Board of Directors	<b>EOA</b>	Ethylene Oxide Adducts
<b>C2M2</b>	Cybersecurity Capability Maturity Model	<b>EOD</b>	Ethylene Oxide and Derivatives
<b>CAL</b>	Central Analytical Laboratories	<b>EOP</b>	Environmental Operations
<b>CAMP</b>	Corrective Action Management Process	<b>EPO</b>	Environmental Permit to Operate
<b>CCPS</b>	Center for Chemical Process Safety	<b>ERGs</b>	Emergency Response Guides
<b>Cefic</b>	European Chemical Industry Council	<b>ERM</b>	Enterprise Risk Management
<b>CEM</b>	Clean Energy Ministerial	<b>ERU</b>	Employee Relations Unit
<b>CEO</b>	Chief Executive Officer	<b>ESG</b>	Environmental, Social, and Governance
<b>CFO</b>	Chief Financial Officer	<b>FCR</b>	First Call Resolution
<b>CIC</b>	Corporate Innovation Committee	<b>GC</b>	Gas Chromatography
<b>CISO</b>	Chief Information Security Officers	<b>GCC</b>	Gulf Cooperation Council
<b>CMMI</b>	Capability Maturity Model Integration	<b>GHG</b>	Greenhouse Gas
<b>CO<sub>2</sub></b>	Carbon Dioxide	<b>GJ</b>	Giga Joules
<b>CO<sub>2</sub>e</b>	Carbon Dioxide Equivalent	<b>GOSI</b>	General Organization for Social Insurance
<b>Cogen</b>	Co-generation	<b>GPCA</b>	Gulf Petrochemical and Chemical Association
<b>CP&amp;BD</b>	Corporate Planning & Business Development	<b>GRC</b>	Governance, Risk and Compliance
<b>CSR</b>	Corporate Social Responsibility	<b>GRI</b>	Global Reporting Initiatives
<b>DMZ</b>	Demilitarized Zone	<b>HFO</b>	Heavy Fuel Oil
<b>DPMO</b>	Defects Per Million Opportunities	<b>HP</b>	High Purity
<b>DSI</b>	Day Sales Inventory	<b>HPPO</b>	Hydrogen Peroxide to Propylene Oxide
<b>EAL</b>	Environmental Action Limit		
<b>E&amp;AT</b>	Event and Action Tool		

<b>HR</b>	Human Resource	<b>MHRSD</b>	Ministry of Human Resources and Social Development
<b>HRSD</b>	Human Resources and Social Development	<b>MoE</b>	Ministry of Energy
<b>HSE</b>	Health, Safety and Environment	<b>MOT</b>	Mode-of-Transport
<b>IC</b>	Ion Chromatography	<b>MOU</b>	Memorandum of Understanding
<b>ICF</b>	Interconnecting Facilities	<b>MPC</b>	Maintenance Project and Contractor
<b>ID</b>	Identification	<b>MSDS</b>	Material Safety Data Sheets
<b>IFRS</b>	International Financial Reporting Standards	<b>MT</b>	Metric Tons
<b>IMS</b>	Integrated Management System	<b>NCA</b>	National Cybersecurity Authority
<b>ICP</b>	Inductive Coupled Plasma	<b>NDA</b>	Non-Disclosure Agreement
<b>IP</b>	Intellectual Property	<b>NIST</b>	National Institute of Standards and Technology
<b>IR VP</b>	Industrial Relations Vice President	<b>NOx</b>	Nitrogen Oxides
<b>IS</b>	Information Security	<b>NpS</b>	Net Promoter Score
<b>ISO</b>	International Organization for Standardization	<b>OCS</b>	Operation Clean Sweep
<b>ISS</b>	Industrial Security System	<b>ODMS</b>	Operating Discipline Management System
<b>IT</b>	Informational Technology	<b>OHS</b>	Occupational Health and Safety
<b>IWT</b>	Infrastructure and Waste Treatment	<b>OJT</b>	On-the-Job Training
<b>JAMAA</b>	Jubail Area Mutual Aid Association	<b>OSMMU</b>	Off Site Material Management Unit
<b>JV</b>	Joint Venture	<b>PE</b>	Polyethylene
<b>KFIP</b>	King Fahad Industrial Port	<b>PG</b>	Propylene Glycol
<b>KPI</b>	Key Performance Indicator	<b>PMDA</b>	Polymeric Methylene Diphenyle Di Amines
<b>KT</b>	Kilotons	<b>PMDI</b>	Polymeric Methylene Diphenyl Diisocyanate Isocyanates
<b>kWh</b>	Kilowatt-hour	<b>PO</b>	Propylene Oxide
<b>LCGPA</b>	Local Content and Government Procurement Authority	<b>RCJY</b>	Royal Commission for Jubail and Yanbu
<b>LDPE</b>	Low Density Polyethylene	<b>SBC</b>	Sadara Business Complex
<b>LED</b>	Light Emitting Diode	<b>SGI</b>	Saudi Green Initiative
<b>LLDPE</b>	Linear Low-Density Polyethylene		
<b>LOPC</b>	Loss of Primary Containment		
<b>M&amp;E VP</b>	Manufacturing and Engineering Vice President		
<b>MDI</b>	Methylene diphenyl Diisocyanate		
<b>MFC</b>	Mixed Feed Cracker		



APPENDIX B: GRI CONTENT INDEX

For the Content Index – Essentials Service, GRI services reviewed that the GRI content index has been presented in a way consistent with the requirements for reporting in accordance with the GRI Standards, and that the information in the index is clearly presented and avccessible to the stakeholders.

PLACEHOLDER

Statement of use	Sadara has reported in accordance with the GRI Standards for the period from January 1, 2024, to December 31, 2024
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	None

GRI Standard/ Other Source	Disclosure	Link / Direct Answer	Omission		GCC ESG Reporting Metrics
			Reason	Explanation	
General disclosures					
GRI 2: General Disclosures 2021	2-1 Organizational details	5-6	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	1			
	2-3 Reporting period, frequency and contact point	1			
	2-4 Restatements of information	89			
	2-5 External assurance	128 - 133			
	2-6 Activities, value chain and other business relationships	5, 6			
	2-7 Employees	86, 87			
	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	26-28			
	2-10 Nomination and selection of the highest governance body	26, 27			

GRI Standard/ Other Source	Disclosure	Link / Direct Answer	Omission		GCC ESG Reporting Metrics
			Reason	Explanation	
GRI 2: General Disclosures 2021	2-11 Chair of the highest governance body	26, 27			
	2-12 Role of the highest governance body in overseeing the management of impacts	26, 27			
	2-13 Delegation of responsibility for managing impacts	27, 28			
	2-14 Role of the highest governance body in sustainability reporting	27, 28			
	2-15 Conflicts of interest	31			
	2-16 Communication of critical concerns	16, 30, 31			
	2-17 Collective knowledge of the highest governance body	27, 28, 90, 91			
	2-18 Evaluation of the performance of the highest governance body	26-28			
	2-19 Remuneration policies	Not disclosed.	Confidentiality constraints.	Due to Human Capital Policy.	
	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	3, 4			
	2-23 Policy commitments	31, 48, 51, 64,73, 87, 95			
	2-24 Embedding policy commitments	31, 48, 51, 64,73, 87, 95			
	2-25 Processes to remediate negative impacts	30-32, 59, 66, 67, 74			
	2-26 Mechanisms for seeking advice and raising concerns	31, 32			
	2-27 Compliance with laws and regulations	30-32			
	2-28 Membership associations	29			
	2-29 Approach to stakeholder engagement	16			
	2-30 Collective bargaining agreements	Not disclosed.	Legal prohibitions.	Collective bargaining is prohibited by Saudi Arabian laws.	



GRI Standard/ Other Source	Disclosure	Link / Direct Answer	Omission		GCC ESG Reporting Metrics
			Reason	Explanation	
Material topics					
GRI 3: Material Topics 2021	3-1 Process to determine material topics	13-15			
	3-2 List of material topics	15			
Occupational Health, Safety & Wellbeing					
GRI 3: Material Topics 2021	3-3 Management of material topics	40			
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	42			S7. Injury Rate
	403-2 Hazard identification, risk assessment, and incident investigation	44			
	403-3 Occupational health services	42			
	403-4 Worker participation, consultation, and communication on occupational health and safety	41			
	403-5 Worker training on occupational health and safety	43			
	403-6 Promotion of worker health	93			
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	44			
	403-8 Workers covered by an occupational health and safety management system	42			
	403-9 Work-related injuries	41			
	403-10 Work-related ill health	41			
Talent Development & Employee Experience					
GRI 3: Material Topics 2021	3-3 Management of material topics	90-91			S3. Employee Turnover
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	92			

GRI Standard/ Other Source	Disclosure	Link / Direct Answer	Omission		GCC ESG Reporting Metrics
			Reason	Explanation	
GRI 202: Market Presence 2016	202-2 Proportion of senior management hired from the local community	88			S3. Employee Turnover
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	87			
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	92			
	401-3 Parental leave	93			
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	87, 89			
	405-2 Ratio of basic salary and remuneration of women to men	92			
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	91			
	404-2 Programs for upgrading employee skills and transition assistance programs	91			
	404-3 Percentage of employees receiving regular performance and career development reviews	90			
Climate Change & GHG Emissions					
GRI 3: Material Topics 2021	3-3 Management of material topics	50			E1. GHG Emissions  E2. Emissions Intensity
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	51			
	305-2 Energy indirect (Scope 2) GHG emissions	51			
	305-4 GHG emissions intensity	51			
	305-5 Reduction of GHG emissions	50			
	305-6 Emissions of ozone-depleting substances (ODS)	52			
Air Quality					
GRI 3: Material Topics 2021	3-3 Management of material topics	51-52			
GRI 305: Emissions 2016	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	52			



GRI Standard/ Other Source	Disclosure	Link / Direct Answer	Omission		GCC ESG Reporting Metrics
			Reason	Explanation	
Ethics, Governance, & Compliance					
GRI 3: Material Topics 2021	3-3 Management of material topics	30-31			G5. Ethics & Prevention of Corruption
GRI 205: Anti- corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	31			
	205-3 Confirmed incidents of corruption and actions taken	31			
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 2024 for anti-competitive behavior, anti-trust, and monopoly practices			
Energy Management					
GRI 3: Material Topics 2021	3-3 Management of material topics	53			E3. Energy Usage
GRI 302: Energy 2016	302-1 Energy consumption within the organization	54			
	302-2 Energy consumption outside of the organization	54			E4. Energy Intensity
	302-3 Energy intensity	54			
	302-4 Reduction of energy consumption	53			
Water Management					
GRI 3: Material Topics 2021	3-3 Management of material topics	54			E6. Water Usage
GRI 303: Water and Effluents 2018	303-2 Management of water discharge-related impacts	54			
	303-3 Water withdrawal	54			
	303-4 Water discharge	54			
	303-5 Water consumption	54			
Circular Economy & Waste Management					
GRI 3: Material Topics 2021	3-3 Management of material topics	55-56			

GRI Standard/ Other Source	Disclosure	Link / Direct Answer	Omission		GCC ESG Reporting Metrics	
			Reason	Explanation		
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	55				
	306-2 Management of significant waste-related impacts	58				
	306-3 Waste generated	58				
	306-4 Waste diverted from disposal	57				
	306-5 Waste directed to disposal	58				
GRI 306: Effluents and Waste 2016	306-3 Significant spills	59				
GRI 301: Materials 2016	301-1 Materials used by weight or volume	57				
	301-2 Recycled input materials used	57				
Human Rights Management						
GRI 3: Material Topics 2021	3-3 Management of material topics	87				S9. Child & Forced Labor
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	74, 87				
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	74, 87			S10. Human Rights	
Biodiversity						
GRI 3: Material Topics 2021	3-3 Management of material topics	59				
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	59				
	304-2 Significant impacts of activities, products and services on biodiversity	59				
Social Responsibility						
GRI 3: Material Topics 2021	3-3 Management of material topics	97				



GRI Standard/ Other Source	Disclosure	Link / Direct Answer	Omission		GCC ESG Reporting Metrics
			Reason	Explanation	
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	98-104			
Data Privacy & Cybersecurity					
GRI 3: Material Topics 2021	3-3 Management of material topics	33			G6. Data Privacy
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 2024.			
Customer Relations					
GRI 3: Material Topics 2021	3-3 Management of material topics	78			
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	64			
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	65			
	201-2 Financial implications and other risks and opportunities due to climate change	32, 48			
	201-3 Defined benefit plan obligations and other retirement plans	92			
GRI 203: Indirect Economic Impacts 2016	203-2 Significant indirect economic impacts	79			

GRI Standard/ Other Source	Disclosure	Link / Direct Answer	Omission		GCC ESG Reporting Metrics
			Reason	Explanation	
GRI 207: Tax 2019	207-1 Approach to tax	65			
	207-2 Tax governance, control, and risk management	65			
Diversity & Inclusion					
GRI 3: Material Topics 2021	3-3 Management of material topics	87			S4. Gender Diversity
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	86, 89			G1. Board Diversity
	405-2 Ratio of basic salary and remuneration of women to men	92			S2. Gender Pay Ratio
Product Quality, Safety, & Stewardship					
GRI 3: Material Topics 2021	3-3 Management of material topics	66			
GRI 417: Marketing and Labeling 2016	417-2 Incidents of non-compliance concerning product and service information and labeling	67			
Supply Chain Management					
GRI 3: Material Topics 2021	3-3 Management of material topics	72			G4. Supplier Code of Conduct
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	77			
GRI 308: Supplier Environ- mental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	73, 74			
	308-2 Negative environmental impacts in the supply chain and actions taken	74			
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	73, 74			
	414-2 Negative social impacts in the supply chain and actions taken	74			



GRI Standard/ Other Source	Disclosure	Link / Direct Answer	Omission		GCC ESG Reporting Metrics
			Reason	Explanation	
TOPIC		EXPLANATION			
Risk Management & Business Continuity					
GRI 3: Material Topics 2021	3-3 Management of material topics	32			
Innovation & Digital Transformation					
GRI 3: Material Topics 2021	3-3 Management of material topics	79-80			
Digital Transformation					
GRI 3: Material Topics 2021	3-3 Management of material topics	81-82			
Process Safety & Asset Integrity					
GRI 3: Material Topics 2021	3-3 Management of material topics	44			

# APPENDIX C: IFRS ALIGNMENT

## IFRS S1 DISCLOSURES

IFRS S1 Category	Index	Disclosure content	Reference
Governance	S1.27	<b>Governance</b> a) Describe governance processes, controls, and procedures used to monitor, manage, and oversee sustainability-related risks and opportunities b) Explain how governance supports identification and management of sustainability-related risks and opportunities c) Enable understanding of governance's role in sustainability oversight for users of financial reports"	26, 30-32
	S1.27	<b>Board role</b> 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	27-28
	S1.27	<b>Management role</b> 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	27-28
Strategy	S1.28	<b>Strategy</b> 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"	13, 17-18, 21-22
	S1.29	<b>Sustainability-Related Financial Disclosures</b> 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"	32, 64, 65



IFRS S1 Category	Index	Disclosure content	Reference
Strategy	S1.30	<b>Sustainability-related risks and opportunities</b> 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"	32
	S1.31	<b>Time Horizons</b> a) Define short-, medium-, and long-term time horizons based on entity-specific and industry-specific factors"	-
	S1.32	<b>Business Model and Value Chain</b> a) Describe current and anticipated effects of sustainability-related risks and opportunities on the business model and value chain b) Identify where risks and opportunities are concentrated (e.g., geography, facilities, asset types)"	5, 6
	S1.33	<b>Strategy and Decision-Making</b> a) Explain how the entity has responded or plans to respond to sustainability-related risks and opportunities b) Disclose progress against previously disclosed plans, using both quantitative and qualitative information c) Describe trade-offs considered in strategic decisions (e.g., environmental vs. social impacts)	17-18
	S1.34	<b>Current and Anticipated Financial Effects</b> a) Disclose current effects of sustainability-related risks and opportunities on financial position, performance, and cash flows b) Explain anticipated future effects over short, medium, and long term, considering integration into financial planning"	64, 65
	S1.35	<b>Financial Position, Financial Performance and Cash Flows</b> a) Provide quantitative and qualitative information on current financial impacts of sustainability-related risks and opportunities b) Disclose risks and opportunities that could lead to material adjustments in asset or liability values within the next reporting period c) Explain expected changes to financial position over short, medium, and long term, considering investment/disposal plans and funding sources d) Describe expected changes to financial performance and cash flows over short, medium, and long term, based on sustainability strategy"	64, 65

IFRS S1 Category	Index	Disclosure content	Reference
Strategy	S1.41	<b>Resilience of Strategy and Business Model</b> a) Disclose the entity's capacity to adapt to uncertainties from sustainability-related risks b) Provide a qualitative—and where applicable, quantitative—assessment of the resilience of strategy and business model c) Include information on how the assessment was conducted and the time horizon used"	32
Risk Management	S1.44	<b>Risk Management</b> d) Processes/ related policies to identify, assess, prioritise and monitor sustainability-related risks e) Processes/ related policies to identify, assess, prioritise and monitor sustainability-related opportunities f) Describe integration into the overall risk management process"	32, 33
Metrics and Targets	S1.46	<b>Metrics Disclosure Requirements</b> 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"	13-15
	S1.48	<b>Industry-Specific Metrics</b> a) Disclose metrics relevant to the entity's business model, activities, or industry-specific characteristics ensuring alignment with common industry practices and risks"	17, 18
	S1.49	<b>Non-IFRS Metrics</b> a) If using metrics from sources other than IFRS Sustainability Disclosure Standards, disclose both the source and the metric used"	19-22
	S1.50	<b>Entity-Developed Metrics</b> 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"	17-18
	S1.51	<b>Targets Disclosure Requirements</b> a) Disclose targets set by the entity and those required by law or regulation"	25, 39, 47, 52, 63, 81, 85



IFRS S1 Category	Index	Disclosure content	Reference
Metrics and Targets	S1.52	<b>Consistency of Metrics Over Time</b> 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"	17-18
	S1.53	<b>Clarity in Metrics and Targets</b> a) Label and define all metrics and targets using meaningful, clear, and precise names and descriptions"	25, 39, 47, 52, 63, 81, 85

IFRS S2 DISCLOSURES

IFRS S2 Category	Index	Disclosure content	Reference
Governance	S2.6	<b>Governance</b> a) Describe governance processes, controls, and procedures used to monitor, manage, and oversee sustainability-related risks and opportunities b) Explain how governance supports identification and management of sustainability-related risks and opportunities c) Enable understanding of governance's role in sustainability oversight for users of financial reports"	26, 28, 30-32
	S2.6	<b>Board role</b> 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	27-28
	S2.6	<b>Management role</b> 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	27-28

IFRS S2 Category	Index	Disclosure content	Reference
Strategy	S2.9	<b>Strategy</b> 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	32, 48, 50
	S2.10	<b>Climate-Related Risks and Opportunities</b> 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	32, 48, 50
	S2.12	<b>Industry-Based Guidance Reference</b> 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	<b>Effects on Business Model and Value Chain</b> 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)	58
	S2.14	<b>Strategy and decision-making</b> a) Response to climate-related risks and opportunities b) Funding of response actions to climate-related risks and opportunities c) Information on progress	48, 50
	S2.15	<b>Current and Anticipated Financial Effects</b> 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	55-57



IFRS S2 Category	Index	Disclosure content	Reference
Strategy	S2.16	<b>Detailed Financial Impact Disclosures</b> 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) i) 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)	32, 48
		<b>Disclosure When Quantitative Information Is Omitted</b> 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	
		<b>Climate resilience</b> a) Climate resilience for reporting period a) Climate-related scenario analysis	
	S2.21		NA
Risk Management	S2.22		50
	S2.25	<b>Risk Management</b> a) Processes/ related policies to identify, assess, prioritise and monitor climate-related risks b) Processes/ related policies to identify, assess, prioritise and monitor climate-related opportunities c) Describe integration into the overall risk management process	32, 50
Metrics and Targets	S2.28	<b>Metrics and Targets Disclosure Requirements</b> 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	47, 50-51
	S2.29	<b>Metrics and targets</b> a) Scope 1/2/3 GHG (Scope 3 operational) b, c and d) Climate-related transition and physical risks and opportunities	51

IFRS S2 Category	Index	Disclosure content	Reference
Metrics and Targets	S2.32	<b>Industry-Based Metrics Disclosure</b> 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	50-51
	S.2.33	<b>Climate-Related Targets Disclosure</b> 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	47, 48, 50
	S.2.34	<b>Approach to Target Setting and Monitoring</b> 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	48, 50
	S.2.35	<b>Performance Against Targets</b> a) Disclose performance results for each climate-related target b) Provide analysis of trends or changes in performance over time	47
	S.2.36	<b>Greenhouse Gas Emissions Targets Disclosure</b> 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) 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)	47, 50, Appendix D



IFRS S2 Category	Index	Disclosure content	Reference
Metrics and Targets	S.2.37	<b>Reference to Metrics for Target Setting and Monitoring</b> 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	47, 50-51

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) CO <sub>2</sub> -e	RT-CH-110a.1	51
		Percentage covered under emissions-limiting regulations	Percentage (%)		50-51
		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	50-51
	Air Quality	Air emissions of NOX (excluding N2O)	Metric tons (t)	RT-CH-120a.1	52
		Air emissions of SOX	Metric tons (t)		52
		Air emissions of volatile organic compounds (VOCs)	Metric tons (t)		52
		Air emissions of hazardous air pollutants (HAPs)	Metric tons (t)		52

Relevant SASB Industry	Topic	Metric	Unit of Measure	Relevant SASB Code	Page number(s) and/or direct answers
Chemicals	Energy Management	Total energy consumed	Gigajoules (GJ)	RT-CH-130a.1	54
		Percentage grid electricity	Percentage (%)		Not Applicable
		Percentage renewable	Percentage (%)		54
		Total self-generated energy <sup>2</sup>	Gigajoules (GJ)		54
	Water Management	Total water withdrawn	Thousand cubic meters (m <sup>3</sup> )	RT-CH-140a.1	54
		Total water consumed	Thousand cubic meters (m <sup>3</sup> )		54
		Percentage of each in regions with High or Extremely High Baseline Water Stress	Percentage (%)		54
		Number of incidents of non-compliance associated with water quality permits, standards, and regulations	Number	RT-CH-140a.2	54
		Description of water management risks and discussion of strategies and practices to mitigate those risks	n/a	RT-CH-140a.3	54
	Hazardous Waste Management	Amount of hazardous waste generated, percentage recycled <sup>3</sup>	Metric tons (t)	RT-CH-150a.1	58
		Percentage recycled <sup>3</sup>	Percentage (%)		58
	Community Relations	Discussion of engagement processes to manage risks and opportunities associated with community interests	n/a	RT-CH-210a.1	97
	Workforce Health & Safety	Total recordable incident rate (TRIR)	Rate	RT-CH-320a.1	41
		Fatality rate for direct employees	Rate		41
		Fatality rate for contract employees	Rate		41
		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	40-42



Relevant SASB Industry	Topic	Metric	Unit of Measure	Relevant SASB Code	Page number(s) and/or direct answers
Chemicals	Product Design for Use-phase Efficiency	Revenue from products designed for usephase resource efficiency	⌘	RT-CH-410a.1	55-57
	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	67
		Percentage of such products that have undergone a hazard assessment	Percentage (%)		67
		Discussion of strategy to manage chemicals of concern	n/a	RT-CH-410b.2	66-67
		Discussion of strategy to develop alternatives with reduced human and/ or environmental impact	n/a		66
	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	28
	Operational Safety, Emergency Preparedness & Response	Process Safety Incidents Count (PSIC)	Number	RT-CH-540a.1	44
		Process Safety Total Incident Rate (PSTIR)	Rate		44
		Process Safety Incident Severity Rate (PSISR) <sup>4</sup>	Rate		Not Applicable
		Number of transport incidents <sup>5</sup>	Number	RT-CH-540a.2	68

<sup>2</sup> 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.

<sup>3</sup> 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.

<sup>4</sup> 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.

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

<sup>6</sup> 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



## INDEPENDENT ASSURANCE STATEMENT

To: Sadara Chemical Company (Sadara)

### Introduction and Objectives of the Work:

Sadara (“Company”) has commissioned Bureau Veritas Certification to provide limited assurance on the following subject matter information (“Subject Matter”). Our objective is to determine whether, based on the procedures performed, anything has come to our attention that would cause us to believe that the Subject Matter has not been prepared, in all material aspects, in accordance with the applicable criteria (“Applicable Criteria”) as specified below.

### Subject Matter

The subject matter for our limited assurance engagement included the selected quantitative indicators outlined below, as presented in the Sadara’s 2024 Sustainability Report and GHG Inventory Report for the period 01 January 2024 to 31 December 2024, which was approved by Sadara’s management. These selected quantitative indicators are based on the reporting boundary established by the Sadara, encompassing all the Sadara fully owned and controlled facilities, mainly the chemical complex situated in Jubail Industrial City, as well as the Sadara Business Complex (SBC) located in Jubail’s First Industrial Support Area.

The selected quantitative indicators are listed below:

#	Selected Indicators	Unit	Reported Value
1	Total Petrochemicals production	Million metric tons of products sold	2.937
2	GHG Intensity*	Metric tons of CO <sub>2</sub> equivalent per metric tons of products sold	1.836
3	GHG emission Scope 1*	Million metric tons of CO <sub>2</sub> equivalent	3.712
4	GHG emission Scope 2*	Million metric tons of CO <sub>2</sub> equivalent	1.682
5	SOx emissions	Thousand metric tons of SOx emissions	0.412
6	NOx emissions	Thousand metric tons of NOx emissions	1.311
7	Energy Intensity	GJ per metric tons of products sold	27.882





#	Selected Indicators	Unit	Reported Value
8	Flaring loss	Thousand metric tons of flaring loss	172.113
9	Water Intensity	m³ per metric tons of products sold	11.304
10	Material Effectiveness Intensity	Metric to of material loss per metric tons of products sold	0.108
11	Total Recordable Injury Rate (TRIR)**	Rate	0.04

\*KPIs reported in the Company’s Sustainability Report as well as the GHG Inventory Report  
\*\* This KPI has been randomly selected & assessed to verify the quality of other environment & health KPIs

Applicable Criteria

- The criteria for this limited assurance engagement were:
- The reporting requirements of the Global Reporting Initiative (GRI) standards issued by the Global Sustainability Standards Board (GSSB).
  - The GHG Protocol Corporate Accounting and Reporting Standard
  - Sadara’s Footprint Protocol, which includes the greenhouse gas and energy accounting & reporting methodology

The applicable criteria for each selected indicator can be found in Annexure 1 of this statement.

Assessment Standard

The assurance process was conducted in line with the requirements of the International Standard on Assurance Engagements-ISAE 3000 Revised, Assurance Engagements Other than Audits or Reviews of Historical Financial Information and International Standard on Assurance Engagements- ISAE 3410, Assurance Engagements on Greenhouse Gas Statements.

Limitations and Exclusions

Our limited assurance was primarily based on the Company-provided documentation and interactions with relevant personnel. Our engagement, conducted on a test basis, was not exhaustive in detecting all internal control weaknesses over the Subject Matter preparation. Additionally, our procedures did not encompass detailed testing, verifying, or auditing the completeness and accuracy of outputs from the Company’s data collecting systems, used for the compilation of the Subject Matter information. The Subject Matter may contain errors or irregularities that remain undetected due to fundamental limitations in the internal control systems.

Additionally, for the purpose of this limited assurance engagement, we have not performed any procedures involving:

- Verification of any detailed assertions, and quantitative information within the Sustainability report beyond the quantitative data relating to the specified indicators mentioned in the subject matter.
- Verifying or auditing the underlying sources from which the Subject Matter information was derived.



- Reviewing the detailed method utilized by management to conduct the double materiality assessment.
- Testing, verifying, or auditing the completeness and accuracy of outputs from Company’s data collecting systems used for the compilation of the Subject Matter information.
- Company position statements (including any expression of opinion, belief, aspiration, expectation, aim or future intent).
- Historic text which was unchanged from previous years and did not relate to ongoing activities.
- Financial data.
- Appropriateness of commitments and objectives chosen by the company.

Responsibilities

The preparation and presentation of the Subject Matter in accordance with the Applicable Criteria are the sole responsibility of the Company.

Bureau Veritas Certification was not involved in drafting of the Subject Matter. Bureau Verita’s responsibilities included:

- Providing limited assurance as per ISAE 3000 over the accuracy, reliability and objectivity of the information contained within the Subject Matter.
- Forming an independent conclusion based on the assurance procedures performed and evidence obtained.

Methodology

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

As part of our independent assurance, our work included:

1. Conducting employee interviews regarding the scope of work involved.
2. Process analysis of collecting and reporting the information/data included.
3. Verifying the completeness of the quantitative data included in the subject matter to ensure it encompasses all sites/operating units within the reporting boundary established by the Company.
4. Review of documentary evidence produced by the Company.
5. Recalculation of examples in accordance with the evidence documents used to prepare the information included.
6. Implementation of analytical procedures on the final reported data.

Observations and Findings

The following presents our observations and findings from the assessment of Sadara’s 2024 Sustainability Report against the defined quality parameters:

Materiality: The report clearly identifies and prioritizes topics that reflect the organization’s most significant economic, environmental, and social impacts, by conducting a double materiality assessment to capture the inward & outward impacts of their business and activities. It explains the process used to determine these priorities, ensuring alignment with stakeholder expectations and needs.

Stakeholder Inclusiveness: The report demonstrates an active engagement with a broad range of stakeholders through structured processes. It outlines how their feedback has directly shaped the report’s content and the organization’s sustainability initiatives.





**Completeness:** The scope, boundaries, and reporting period are clearly defined, covering all material topics in sufficient depth. The information is comprehensive enough to allow stakeholders to assess the organization's overall performance.

**Accuracy:** Quantitative data under the scope of assurance (Subject Matter) is presented with a high degree of precision, supported by sound data collection and analysis methods. This indicates that reported information is reliable for informed decision-making.

**Accessibility:** The report is structured logically, with information easy to locate both in the document and online. Multiple communication formats are used to ensure all stakeholders can access the content without undue effort.

**Balance:** The report presents both positive achievements and areas for improvement, avoiding bias in selection or presentation. This balanced approach enables stakeholders to form an objective view of performance.

**Clarity:** Information is written in clear, understandable language and supported by well-designed visuals and explanatory notes. Technical terms are defined to cater to stakeholders with varying levels of expertise.

**Comparability:** The report applies consistent data collection and presentation methods over time, enabling year-on-year performance analysis. It also provides both absolute and normalized figures to facilitate benchmarking with peers.

**Reliability:** The report's data is supported by internal controls, documented procedures, and skilled personnel involvement. These processes ensure the information can withstand independent review or audit.

**Timeliness:** The report is published on a regular annual schedule. This ensures stakeholders receive up-to-date information for timely decision-making.

**Limited Assurance Conclusion**

This assurance report has been prepared for Sadara Chemical Company (Sadara) to provide limited assurance on the Subject Matter Information in the Sadara's 2024 Sustainability Report and GHG Inventory Report for the period 01 January 2024 to December 31, 2024.

Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the Subject Matter Information in Sadara's 2024 Sustainability Report and 2024 GHG Inventory Report has not been prepared in all material respects in accordance with the Applicable Criteria.

**Statement of Independence, Competence and Quality Control**

Bureau Veritas is an independent professional services company that specializes in quality, environmental, health, safety and social accountability with over 190 years of history. Its assurance team has extensive experience in conducting verification over environmental, social, ethical and health and safety information, systems and processes.

Bureau Veritas maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, quality reviews and applicable legal and regulatory requirements which we consider to be equivalent to ISQM 1 & 2: International Standard on Quality Management 1 (Previously International Standard on Quality Control 1) & International Standard on Quality Management 2

Bureau Veritas has implemented and applied a Code of Ethics across the business to ensure that its employees maintain integrity, objectivity, professional competence and due care, confidentiality, professional behavior and high ethical standards in their day-to-day business activities. We consider this to



be equivalent to the requirements of the IESBA Code: Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants.

No member of the assurance team has a business relationship with Sadara Chemical Company (Sadara), its directors or Managers beyond that required of this assignment. We have conducted this verification independently, and there has been no conflict of interest.

*ishendra*

Ishendra Singh,

Assurance Lead, Bureau Veritas - MCA

12-Aug-25

**Annexure 1**

Applicable Criteria: reporting requirements of GRI standards as applicable to the respective indicators presented in the Subject Matter:

Selected Indicator	Applicable aspects of the reporting requirements of GRI standards for the selected indicator
Total Petrochemicals production	Total quantity of products sold, measured in million metric ton, representing the saleable output from the Company's production facilities during the reporting period
GHG Intensity*	Requirement (a, b, c) and Compilation requirement 2.7 of Disclosure 305-4 "GHG emissions intensity" of GRI Standard 305: Emissions 2016
GHG emission Scope 1*	Requirement (a) and Compilation requirement 2.1 of Disclosure 305-1 "Direct (Scope 1) GHG emissions" of GRI Standard 305: Emissions 2016
GHG emission Scope 2*	Requirement (a) and Compilation requirement 2.3 of Disclosure 305-2 "Energy indirect (Scope 2) GHG emissions" of GRI Standard 305: Emissions 2016
SOx emissions	Requirement (a) and Compilation requirement 2.13 of Disclosure 305-7 "Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions" of GRI Standard 305: Emissions 2016
NOx emissions	Requirement (a) and Compilation requirement 2.13 of Disclosure 305-7 "Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions" of GRI Standard 305: Emissions 2016
Flaring loss	Amount of all types of flaring losses, in thousand metric tons
Energy Intensity	Requirement (a, b, c) and Compilation requirement 2.5 of Disclosure 302-3 "Energy intensity" of GRI Standard 302: Energy 2016



Selected Indicator	Applicable aspects of the reporting requirements of GRI standards for the selected indicator
Water Intensity	Requirement (a) of Disclosure 303-5 “Water consumption” of GRI Standard 303: Water and Effluents 2018  Water Intensity: Total water consumption in m3/total products sold in metric tons
Material Effectiveness Intensity	Requirement (a) of Disclosure 306-3 “Waste generated” of GRI standard 306: Waste 2020  Material Effectiveness Intensity: Total material loss in Metric tons/ total products sold in tons
Total Recordable Injury Rate (TRIR)	Requirement (a, b) and Compilation requirement 2.1 of Disclosure 403-9 “Work-related injuries” of GRI Standard 403: Occupational Health and Safety 2018





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