

Your Royal Highnesses, Your Excellencies, distinguished guests, ladies and gentlemen: Good morning and a very warm welcome.

As we meet today for Sadara's official signing ceremony, we are not merely marking a project launch.

Rather, we are celebrating the establishment of a unique enterprise that will thrive and grow for generations to come. Indeed, there are several distinctions associated with this venture that are well worth celebrating.

Certainly the partnership itself is significant, with **one of the world's largest chemical companies and the world's largest oil company joining forces in a landmark venture that is world-class in every respect.**

The complementarity of strengths brought by [The Dow Chemical Company](#) and Saudi Aramco is unprecedented, as Sadara's scale and bright prospects illustrate.

With each of Sadara's 26 manufacturing units representing a major project in their own right, it will be one of the world's largest integrated chemical complexes – and the biggest ever built in a single phase.

Another milestone: [Sadara](#) is the largest American investment ever made in the Kingdom. Indeed, it's the greatest direct foreign investment in the Kingdom by *anyone in any industry*, and of course will be a major addition to the nation's petrochemicals industry, which is already a significant component of the global industry.

These distinctions alone are big news – yet there is a much bigger story in what Sadara means for all of us.

This joint venture signals an important new chapter in Saudi Aramco's storied history, as well as the logical next step in our Company's evolution.

From our earliest days, Saudi Aramco has grown and changed with the times, and being a commercially driven entity, seized opportunities while anticipating the world's energy needs and responding to national interests.

As such, we have progressed from primarily an upstream company, to an integrated petroleum enterprise with a sizable refining portfolio and significant global footprint. Our downstream business is expected to further expand over the coming decade to encompass one of the world's largest refining portfolios. This evolution is in line with our primary strategy of steadily adding greater value to our hydrocarbon resources.

Now, entering high-value chemicals is naturally our next phase, as we move down the petroleum value chain.

Investing at the scale of Sadara, and with such an advanced product slate, is also consistent with our intent to become the world's leading integrated energy company by the year 2020.

And as the take-off point for our chemicals strategy built around liquid feedstocks, economies of scale, integration, differentiated commodities and associated industrial parks, Sadara, like our [PetroRabigh](#) project, is a cornerstone of that future vision.

Ladies and gentlemen, make no mistake about it: **Sadara will be a game-changer and among the world's most competitive petrochemicals enterprises**, offering a highly stable earnings profile made possible by a confluence of enabling conditions that will perfectly position Sadara for success.

It is precisely the kind of project Saudi Aramco wants to pursue – both for its commercial attractiveness, and for its positive impact on the Saudi national agenda – a point that I'll expand upon later.

Sadara's four success factors are: **feedstock; technology; investment environment; and markets.**

These layered advantages put Sadara on course to achieve progressively higher levels of performance, growth, product diversification, profitability, and value addition.

Feedstocks are Sadara's first success factor, as ample and reliable supplies are pivotal for the creation of winning petrochemical projects.

Sadara will have access to both gas and liquid feedstocks. Gas-based feedstocks will be fed by numerous gas plants in Saudi Aramco's Master Gas System, including the nearby Ju'aymah, Berri, Khursaniyah, and Wasit gas plants. Liquid feedstocks will be available from refined products at our two adjacent joint venture refineries in Jubail, [SASREF](#) and [SATORP](#), and from our flagship Ras Tanura refinery nearby.

The competitive factor of feedstock supply and reliability is coupled with a unique slate of world-leading technologies and engineering and operational excellence. This **second success factor leverages the Saudi Aramco-Dow partnership to combine our respective capabilities and resources**, and synergistically take these unique strengths to the next level.

Dow, which in my opinion is the world's foremost chemical company and a top-tier brand, brings to this joint venture leading downstream product technologies; supply chain, operational and marketing capabilities which are second to none; and last but not least, its outstanding people.

After working with Dow members of the Sadara team over the last few years, we have developed the highest respect for them and have come to appreciate Dow's trademark "human element."

Turning now to Saudi Aramco: being the world's largest producer and processor of hydrocarbons means that we are also one of the world's largest builders of mega-projects: projects such as Khurais, Manifa PetroRabigh and [KAUST](#), amongst others. In addition to bringing our world-leading project execution expertise, we will also ensure that our commitment to operational excellence, safety and environmental stewardship is replicated within Sadara.

And just as Dow's people are a signature strength for them, Saudi Aramco's people are our greatest asset, and a key competitive advantage. With this convergence of philosophies between the two companies, we will ensure that Sadara attracts, and continues to develop, the best talent.

Ladies and gentlemen, these strengths will position Sadara to reliably produce, per year, 3 million metric tons of high value-added chemical products that are technology-differentiated.

Most of these products have never before been manufactured in the Kingdom, or for that matter, in the Middle East.

Now Sadara will introduce them here, and help **capture growth in the rapidly expanding sectors of energy, transportation, infrastructure and consumer products.**

Just as feedstocks need technology and know-how to unlock their value through superior products, a successful enterprise also hinges on the right investment environment. This third essential component is in place, thanks to the **Kingdom's highly favorable regulatory, tax and investment climate.**

The Kingdom is increasingly acknowledged as a highly attractive place to do business, as demonstrated by many leading indicators such as the World Economic Forum's Global Competitiveness Index, which ranks Saudi Arabia 17th out of 142 countries. The Ministry of Finance and the Public Investment Fund have also been very encouraging of progressive investments in the industrial sector, including their strong support of Sadara.

It is gratifying that in addition to Sadara, which will be well positioned to gain from this support and positive business climate, our partners and customers will also benefit from this investment environment, as additional direct investments are induced through the use of Sadara's products and those of other Jubail petrochemical industries.

This takes me to our fourth pillar, which is markets.

Considering the geographic location of key export markets, Sadara is ideally placed in Jubail, situated in the middle of the major markets of Europe and emerging Asia, and at the heart of the high-demand Middle East region. To supplement this vast export potential, we are also building markets for Sadara's products right here in Jubail.

Conditions are ideal for Sadara to create **an environment where complementary businesses can thrive**, as nearby value parks and third-party customers in Jubail consume Sadara products. And because this model is a two-way street, while companies add value to Sadara-produced materials, they also will provide reliable, steady demand to the JVs.

Ladies and gentlemen, in my opinion, this will position Jubail Industrial City to fast become the world's foremost petrochemical cluster – not only in scale, but in qualitative terms, as well.

However, Sadara's strengths do not end with these four factors of feedstock, technology, investment environment and markets, which drive its **commercial potential of some \$10 billion in annual sales projected within a few years of operation.**

Beyond the significant value for its shareholders, Sadara's national implications are just as impressive, as **Sadara generates further industrialization, economic diversification, value addition to hydrocarbon resources, and well-paying jobs for our young Saudis.**

This tremendous potential is possible because Sadara is a dynamic, innovation-driven enterprise that will entail ongoing investment in R&D, product development, and the training and development of human resources.

These are forward-looking thrusts that cannot be static as new knowledge and capabilities emerge, and as customer demands change. This vibrancy further means that Sadara is more to us than a mere production machine. **In Sadara, we are sowing the seeds of a lasting, growing enterprise that can go far in supporting and sustaining the Kingdom's drive to create a knowledge economy.**

This great potential for broad value creation is leading top global and regional companies to express interest in partnering with Sadara, especially within the value parks being established by the Royal Commission for Jubail and Yanbu'.

As these petrochemical businesses and related companies come along, we will see exceptional growth in

thousands of direct and indirect jobs. And as the Kingdom's industrial capacity and competitiveness increase, we all stand to reap the benefits.

Ladies and gentlemen, as the saying goes, good things do indeed come to those who wait – and I am confident Sadara will prove well worth the waiting. Getting here has not been easy; nor has this been a linear process, as many of you following this project will have observed. There have been ups, downs and tough challenges since our project announcement in 2007.

Time invested over the past four years has not been wasted; it has enabled optimization of the project scope, and numerous integration opportunities with the Saudi Aramco refining and Master Gas systems, and Jubail's infrastructure. And as a result, Sadara is a stronger, more robust, more profitable project.

Extremely dedicated and talented Dow and Saudi Aramco people – many of them involved since we signed the memorandum of understanding – have worked for several years to make this day possible.

And so, to the team, let me first express my heartfelt thanks.

But as hard as the team has worked, their achievements would not be possible without the exceptional contributions from the venture's key champions and key partners, to whom we owe a great deal of gratitude.

So, before I conclude, let me express our appreciation to those who patiently supported this long process.

First, our great appreciation goes to the Ministry of Petroleum and Mineral Resources, with special thanks to H.E. Ali I. Al-Naimi, and to His Royal Highness Prince Faisal bin Turki, for all of their support.

We also extend our gratitude to His Highness Prince Saud bin Thunayan and to the Royal Commission for Jubail and Yanbu, which facilitated our move to Jubail 2 with its fantastic infrastructure.

Special thanks also to H.E. Ibrahim Abdulaziz Al-Assaf, Minister of Finance, and to Mr. Mansour Maiman, head of the PIF, for financing support.

We also acknowledge companies in Jubail who welcomed us with open arms – especially Sabic, Solvay and Tasnee, for already entering into ventures with Sadara.

And last but certainly not least, personal thanks to my good friend and partner Andrew Liveris, for his visionary leadership and for staying the course over this tumultuous period.

Ladies and gentlemen, today we have achieved a major milestone and a well-earned sense of victory over challenges along the way. This celebratory mood, however justified, must not distract us from the great deal of work still ahead. This is only the beginning.

Five years from now, when this joint venture is fully operational, our efforts and our hopes for Sadara will be richly rewarded indeed.

Thank you for being with us today.