

## **Sadara Breaks Ground on EO/PO Pipeline Project at PlasChem Park**

**JUBAIL, Saudi Arabia, March 3, 2019:** Sadara Chemical Company (Sadara) on Sunday broke ground on the Ethylene Oxide (EO) and Propylene Oxide (PO) Pipeline Project. This pipeline will serve a key industrial cluster in PlasChem Park, a collaborative effort between Sadara and the Royal Commission for Jubail and Yanbu (RCJY).

The system will feature a manifold for distributing EO and PO to a number of PlasChem Park tenants, who will receive these feeds and other inputs to produce a variety of diversified specialty products, such as oil and gas field chemicals, construction materials, detergents, home and personal care products, water treatment chemicals, mining chemicals, coating and paint applications, pharmaceutical goods and animal feed, among others.

Commenting on this milestone, Dr. Al-Faqeer said, “The EO/PO pipeline transportation system will be the first of its kind in the Middle East and North Africa (MENA) region. PlasChem Park investors will be able to receive Sadara’s EO and PO products directly to their facilities enabling on demand production of end products for the Saudi market, as well as further abroad. It is the first time such a pipeline will be built in the MENA region and serves as a significant driver of downstream manufacturing in the Kingdom.”

In May 2018, Sadara entered into a detailed engineering contract with Amec Foster Wheeler and Partners Engineering Co. – Al Khobar for the design, engineering, material specifications and procurement for two 7-kilometer special material pipelines to transport EO and PO from Sadara plants to PlasChem Park.

With the design phase completed, the EO/PO Pipeline Project, serving one of PlasChem Park’s most attractive clusters, is continuing to move ahead on schedule.

“The EO/PO transportation system will be commissioned in time for the first wave of our EO and PO cluster investors and will provide a strong incentive for similar investors to locate in PlasChem Park. The pipeline system will be second to none in the entire MENA region,” continued Dr. Al-Faqeer.

PlasChem Park is a 12 km<sup>2</sup> industrial park in Jubail Industrial City II, dedicated to downstream chemical and conversion industries. PlasChem Park is a key element differentiating Sadara from other petrochemical, chemical and plastics manufacturing projects in Saudi Arabia. It is uniquely positioned to enable and support downstream opportunities in many market segments, including the Hydrocarbon Resin Cluster, Ethylene Oxide/Propylene Oxide (EO/PO) Cluster, Polyurethane Cluster and Plastics Cluster. These clusters are designed to attract diversified investments into PlasChem Park for downstream applications such as the production of oil and gas chemicals, construction materials, auto components, animal feed, paints and coatings, as well as home and personal care products.

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***About Sadara:***

*Sadara is a joint venture developed by the Saudi Arabian Oil Company (Saudi Aramco) and The Dow Chemical Company. Sadara is a multi-billion dollar world-scale chemical complex in Jubail Industrial City II in Saudi Arabia's Eastern Province. Comprised of 26 world-scale manufacturing units, the Sadara chemical complex is the world's largest to be built in a single phase and is the only chemical company in the Middle East to use refinery liquids, such as naphtha, as feedstock. By using best-in-class technologies to crack refinery liquid feedstock, Sadara will enable many industries that either currently do not exist in Saudi Arabia or only exist through imports of raw materials. The adjacent PlasChem Park, a unique collaboration between Sadara and the Royal Commission for Jubail and Yanbu', will create more value downstream, generating unprecedented investment, innovation, economic growth and thousands of jobs.*

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