CEO – STRATEGIC FOCUS
OUR PURPOSE
OUR PURPOSE

WE ARE CREATING CHEMISTRY THAT MATTHERS™ FOR A SUSTAINABLE WORLD

TO BE THE PREFERRED WORLD LEADER IN CHEMICALS

PEOPLE
We engage, collaborate, and inspire our people and the communities in which we operate to create safe and shared sustainable impact

BE THE IMPACT

PLANET
We contribute to the global drive to safeguard the planet for present and future generations

PART OF THE SOLUTION

PROSPERITY
We aim for sustainable profitability, resilient growth, and creation of competitive edge

POTENTIAL AND BEYOND
EHSS
SABIC IS COMMITTED TO SAFETY

Safety Performance Rate

The plotted graph represents the number of all safety incidents weighted by severity per every 200,000 man-hours worked.
INVESTMENT THESIS
AND HOW DO WE DELIVER A RETURN
WE ARE CREATING CHEMISTRY THAT MATTERS™ FOR A SUSTAINABLE WORLD
STRATEGIC GROWTH
CHEMICAL INDUSTRY BUSINESS ENVIRONMENT

SHORT-TERM CHALLENGES

- Inflation and monetary tightening
- Economic growth slowdown
- Volatile oil & gas prices
- Lower demand and prices
- Decreasing margins

LONGER-TERM MEGATRENDS

1. Shifting Globalization
   Impacting scale & scope of regions and markets
   - Re-Globalization
   - China Industry Transformation

2. Intervening Policy
   Impacting the way of doing business
   - Sustainability
   - Energy Transition

3. Disrupting Technologies
   Impacting value chains via a set of irresistible forces
   - Digitalization
   - New Mobility

Implication

Shifts in Energy Value Chain + Shifts in Regions Positioning including KSA
Supply Demand Summary of Main Petrochemical Products

Capacity vs Demand

2 Years (2022-2023)

5 Years (2022-2027)

10 Years (2022-2032)

Capacity growth still exceeding demand in certain products in 2023, but more favourable supply / demand dynamics expected thereafter in view of announced capacity additions

Source: Chemical Market Analytics by OPIS, a Dow Jones Company
Note: graphs have different scales
SABIC STRATEGY

To Be the Preferred World Leader in Chemicals

Focused Chemical Sector Strategic Plays

**PETROCHEMICALS**
- Fully Integrated Global Chemicals & Polymers Company and National Champion

**AGRINUTRIENTS**
- Global Agri-Nutrients Company with Selective Downstream Plays and National Champion

**SPECIALTIES**
- Leading Global Company for Multiple Specialty Chemical Spaces and National Champion

**METALS**
- Local and Regional Leader in Steel Industry

SUSTAINABILITY
OPENING A NEW CHAPTER IN OUR EVOLUTION

SABIC PRODUCTION AND PHASES OF EVOLUTION

KSA Growth
Building national capabilities in partnership with industry leaders

Globalization
Expanding Operations & Technology globally

Transformation
Preparing for a new wave of growth: getting closer to markets and feedstock

NEW CHAPTER

<table>
<thead>
<tr>
<th>Year</th>
<th>KSA Growth</th>
<th>Globalization</th>
<th>Transformation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1985</td>
<td>6</td>
<td>28</td>
<td>69</td>
</tr>
<tr>
<td>1990</td>
<td>13</td>
<td>47</td>
<td>61</td>
</tr>
<tr>
<td>1995</td>
<td>22</td>
<td>67</td>
<td>58</td>
</tr>
</tbody>
</table>

SABIC Production CAGR 6.5%
World Real GDP CAGR 3.0%

1 Restated figures due to change in accounting treatment as announced in Q2 2020.
WHAT’S NEXT

NEW CHAPTER

MARKET DEMAND

Petrochemicals  Agri-Nutrients  Specialties

Feedstock

Increase flexibility & competitiveness

Technology

Create a competitive edge

Shareek  Global Opportunities  Local Content

Liquid To Chemicals  Blue Ammonia  Circular Economy

SUSTAINABILITY

2022  2030+

Classification: General Business Use
CARBON NEUTRALITY ROADMAP
SABIC’S CARBON NEUTRALITY ROADMAP OVERVIEW UNTIL 2050

CARBON NEUTRALITY by 2050
in line with the Paris Agreement goals

20% REDUCTION by 2030
Interim Scope 1&2 GHG emissions target compared to 2018, including targeted growth

SCOPE 3
We aim to reduce our indirect SCOPE 3 GHG emissions along the value chain in strong collaboration with our partners

WHAT ARE WE CONSIDERING IN OUR 2050 CARBON NEUTRALITY ROADMAP?

RELIABILITY, ENERGY EFFICIENCY & IMPROVEMENTS
- Technology improvement
- Energy efficiency
- Asset improvement & reliability
- Asset rationalization

RENEWABLE ENERGY
- Increase renewable energy share in imported energy mix
- Approved strategy of facilitating 4 GW by 2025 and 12 GW installed capacity by 2030

ELECTRIFICATIONS
- Using renewable energy
- Electrification of different steam driven rotating equipment
- Electric cracking furnaces for olefins and aromatic based products

CARBON CAPTURE
- High concentration streams potential for utilization
- CCUS collaborations

GREEN/BLUE H2
- Commercially available solutions and under early R&D

Note: Other greenhouse gases are included and converted into CO₂ equivalents according to the Greenhouse Gas Protocol.
ACTIVELY WORKING IN LONG TERM SOLUTIONS: ELECTRICALLY HEATED CRACKING FURNACE

- SABIC, BASF and Linde are jointly developing the e-furnace under a collaboration agreement established in 2021
- Enable reliable upscaling
- Ready for start-up in 2023

1 September 2022 - CEOs of collaboration partners opening the site for building the demonstration plant

3D graphic of world’s first demonstration plant for large scale electrically heated steam cracker furnaces in Ludwigshafen
OUR TRUCIRCLE™ PORTFOLIO

 OUR TARGET

200 KT circular and bio-based products in 2025

- **16 KT** in 2021
- Realized **39 KT** since the first sale

Overall positive impact on collateral sales and customer experience

PCR: Post consumer recycled content.
KEY PRIORITIES
2022 KEY PRIORITIES

Strategy
Drive profitable growth
Deliver on synergy benefits with Saudi Aramco

Accelerate Sustainability & Innovation
Carbon neutrality
Circular commitments
ESG reporting

Financial Excellence
Stable to growing dividends
Maintain strong standalone credit rating

Operational Resilience
Advance competitiveness
Strengthen operating model

Future of Work
Employee well-being
Winning & agile culture
CFO – PERFORMANCE UPDATE
## FINANCIAL PERFORMANCE

### HEALTHY FINANCIAL PERFORMANCE

<table>
<thead>
<tr>
<th>(USD billion)</th>
<th>Q3 22</th>
<th>Q2 22</th>
<th>% Var</th>
<th>Q3 21</th>
<th>% Var</th>
<th>9M 22</th>
<th>9M 21</th>
<th>% Var</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>12.50</td>
<td>14.93</td>
<td>-16%</td>
<td>11.65</td>
<td>7%</td>
<td>41.46</td>
<td>32.97</td>
<td>26%</td>
</tr>
<tr>
<td>EBITDA</td>
<td>1.81</td>
<td>3.54</td>
<td>-49%</td>
<td>2.99</td>
<td>-39%</td>
<td>8.76</td>
<td>9.39</td>
<td>-7%</td>
</tr>
<tr>
<td>Income from Operations</td>
<td>0.87</td>
<td>2.61</td>
<td>-67%</td>
<td>2.05</td>
<td>-57%</td>
<td>5.97</td>
<td>6.60</td>
<td>-9%</td>
</tr>
<tr>
<td>Net Income</td>
<td>0.49</td>
<td>2.11</td>
<td>-77%</td>
<td>1.49</td>
<td>-67%</td>
<td>4.33</td>
<td>4.83</td>
<td>-10%</td>
</tr>
<tr>
<td>Free Cash Flow¹</td>
<td>1.82</td>
<td>1.62</td>
<td>13%</td>
<td>2.16</td>
<td>-16%</td>
<td>4.99</td>
<td>4.81</td>
<td>4%</td>
</tr>
</tbody>
</table>

### SALES DRIVERS

<table>
<thead>
<tr>
<th></th>
<th>Volumes</th>
<th>Prices²</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q3 22 vs. Q2 22 (QOQ)</td>
<td>↓ 1%</td>
<td>↓ 15%</td>
</tr>
<tr>
<td>Q3 22 vs. Q3 21 (Y0Y)</td>
<td>↑ 11%</td>
<td>↓ 4%</td>
</tr>
<tr>
<td>9M 22 vs. 9M 21</td>
<td>↑ 11%</td>
<td>↑ 15%</td>
</tr>
</tbody>
</table>

### KEY RATIOS

<table>
<thead>
<tr>
<th></th>
<th>Q3 22</th>
<th>Q2 22</th>
<th>Q3 21</th>
<th>9M 22</th>
<th>9M 21</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBITDA Margin</td>
<td>14%</td>
<td>24%</td>
<td>26%</td>
<td>21%</td>
<td>28%</td>
</tr>
<tr>
<td>Net Debt / EBITDA</td>
<td>-0.50</td>
<td>-0.16</td>
<td>-0.09</td>
<td>-0.31</td>
<td>-0.08</td>
</tr>
</tbody>
</table>

¹ Free Cash Flow = net cash from operating activities minus capital expenditure. Capital expenditure = Purchase of tangibles and intangibles, net. ² Includes FX & other factors. For reference, Brent oil averaged $105/bbl in Q3 22, $114/bbl in Q2 22, $73/bbl in Q3 21.
### Third Quarter Operating Segment Performance

#### Petrochemicals & Specialties

<table>
<thead>
<tr>
<th>Segment</th>
<th>Revenue ($MM)</th>
<th>Volumes</th>
<th>Prices</th>
</tr>
</thead>
<tbody>
<tr>
<td>QoQ</td>
<td>15%</td>
<td>3%</td>
<td>18%</td>
</tr>
<tr>
<td>YoY</td>
<td>3%</td>
<td>9%</td>
<td>6%</td>
</tr>
</tbody>
</table>

#### Agri-Nutrients

<table>
<thead>
<tr>
<th>Segment</th>
<th>Revenue ($MM)</th>
<th>Volumes</th>
<th>Prices</th>
</tr>
</thead>
<tbody>
<tr>
<td>QoQ</td>
<td>25%</td>
<td>17%</td>
<td>8%</td>
</tr>
<tr>
<td>YoY</td>
<td>56%</td>
<td>13%</td>
<td>42%</td>
</tr>
</tbody>
</table>

#### Hadeed

<table>
<thead>
<tr>
<th>Segment</th>
<th>Revenue ($MM)</th>
<th>Volumes</th>
<th>Prices</th>
</tr>
</thead>
<tbody>
<tr>
<td>QoQ</td>
<td>13%</td>
<td>4%</td>
<td>9%</td>
</tr>
<tr>
<td>YoY</td>
<td>15%</td>
<td>29%</td>
<td>14%</td>
</tr>
</tbody>
</table>
MAJOR PETROCHEMICALS PRICES¹ CHANGES ACROSS THE KEY REGIONS IN Q3 22

REST OF ASIA²

WESTERN EUROPE

MIDDLE EAST³

REGION SALES/GLOBAL SALES VOLUME FOR SABIC

MEG Methanol MTBE PE PP PC

MEG Methanol MTBE PE PP PC

MEG Methanol MTBE PE PP PC

¹Prices Reference CFR/FOB/CIF from ICIS, IHS and S&P Global Platts ©2022 by S&P Global Inc. and Wood Mackenzie. MEG: Mono Ethylene Glycol; MTBE: Methyl Tertiary Butyl Ether; PE: Polyethylene; PP: Polypropylene; PC: Polycarbonate. ² MEG and PC price are aligned to China. ³ MEG and PC price are aligned to China, Methanol price =avg. (Rest of Asia, China), MTBE price =avg. (W. Europe, rest of Asia). ⁴Q3 21 price rebased to 100. Weighted average price by SABIC product mix and regions.
OUTLOOK
SABIC: KEY END INDUSTRY¹ AND TRENDS

Source: SABIC. ¹ Direct or indirect sales. ² Industry Demand Q3 22 vs Q3 21. ³ Industry Trend in Q3 22 vs Q2 22. ⁴ Industry Future Trend in Q4 22 vs Q3 22. ⁵ Including fuel additives
THIRD QUARTER SUMMARY AND OUTLOOK 2022

SUMMARY

0.16
Earnings per share\(^1\)

1.8
Free cash flow

A+/A1
Strong standalone credit ratings\(^2\)

FINANCIAL PERFORMANCE

12.5
Revenue

1.8
EBITDA

0.5
Net Income

(Amounts in USD billion)

OUTLOOK 2022

<table>
<thead>
<tr>
<th></th>
<th>Current</th>
<th>Previous</th>
</tr>
</thead>
<tbody>
<tr>
<td>Global GDP Growth Rate(^3)</td>
<td>2.5% - 2.8% (YoY)</td>
<td>2.5% - 2.8% (YoY)</td>
</tr>
</tbody>
</table>

SABIC – FINANCIALS

<table>
<thead>
<tr>
<th></th>
<th>Current</th>
<th>Previous</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales Volume</td>
<td>Higher (YoY)</td>
<td>Higher (YoY)</td>
</tr>
<tr>
<td>EBITDA</td>
<td>Lower (YoY)</td>
<td>Flat (YoY)</td>
</tr>
<tr>
<td>CAPEX</td>
<td>Higher (YoY)</td>
<td>Higher (YoY)</td>
</tr>
</tbody>
</table>

SABIC – NON FINANCIALS

ESG\(^4\)
Deliver on the Carbon Neutrality Roadmap to 2050 with an interim target of 20% reduction by 2030 (baseline 2018)

\(^1\)Earnings per Share = Net Income attributable to equity holders of the parent / Number of Shares. \(^2\) By all three Credit Rating Agencies. \(^3\) SABIC Estimates. \(^4\) Environmental Social and Governance.
INVESTMENT THESIS

Growth Strategy Execution

Innovation & Sustainability

Diversified Global Market & Customer Relationships

Robust Financials with Strong Balance Sheet

National Chemicals’ Champion

WE ARE CREATING CHEMISTRY THAT MATTERS™ FOR A SUSTAINABLE WORLD

Strategic growth supported by financial discipline

Enabling Carbon neutrality roadmap and ESG

Key priorities

WE ARE CREATING CHEMISTRY THAT MATTERS™ FOR A SUSTAINABLE WORLD
CAPITAL ALLOCATION FRAMEWORK

- **Investment Scenarios**
  - Business Continuity
  - Sustainability
  - Strategic Growth

- **Cash Flow Forecasts**
  - 10 Year Oil Price Scenario, Economic Growth
  - Historical Volatility
  - Corporate Programs and Initiatives

- **Affordability**
  - Stable to Growing Dividend Payout
  - Priority to CAPEX on EHSS & R&M
  - Strong Balance Sheet and Credit Rating A+/A

- CAPEX ($B)

<table>
<thead>
<tr>
<th>Year</th>
<th>CAPEX ($B)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>5</td>
</tr>
<tr>
<td>2020</td>
<td>4</td>
</tr>
<tr>
<td>2021</td>
<td>3</td>
</tr>
<tr>
<td>2022</td>
<td>2</td>
</tr>
</tbody>
</table>
STRATEGIC GROWTH PRIORITIES & COMPETITIVE ADVANTAGES

**STRATEGIC GROWTH PRIORITIES**

- **OPPORTUNISTIC GROWTH**
- **PRODUCT GROWTH**
- **MARKET GROWTH**
- **VOLUME GROWTH**
- **FEEDSTOCK DIVERSIFICATION**
- **QUALITY GROWTH**
- **SUSTAINABILITY LEADERSHIP**
- **NETWORK GROWTH**
- **SUSTAINABILITY LEADERSHIP**
- **STRONG MARKET POSITION**
- **UNIQUE MARKET PENETRATION**
- **BUSINESS & ESG NATIONAL CHAMPION**
- **CIRCULAR CARBON ECONOMY & ENERGY EFFICIENCY**
- **GLOBAL LOGISTICS CENTER OF EXCELLENCE**
- **AGRINUTRIENTS EXPANSION**
- **UNIQUE MARKET PENETRATION**

**COMPETITIVE ADVANTAGE**

- **STRONG MARKET POSITION**
- **BUSINESS & ESG NATIONAL CHAMPION**
- **CIRCULAR CARBON ECONOMY & ENERGY EFFICIENCY**
- **GLOBAL LOGISTICS CENTER OF EXCELLENCE**
- **AGRINUTRIENTS EXPANSION**
CARBON NEUTRALITY & ESG
CARBON NEUTRALITY JOURNEY & PHASE STRATEGY

MAJOR FOCUS AREAS

2030

- Energy Efficiency
- Renewable Energy
- CCUS

CAPEX $3-4B

- Limited capex
- Mostly replacing fossil to renewables...
- ...mainly through power purchase agreements (PPA)
- Existing technologies or high readiness

GHG Reduction 20%

2050

- Electrification
- Hydrogen

- Large capex requirements
- Technologies currently being under demonstration
- Actively participating in opportunities on Electrification and Hydrogen
- Industry strategic partnership

Paradigm shift to transform our business and help address urgent global challenges through efficient carbon management and partnership across the industry.
SABIC’S CARBON ROADMAP OVERVIEW UNTIL 2030

20% REDUCTION by 2030
Interim Scope 1 & 2 GHG emissions target compared to 2018, including targeted growth

(direct) Capex requirements $3-4B

2030

MAIN STRATEGIC ACTIONS
- Continuing energy efficiency journey to achieve SEEC* second cycle target and beyond
- Capitalizing on KSA 2030 energy mix target and renewable energy projects (PPA)
- Capturing CO₂ through KSA CCUS hub

CAPITAL EXPENDITURE ALLOCATION TO CARBON NEUTRALITY ($)

RELIABILITY, ENERGY EFFICIENCY & IMPROVEMENTS

RENEWABLE ENERGY

ELECTRIFICATION

CARBON CAPTURE, UTILIZATION & SEQUESTRATION

BLUE & GREEN H2

60%

< 2%

5%

28%

5%

Percentages may vary by +/-10%. Other greenhouse gases are included and converted into CO₂ equivalents according to the Greenhouse Gas Protocol. * SEEC – Saudi Energy Efficiency Center
OUR ESG AND SUSTAINABILITY GOVERNANCE

“We hear ESG all the time. But if you want to be effective at the “S” and the “E”, you have to have the “G”, the governance that structured that. Everything flows downstream from Governance.”

Dedicated cross-functional team overseeing the carbon neutrality execution

Executive Committee overseeing ESG reporting roadmap implementation

Cross-organization dedicated to implement sustainability strategy
SABIC’S INTEGRATED ESG APPROACH

MOTIVATING FACTORS

- Address Stakeholder Needs
- Meet Evolving Regulations
- Enable Responsible Long-Term Growth
- Drive Sustainable Portfolio

KEY ESG STAKEHOLDERS

External
- Regulatory Bodies
- Investors
- Customers and Suppliers
- Reporting Frameworks and Rating Agencies

Internal
- SABIC Board and Executive Committee
- ESG Executive Steering Committee
- ESG Projects & Programs
- ESG Practitioners

SABIC ESG Dashboard (Sustainability KPIs)
How are we developing our internal ESG ecosystem

ESG Framework

ESG drivers
- Integrate ESG into strategic and business planning
- Embed sustainable investments discipline
- Attract & retain employees (inclusion & diversity)
- ESG disclosure compliance & transparency
- Improve ESG disclosure efficiency
- Stay competitive in the market (sustainable portfolio)
- Achieve cost efficiencies

ESG foundational projects
- Product Carbon Footprint
- Product Sustainability Assessment
- TCFD Assessment
- Sustainable Investments
- Risk Management
- Monetization of ESG impacts
- Bio Diversity Assessment
- EU Taxonomy

ESG enablement
- ESG Frameworks and Definitions
- ESG Data Automation
- ESG Quality Assurance
- ESG Governance & Controls
- ESG Culture & Change Management
Strong external advocacy to voice our ESG representation as both a chemical and emerging market-based company.

Non-comprehensive view. For illustrative purposes only.
CTO & CSO – INNOVATION & SUSTAINABILITY
INVESTMENT THESIS

WE ARE CREATING CHEMISTRY THAT MATTERS™ FOR A SUSTAINABLE WORLD

Strategic growth SUPPORTED BY INNOVATION

Circularity & Carbon neutrality roadmap

Key priorities
STRATEGIC GROWTH
SUPPORTED BY INNOVATION
Deliver DIFFERENTIATED and SUSTAINABLE product and application solutions and SUSTAINABLE COST-ADVANTAGED process innovation to meet the needs of our CUSTOMERS and the VALUE CHAIN over the near, mid-, and long term horizon.
SABIC’S GROWTH STRATEGY SUPPORTED BY INNOVATION

TO BE THE PREFERRED WORLD LEADER IN CHEMICALS

FOCUSED CHEMICAL SECTOR STRATEGIC PLAYS

PETROCHEMICALS

AGRINUTRIENTS

FEEDSTOCK

INCREASE FLEXIBILITY & COMPETITIVENESS

SEGMENT-DRIVEN INNOVATION

PROCESS INNOVATION

MARKETS & APPLICATIONS
GROWTH / DIFFERENTIATION

PROCESS IMPROVEMENT
COST / RELIABILITY

NEW PROCESS
COST / CAPABILITY

DIFFERENTIATION THROUGH UNIQUE CHEMISTRIES

SPECIALTIES

TECHNOLOGY

CREATE A COMPETITIVE EDGE
UNIQUE MARKET SOLUTIONS

SUSTAINABLE IMPACT
SEGMENT DRIVEN PLATFORM EXAMPLE – BLUEHERO™ (VEHICLE ELECTRIFICATION)

UNDERSTANDING MARKET DYNAMICS AND OPPORTUNITIES

>70% vehicles electrified by 2030
$560 billion commitment by OEMs to date
Heaviest, largest and the most expensive vehicle module...

...industry needs:
Reduced weight and cost
Enhanced safety and performance
Reduced environmental impact

POSITION SABIC AS A LEADER

2030 ambition
>150 kT Resin sales

COMPREHENSIVE APPROACH TO DELIVER INDUSTRY SOLUTIONS...

OEM: Original Equipment Manufacturer
PROCESS INNOVATION EXAMPLES – CHEMICALS & POLYMERS

POLYMERs PROCESS INNOVATION

PROCESS IMPROVEMENT
Dry Catalyst Feeder Technology for General Purpose PE

ENABLING GROWTH
Integrated Multizone Technology for Differentiated PE

Achieving lower costs and enhanced reliability

Introducing novel PE products in future assets

CHEMICALS PROCESS INNOVATION

PROCESS IMPROVEMENT
SABIC Butadiene Extraction Technology

ENABLING GROWTH
SABIC ANJEVOC Technology

Debottlenecking plants for higher productivity

Conversion of complex hydrocarbon feeds to chemicals

PE: Polyethylene
SPECIALTIES UNIQUE – MARKET SOLUTIONS

MEGATRENDS
EXABYTE ECONOMY
Hyperconnected devices, data & people

CIRCULAR ECONOMY
Closing the loop

WELLBEING ECONOMY
Redefining health (Post-COVID19)

NET ZERO
Scalable low-carbon solutions

INFRASTRUCTURE
Transmitting larger data at faster speeds

ELECTRONICS
Enabling connectivity in sustainable smart devices

INDUSTRIAL
Delivering Solutions for the next generation of Connected Devices (IOT)

MEDICAL DEVICES
Convergence of connectivity and Medical Devices

MOBILITY
Powering EV and EV Batteries

OEM’s
New technology breakthroughs in optoelectronics, dielectrics, light and thermal management will enable top OEMs to deliver on transformational megatrends

INFRASTRUCTURE

ELECTRONICS

INDUSTRIAL

MEDICAL DEVICES

MOBILITY

IOT: Internet Of Things; AR/VR: Artificial Reality/Virtual Reality; EV: Electric Vehicle
SABIC TECHNOLOGY AND INNOVATION GLOBAL CENTERS

HOI = Home of Innovation; SPADC = SABIC Plastic Application Development Center; PPDC = Polymer Processing Development Center
EXTERNAL INNOVATION ECO-SYSTEM

**FOCUS ON**

**PEOPLE**
- Acquire New & Unique Competencies

**PIPELINE**
- Support Projects Expand Capabilities

**PERFORMANCE**
- Scout New Opportunities

- Extend Capacity Reduce TTM & Cost

**Talent**
- Pipeline

**Enable (KSA) Universities**
- Capabilities & Grow SABIC Brand

---

**INTERNATIONAL UNIVERSITIES/INSTITUTES**

**TECHNOLOGY VENTURES**

**KSA UNIVERSITIES/INSTITUTES**

External partnerships are essential to accelerate technology delivery and advance disruptive innovation.
By acting upon...

<table>
<thead>
<tr>
<th>SEGMENT-DRIVEN INNOVATIONS</th>
<th>UNIQUE MARKET SOLUTIONS</th>
<th>PROCESS INNOVATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>~ 10k Patents &amp; Pending Applications</td>
<td>450+ Active R&amp;D Projects</td>
<td>70+ New Products / Year</td>
</tr>
<tr>
<td>19 R&amp;D Centers Worldwide</td>
<td>&gt;50% Sustainability-Driven Solutions</td>
<td>15+% Improvement in % of Innovation EBITDA / Business EBITDA (2019-2022 YTD)</td>
</tr>
</tbody>
</table>

The Net Zero economy
US$ 2.3 trillion

ELECTRICALLY HEATED FURNACE
90% CO₂

The Circular economy
US$ 4.5 trillion

CHEMICAL RECYCLING
WORLD’S 1ST SEMI-COMMERCIAL PLANT OF MIXED PLASTIC WASTE

The Bio-Growth economy
US$ 1 trillion

ENHANCED AGRI-NUTRIENTS

The Exabyte economy
US$ 8 trillion

FIRE PROTECTION FOR EV BATTERY
UP TO 40% WEIGHT SAVING & INCREASED SAFETY

High-Purity Specialties
5G SIGNAL TRANSMISSION ENHANCEMENT

MICROSOFT OCEAN PLASTIC MOUSE
20% RECYCLED OCEAN PLASTIC in exterior shell

Enhanced Pipe Technology
UP TO 30% THICKNESS REDUCTION & ENHANCED LIFETIME

Microsoft Sustainability-Driven Solutions > 50%

SABIC SUSTAINABLE GROWTH JOURNEY

SABIC GROWTH STORY

1976 – Begins under the vision to TURN NATURAL GAS INTO VALUABLE PETROCHEMICAL PRODUCTS

1976 – KSA Growth

Building national capabilities in partnership with industry leaders

2000

Globalization

Expanding Operations & Technology globally

2010

Transformation

Preparing for a new wave of growth: getting closer to markets and feedstock

2016

NEW CHAPTER

2022

CIRCULAR CARBON ECONOMY JOURNEY

1976 – Begins under the vision to TURN NATURAL GAS INTO VALUABLE PETROCHEMICAL PRODUCTS

1986 – Al Jubail and Yanbu awarded United Nations environmental prize for work on environmental conservation.

2000 – Launched an Environmental Management System enabling all affiliate companies to benchmark environmental performance

2001 – Research and Technology function awarded the Gulf Cooperation Council prize for "Best Environmental Research."

2003 – 12 SABIC affiliates achieve ISO 14001 certificates

2007 – SABIC Americas received Responsible Care® certificate

2011 – Set our FIRST SUSTAINABILITY TARGETS

2011 – Initiated SEEC program

2012 – SABIC joins UN Global Compact.

2016 – Built WORLD LARGEST CO2 CAPTURE, PURIFICATION AND LIQUEFACTION PLANT

2018 – Second cycle of SEEC targets

2021 – Works begin on our WORLD’S FIRST ADVANCED RECYCLING UNIT

2021 – Carbon neutrality commitment by 2050 with 2030 interim target

2022 – Construction begins to realize FIRST ELECTRICALLY HEATED STEAM CRACKER FURNACE
CIRCULARITY & CARBON NEUTRALITY ROADMAP
SABIC CIRCULAR CARBON ECONOMY (CCE) FOCUS

CCE, 4R's model that will enable achieving our Carbon neutrality ambitions
OUR CIRCULAR JOURNEY SO FAR ... WITH PROVEN SOLUTIONS (1)

- **2014**
  - MASS BALANCE: chain of custody for polymers

- **2014**
  - CERTIFIED RENEWABLE PE & PP from second generation bio-based feedstock

- **2019**
  - D4R WITH TF-BOPE: Mono-material solutions to overcome limits of conventional PE film

- **2019**
  - CERTIFIED CIRCULAR PE & PP from advanced recycled feedstock

- **2019**
  - CERTIFIED RENEWABLE CHEMICALS supporting launch of new renewable value chains
OUR CIRCULAR JOURNEY SO FAR ... WITH PROVEN SOLUTIONS (2)

2020

CLOSED LOOP

CIRCULAR PRODUCTS based on OCEAN BOUND PLASTIC

PCR COMPOUNDS up to 70% mechanically recycled content

CIRCULAR PRODUCTS based on OCEAN PLASTIC

BLOCKCHAIN PILOT PROJECT for digital traceability and additional transparency

CERTIFIED RENEWABLE PRODUCTS from ‘Residues from vegetable oil processing’
GOOD PROGRESS ON THE FIRST SEMI-COMMERCIAL ADVANCED RECYCLING UNIT

Market foundation stage
- Direct processing of pyrolysis oil fraction via blending
- SABIC first and leader in certified circular products
- Start advocacy for material recycling

Commercial unit phase 2022
- ~15-20 kta of raw pyrolysis oil into circular products
- Partners: Plastic Energy & Haldor Topsoe

World scale phase ≥ 2025
- >200 kta of circular products
- Legislative framework fully supporting chemical recycling

SABIC to grow circular products to maintain leading position in advanced recycling
CARBON NEUTRALITY STRATEGY: 2030 EXECUTION PLAN FOR SCOPE 1 & 2 GHG EMISSIONS

CO2: 35-45%
- Reliability, Energy Efficiency (EE) & Improvements

Renewable Energy: 35-45%
- MOU signing with REPDO
- 4 GW Installed Capacity of renewable energy

Electrification: 0.8%
- E-Furnaces development collaboration with BASF
- Kick-off construction of the world's first demonstration plant for large-scale electrically heated steam cracker furnaces

Carbon Capture, Utilization & Sequestration: 8 - 10%
- Utilizing CO₂ for methanol
- Target supply to KSA CO₂ hub

Blue/Green H2: 0.5%
- Collaboration with Aramco for first blue ammonia shipment

MAJOR MILESTONES / ENABLERS / APPROACH UP TO 2030

- Developing Sites CN Roadmaps, Accounting for the combined impact of EE & CN
- Enhancing EE, via SEEC Project Portfolio & Decommissioning Energy Intensive Sites
- Expected ~7.2 MMT CO₂ e reduction

- Ambition of 12 GW Installed Capacity of renewable energy

- 1st Commercial E-Furnace

Renewable Energy projects will be executed through PPA
THE PATH TO 2050 – ENABLING TECHNOLOGIES & INFRASTRUCTURE

**HYDROGEN COMBUSTION**

**Key Principle:** Fire furnaces with hydrogen instead of methane

**Risk:**
- NOx emissions & regulations
- Higher value for H₂ in chemical use
- Increased demand of total energy

**Infrastructure:**
- H₂ Supply
- H₂ Grid

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**ELECTRIFICATION**

**Key Principle:** Fired burners replaced with electrical heating

**Risk:**
- Heating equipment longevity
- 24/7 availability of renewable power
- **Infrastructure:**
  - Grid capacity
  - Supply of renewable electricity

---

**CO₂ CAPTURE**

**Key Principle:** Capture CO₂ from stack and store it underground

**Risk:**
- Increased demand of total energy
- Public acceptance
- Environmental

**Infrastructure:**
- CO₂ Pipeline
- CO₂ Storage
- CO₂ Capture

---

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CH₄ → → → → CO₂

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FROM COMBUSTION TO ELECTRIC IN HIGH TEMPERATURE HEATING:
E-FURNACES FOR STEAM CRACKING

SABIC JDA with BASF & Linde on Cracker Electrification

TWO RESISTIVE HEATING CONCEPTS

DIRECT HEATING

\[ \text{Naphtha} \rightarrow \text{Raw Olefins Aromatics} \]

\[ 850^\circ C \]

\[ \text{eFurnace} \]

\[ \text{RENEWABLE ENERGY} \]

INDIRECT HEATING

\[ \text{Naphtha} \rightarrow \text{Raw Olefins Aromatics} \]

\[ 850^\circ C \]

\[ \text{eFurnace} \]

\[ \text{RENEWABLE ENERGY} \]

Both to be demonstrated at demonstration plant in Ludwigshafen, Germany

Expected startup in 2023

> 90% CO$_2$eq emission reduction potential is targeted
FIRST ADOPTER AT COMMERCIAL SCALE FOR STEAM CRACKERS

OBJECTIVES:

- Prove technology at commercial scale for steam cracker furnaces
- Gain engineering & operating experience
- Gain experience in reliability and mechanical robustness

CURRENT STATUS

Q4 2022  2025  2027  2030

<table>
<thead>
<tr>
<th>Hydrogen Combustion</th>
<th>H₂ burners available &amp; tested in test furnace</th>
<th>Select plants &amp; partner for first adoption</th>
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</thead>
<tbody>
<tr>
<td>Furnace Electrification</td>
<td>Demo with BASF &amp; Linde</td>
<td>Select plants for first adoption</td>
</tr>
<tr>
<td>CO₂ Capture</td>
<td>Carbon capture proven in power plants</td>
<td>Select plants &amp; partner for first adoption</td>
</tr>
</tbody>
</table>

FULL SCALE IMPLEMENTATION

Design, Operation, Reliability confirmation
ADDRESSING SCOPE 3 GHG EMISSIONS

We aim to collaborate with our partners in initiatives to reduce indirect SCOPE 3 GHG emissions along the value chain.

84% of our GHG Scope 3 emissions are explained by 4 categories:

- Supplier
- Downstream value chain
- C1 - Feedstock
- C10 - Processing of Sold Products
- C11 - Use of Sold Products
- C12 – End-of-life Treatment of Sold Products
- All other Scope 3 categories

SABIC SCOPE 3 GHG EMISSIONS (2021)

117 in million MTCO₂e

• Scope 3 is largely based on secondary data because of high complexity.

• Increasing attention on ESG practices & reporting in value chains drives urgency.

• Accurate and consistent industry measurements essential in order to set meaningful targets: We are actively engaged here to drive this.

Figures include Kemya, Sharq, Yanpet and 50% SAMAC. Upstream scope 3 does include company investments SABIC’s methodology is validated and assured by a third party in line with global GHG accounting protocol and SBTi criteria.
## SABIC ESG FOCUS AND REPORTING

### ENVIRONMENTAL
- Company’s **commitment** as a steward of nature
  - Climate Risks & Opportunities
  - Portfolio Sustainable Solutions
  - Environmental Reporting

### SOCIAL
- Company’s **relationship** with **employees**, **suppliers**, **customers**, **communities**
  - Diversity, Equity and Inclusiveness
  - Human Rights Story
  - Engage CSR and Local Content
  - Talent Attraction, Development & Retention

### GOVERNANCE
- Company’s management, controls, structures, compliance, leadership compensation, audits, shareholder rights.
  - Enhance Corp. Gov. Standards
  - Drive to ESG matters:
    - Supplier Mgmt ESG-attributes
    - Sustainable and Innovation Investments
    - Ethical business conduct, IT security, Tax reporting,...
THANK YOU