

CHEMISTRY THAT MATTERS™



SABIC INVESTOR DAY 2022

31 OCTOBER 2022



CEO – STRATEGIC FOCUS

OUR PURPOSE

OUR PURPOSE

WE ARE CREATING
CHEMISTRY THAT MATTERS™
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

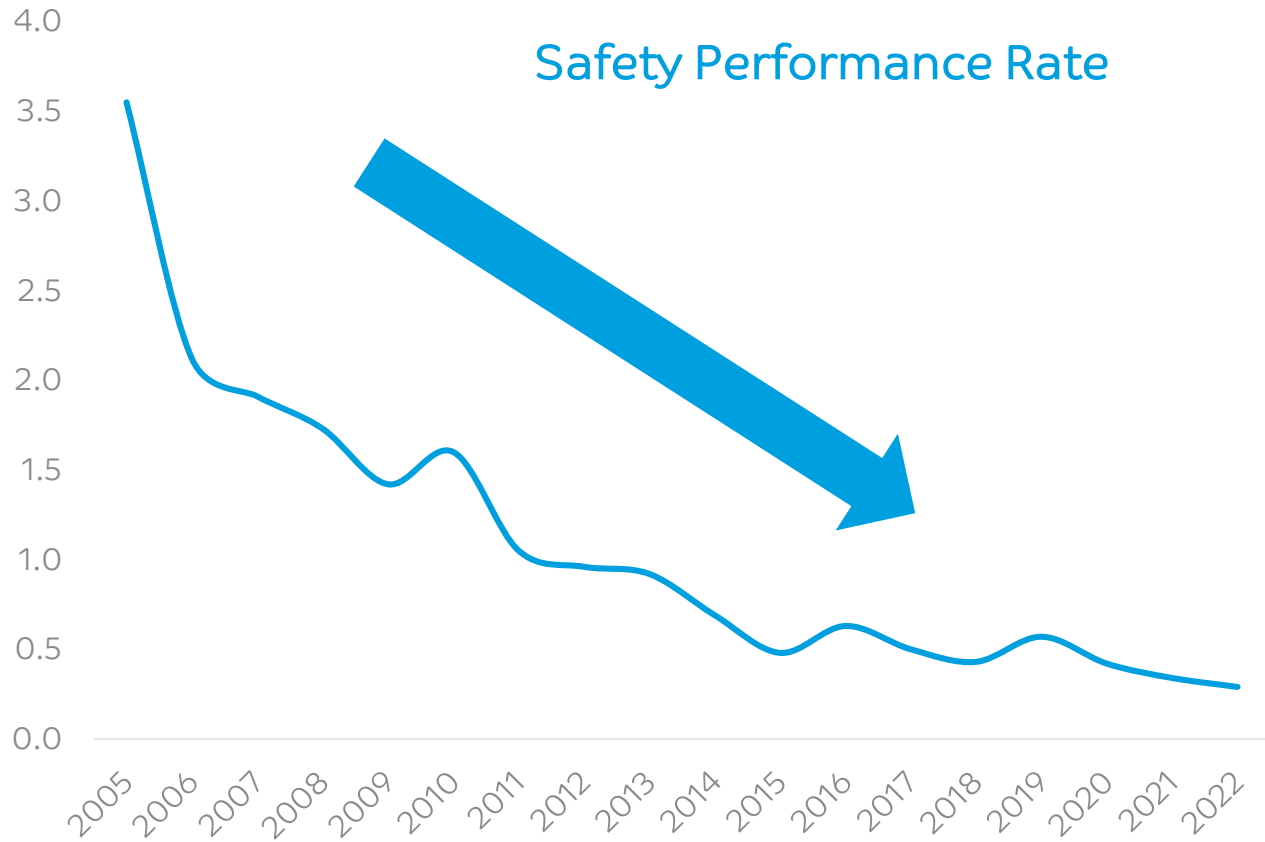
We aim for sustainable profitability, resilient growth, and creation of competitive edge

POTENTIAL AND BEYOND

EHSS

ENVIRONMENT, HEALTH, SAFETY AND SECURITY

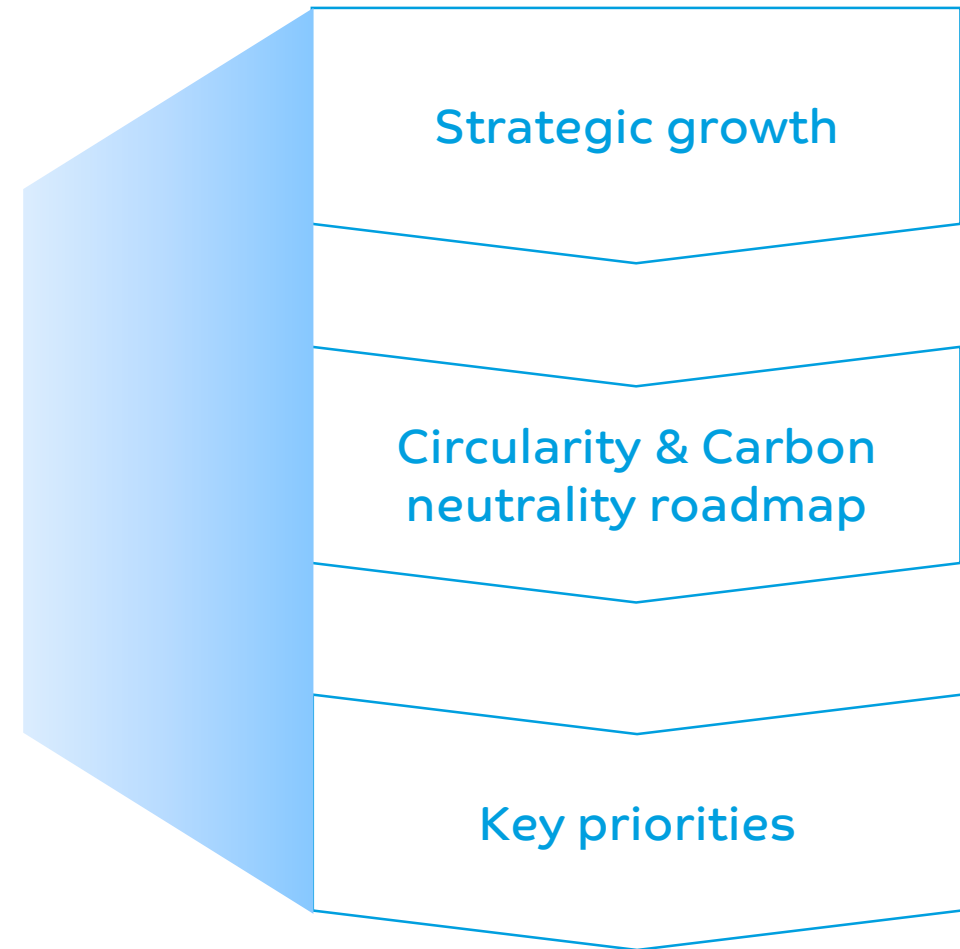
➤ ➤ SABIC IS COMMITTED TO SAFETY



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

INVESTMENT THESIS



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

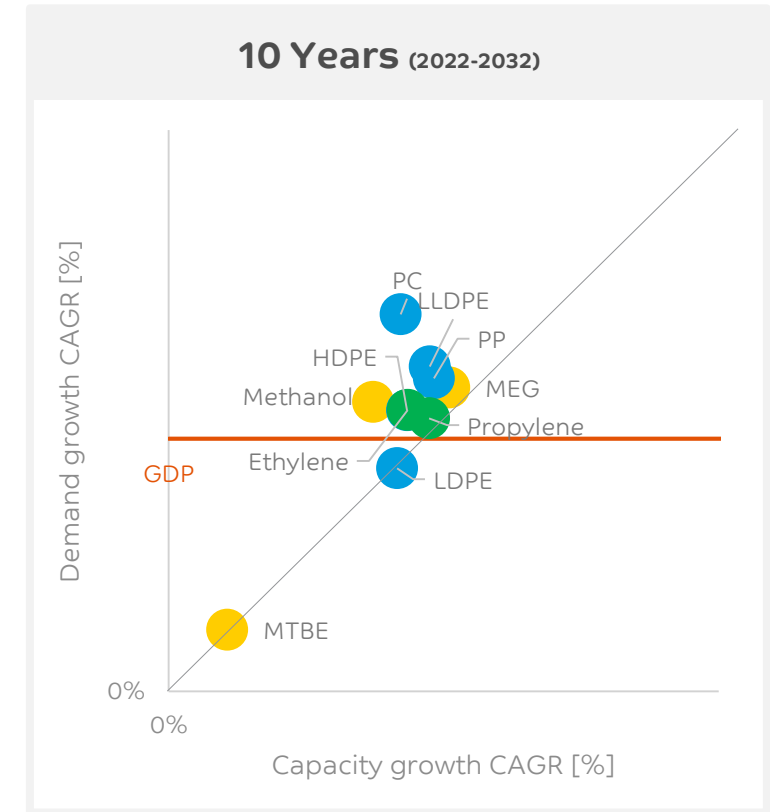
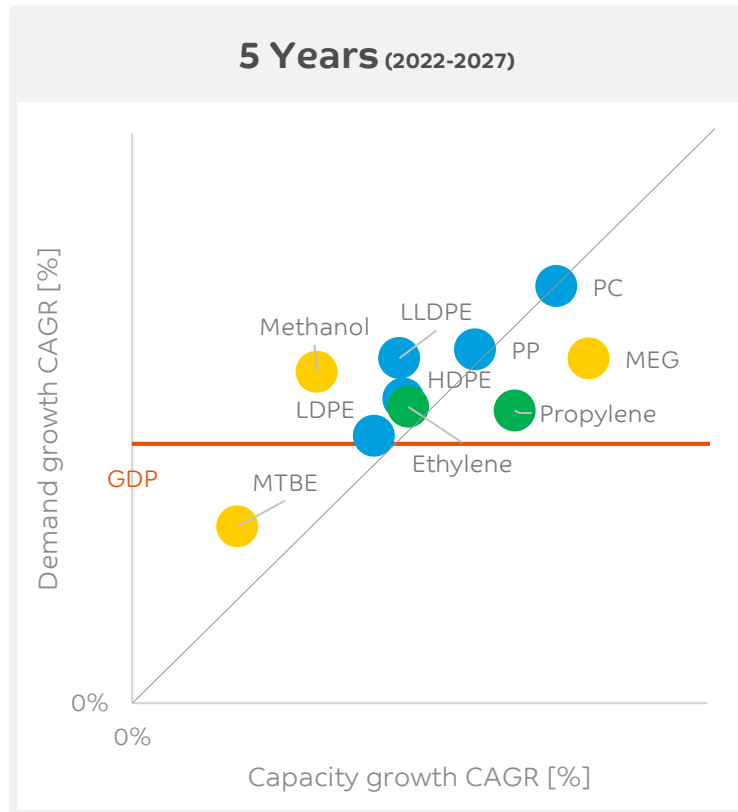
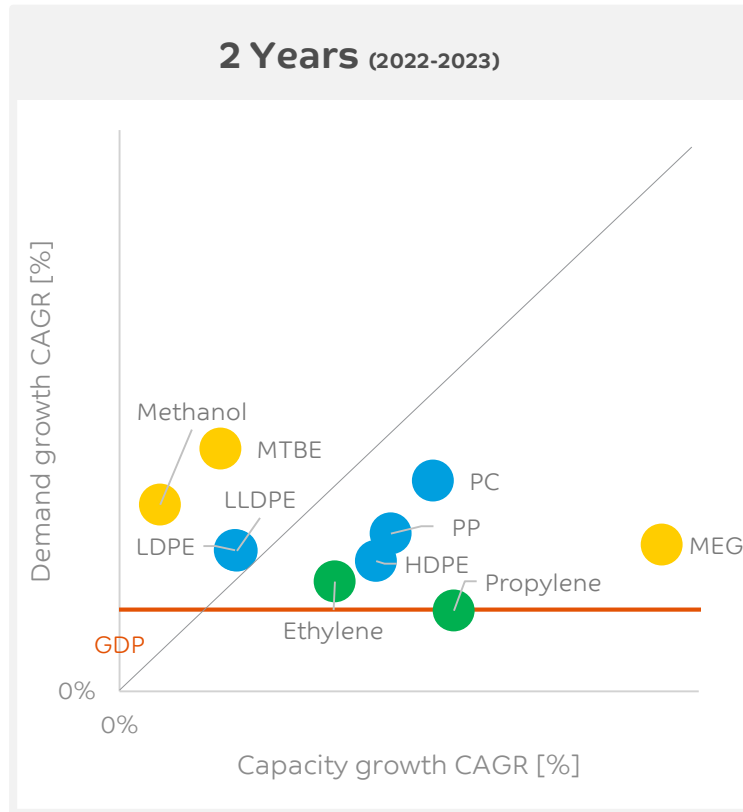
Shifts in Energy Value Chain

+

Shifts in Regions Positioning including KSA

SUPPLY DEMAND SUMMARY OF MAIN PETROCHEMICAL PRODUCTS

Capacity vs Demand



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

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

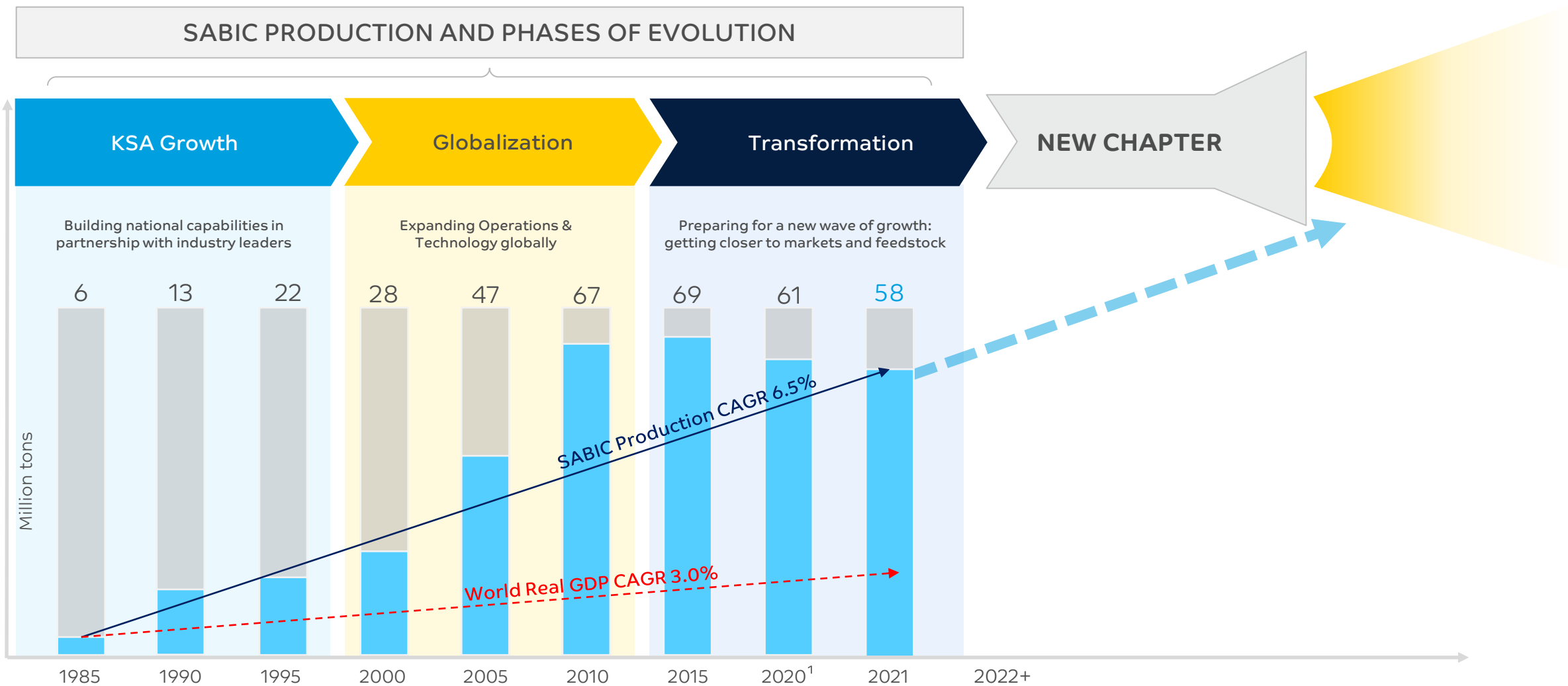
METALS



Local and Regional Leader in Steel Industry

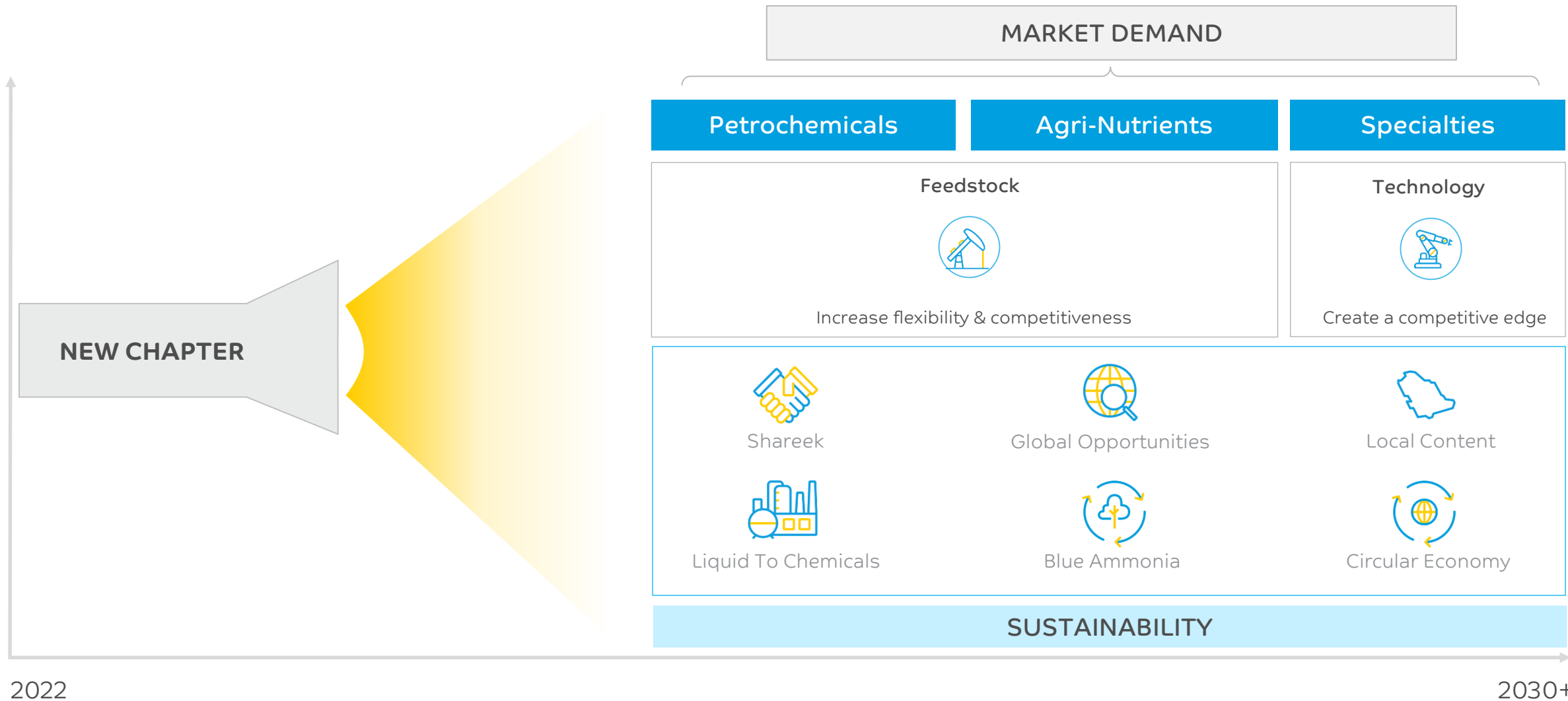
SUSTAINABILITY

OPENING A NEW CHAPTER IN OUR EVOLUTION



¹ Restated figures due to change in accounting treatment as announced in Q2 2020.

WHAT'S NEXT



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

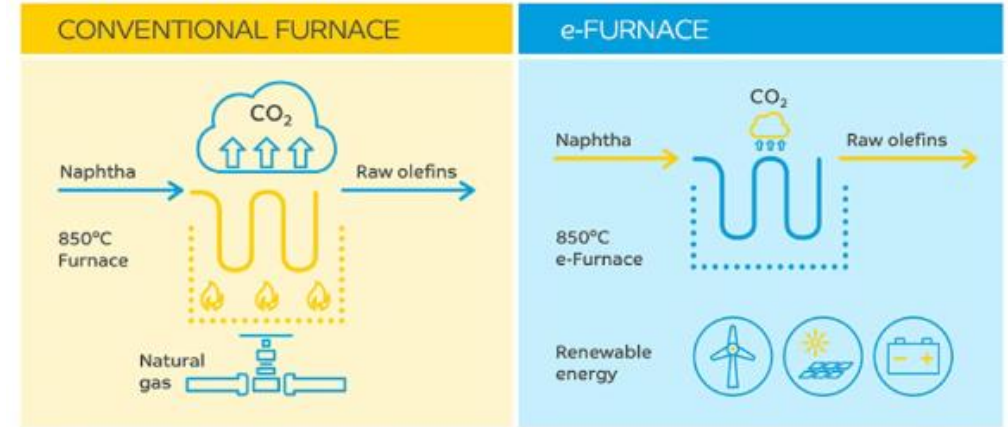


GREEN/BLUE H2

- Commercially available solutions and under early R&D

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

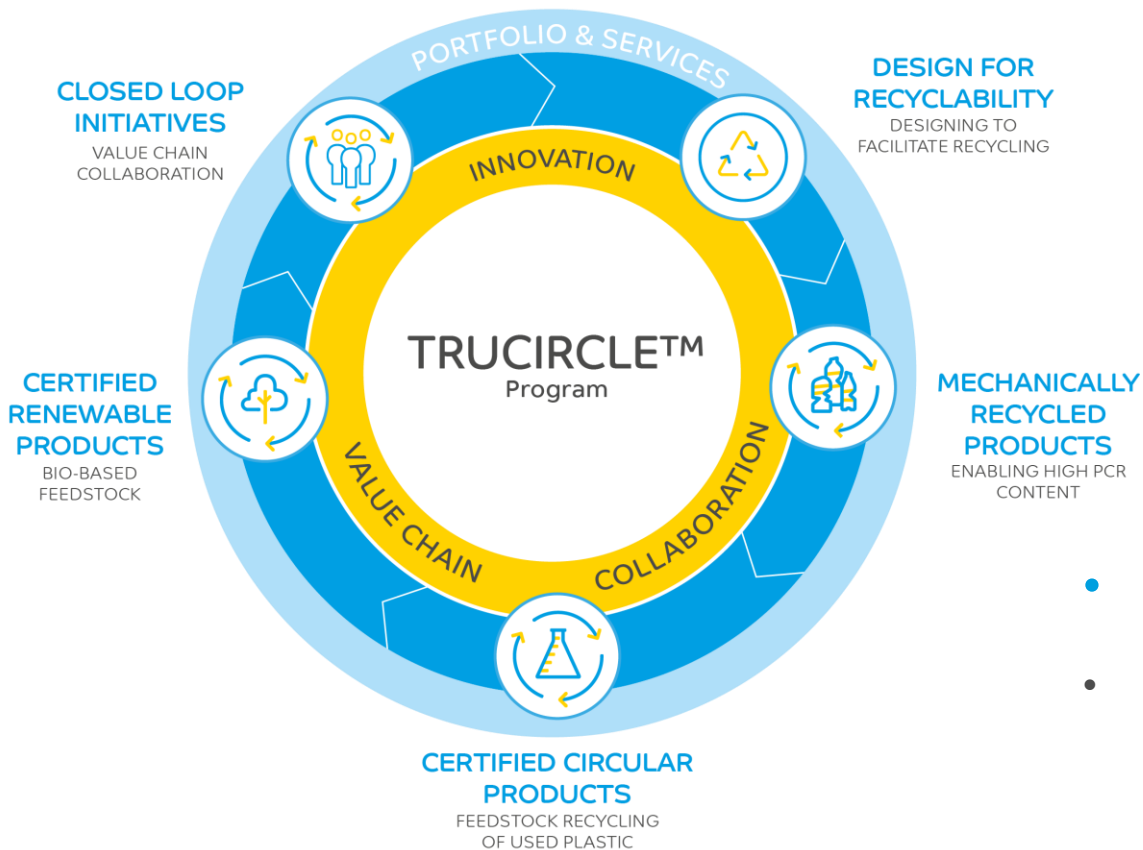


1 September 2022 - CEOs of collaboration partners opening the site for building the demonstration plant



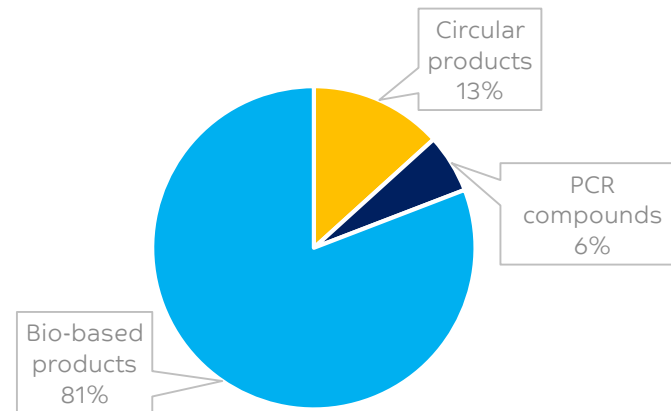
3D graphic of world's first demonstration plant for large scale electrically heated steam cracker furnaces in Ludwigshafen

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

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

FINANCIAL PERFORMANCE

HEALTHY FINANCIAL PERFORMANCE

(USD billion)	Q3 22	Q2 22	% Var	Q3 21	% Var	9M 22	9M 21	% Var
Revenue	12.50	14.93	-16%	11.65	7%	41.46	32.97	26%
EBITDA	1.81	3.54	-49%	2.99	-39%	8.76	9.39	-7%
Income from Operations	0.87	2.61	-67%	2.05	-57%	5.97	6.60	-9%
Net Income	0.49	2.11	-77%	1.49	-67%	4.33	4.83	-10%
Free Cash Flow ¹	1.82	1.62	13%	2.16	-16%	4.99	4.81	4%

SALES DRIVERS

	Volumes	Prices ²
Q3 22 vs. Q2 22 (QOQ)	↓ 1%	↓ 15%
Q3 22 vs. Q3 21 (YOY)	↑ 11%	↓ 4%
9M 22 vs. 9M 21	↑ 11%	↑ 15%

KEY RATIOS

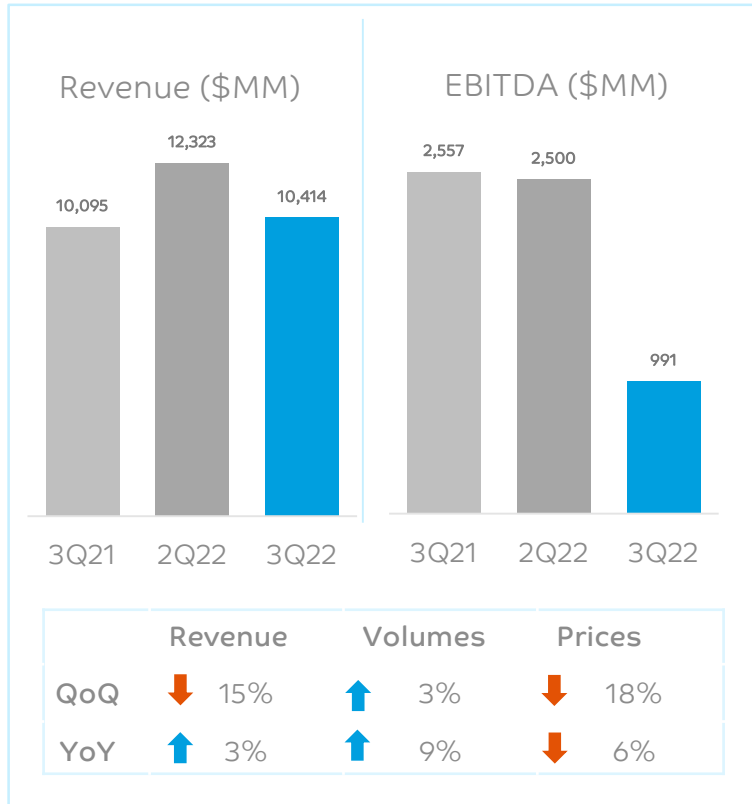
	Q3 22	Q2 22	Q3 21	9M 22	9M 21
EBITDA Margin	14%	24%	26%	21%	28%
Net Debt / EBITDA	-0.50	-0.16	-0.09	-0.31	-0.08

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

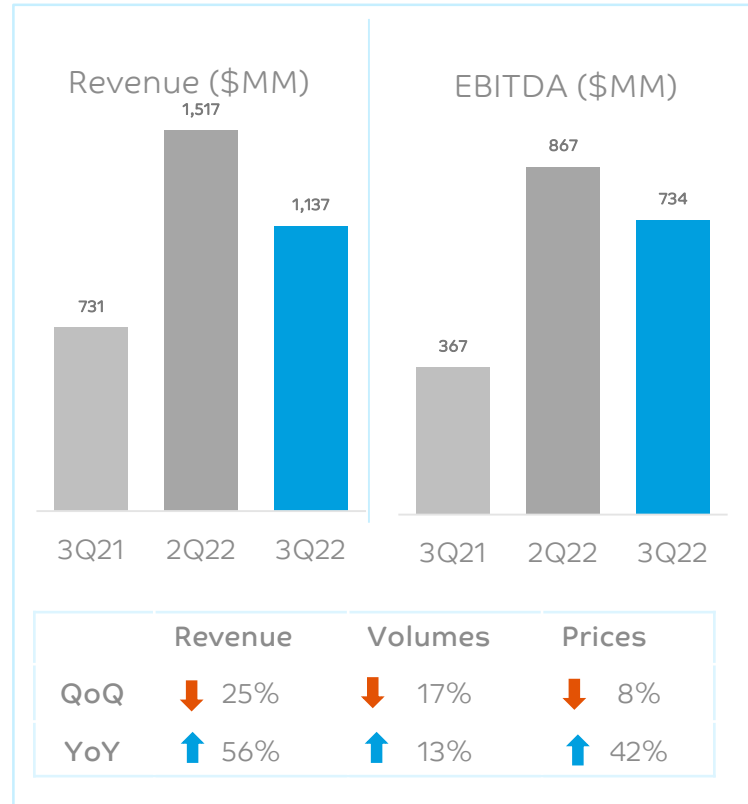
THIRD QUARTER OPERATING SEGMENT PERFORMANCE



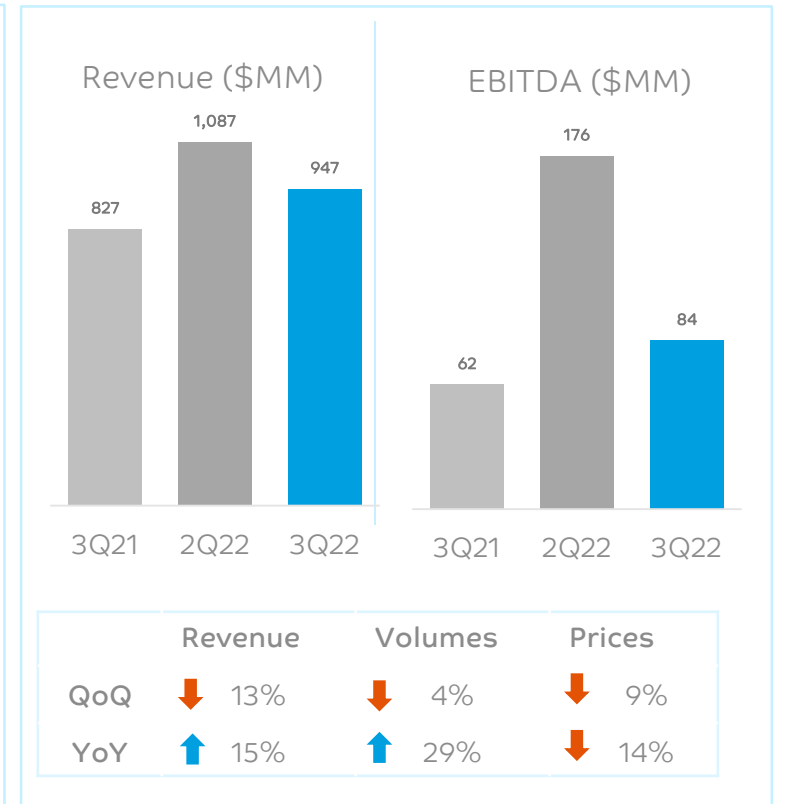
Petrochemicals & Specialties



Agri-Nutrients

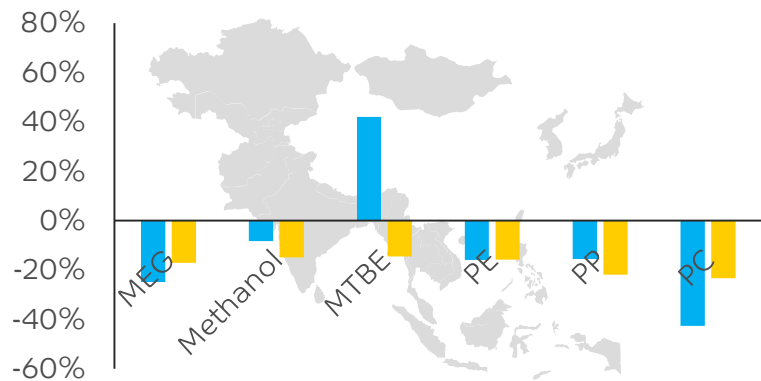


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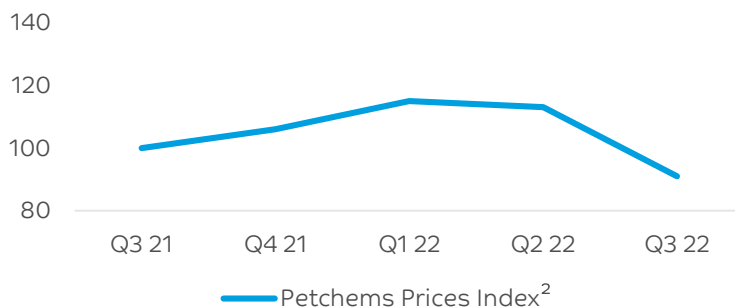


MAJOR PETROCHEMICALS PRICES¹ CHANGES ACROSS THE KEY REGIONS IN Q3 22

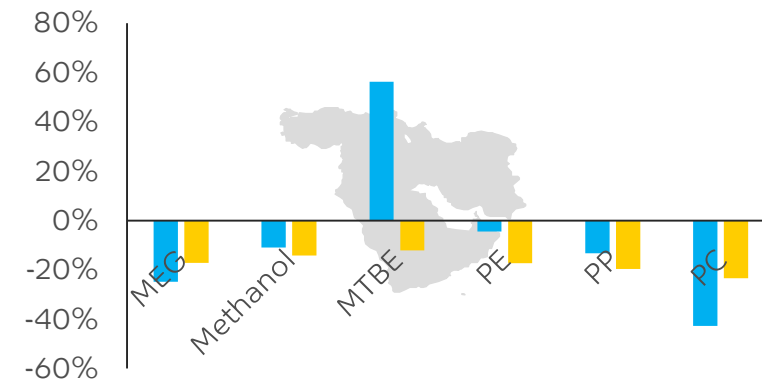
REST OF ASIA²



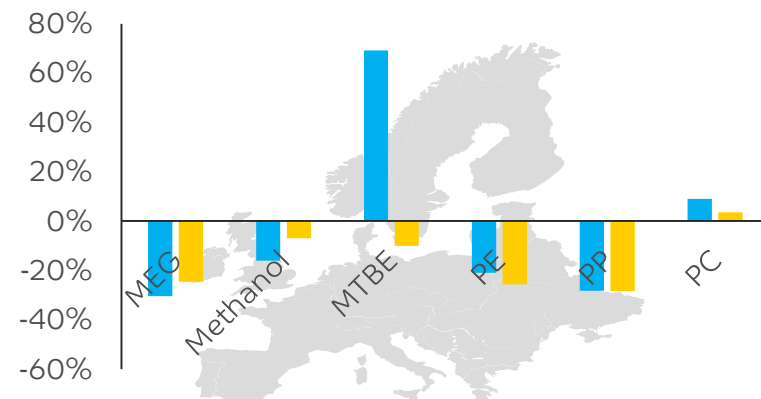
% change Q3 22 vs Q3 21 (YoY)
% change Q3 22 vs Q2 22 (QoQ)



MIDDLE EAST³



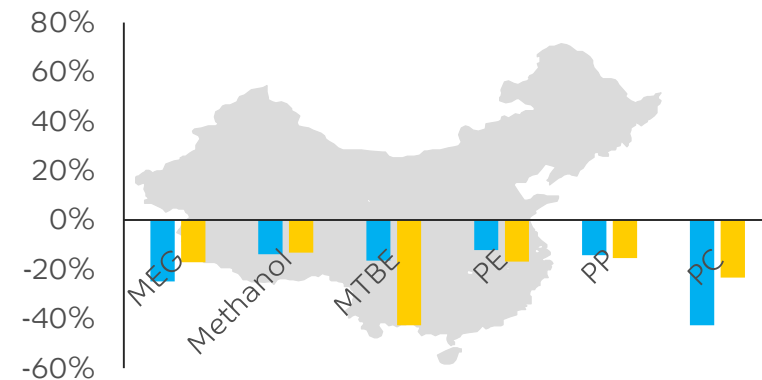
WESTERN EUROPE



REGION SALES/GLOBAL SALES VOLUME FOR SABIC

	Americas	Europe	MEAF	China	Rest of Asia
MEG	<15%	15%-50%	>50%	>50%	>50%
Methanol	<15%	15%-50%	>50%	>50%	>50%
MTBE	<15%	15%-50%	>50%	>50%	>50%
PE	<15%	15%-50%	>50%	>50%	>50%
PP	<15%	15%-50%	>50%	>50%	>50%
PC	<15%	15%-50%	>50%	>50%	>50%

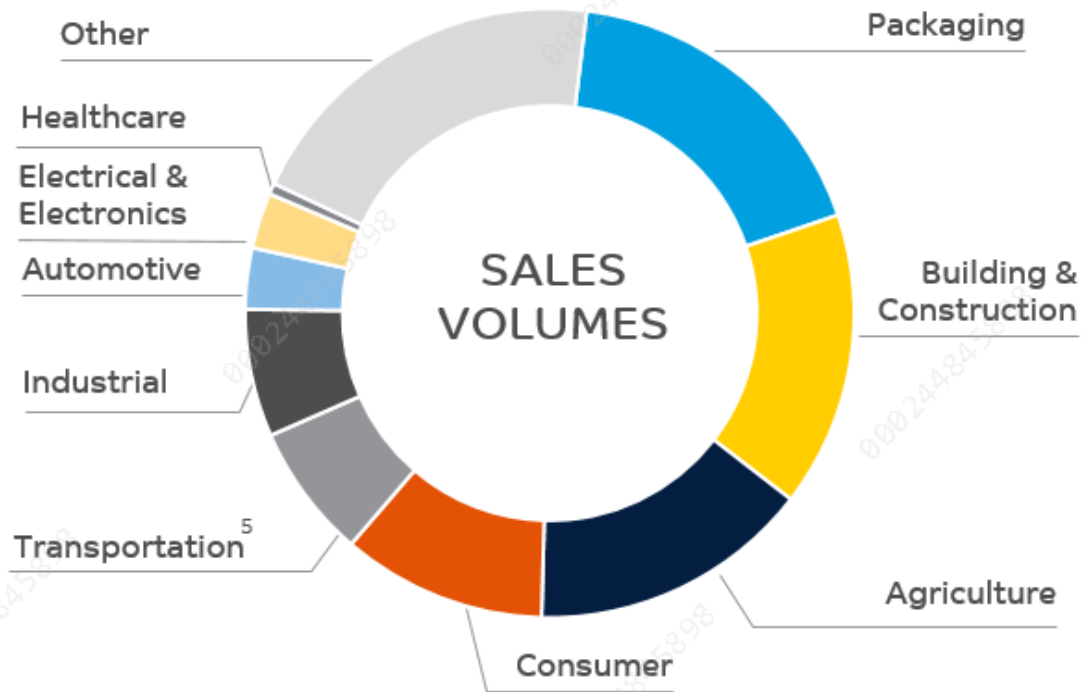
CHINA



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). ⁴ Q3 21 price rebased to 100. Weighted average price by SABIC product mix and regions.

OUTLOOK

SABIC: KEY END INDUSTRY¹ AND TRENDS



END INDUSTRY	Q3 DEMAND TREND ² (YOY)	Q3 DEMAND TREND ³ (QOQ)	Q4 DEMAND TREND ⁴ (QOQ)
Packaging	● (Blue)	● (Grey)	● (Grey)
Building & Construction	● (Blue)	● (Orange)	● (Orange)
Agriculture	● (Blue)	● (Grey)	● (Grey)
Consumer	● (Blue)	● (Orange)	● (Grey)
Transportation ⁵	● (Blue)	● (Orange)	● (Grey)
Industrial	● (Blue)	● (Grey)	● (Grey)
Automotive	● (Blue)	● (Orange)	● (Orange)
Electrical & Electronics	● (Blue)	● (Grey)	● (Grey)
Healthcare	● (Blue)	● (Blue)	● (Grey)

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
share¹



1.8
Free cash
flow



A+ / A1
Strong standalone
credit ratings²

FINANCIAL PERFORMANCE



(Amounts in USD billion)

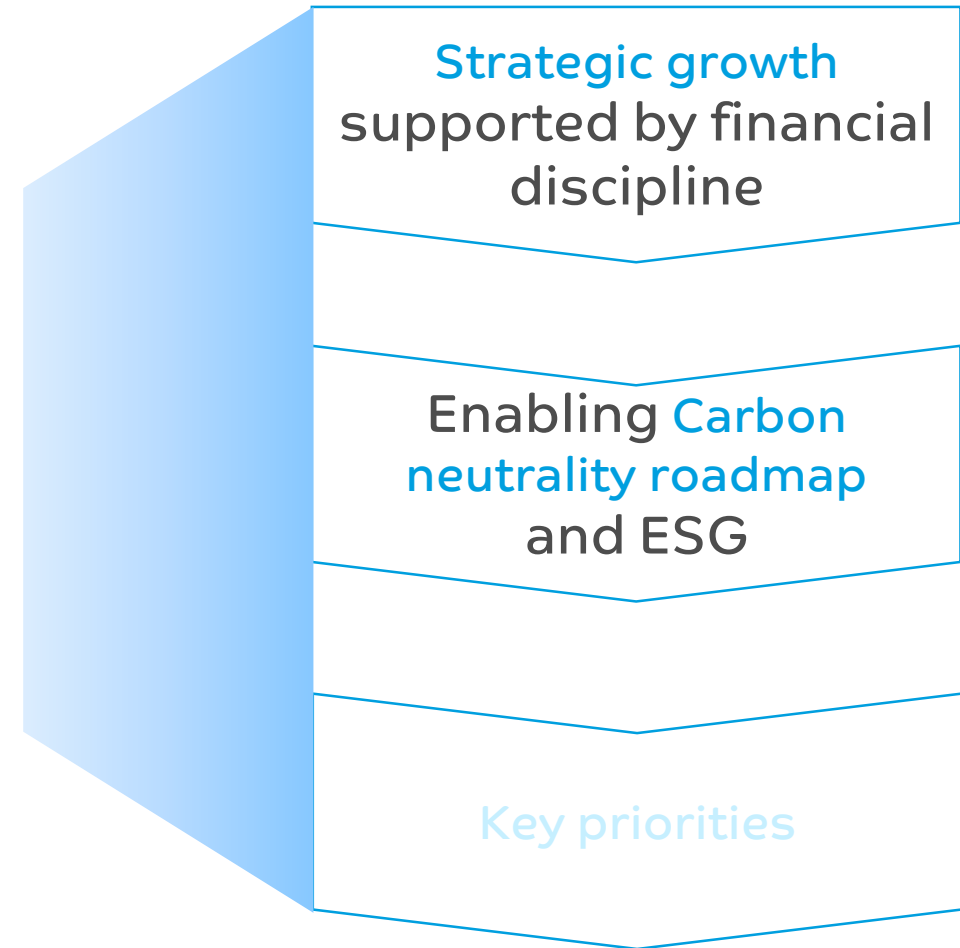
OUTLOOK 2022

	Current	Previous
Global GDP Growth Rate ³	2.5% - 2.8% (YoY)	2.5% - 2.8% (YoY)
SABIC – FINANCIALS		
Sales Volume	Higher (YoY)	Higher (YoY)
EBITDA	Lower (YoY)	Flat (YoY)
CAPEX	Higher (YoY)	Higher (YoY)

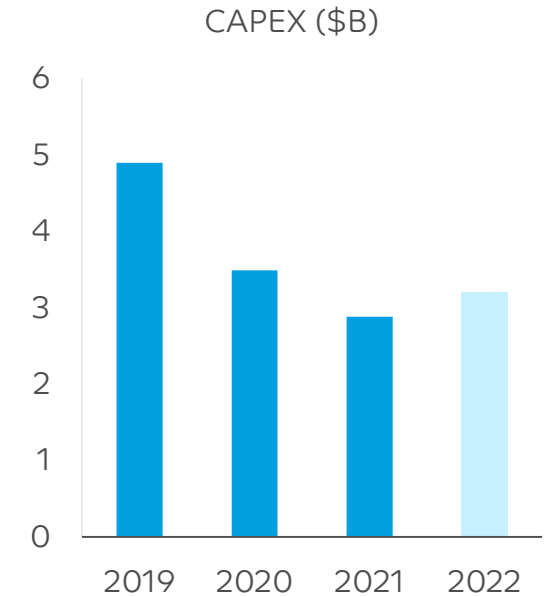
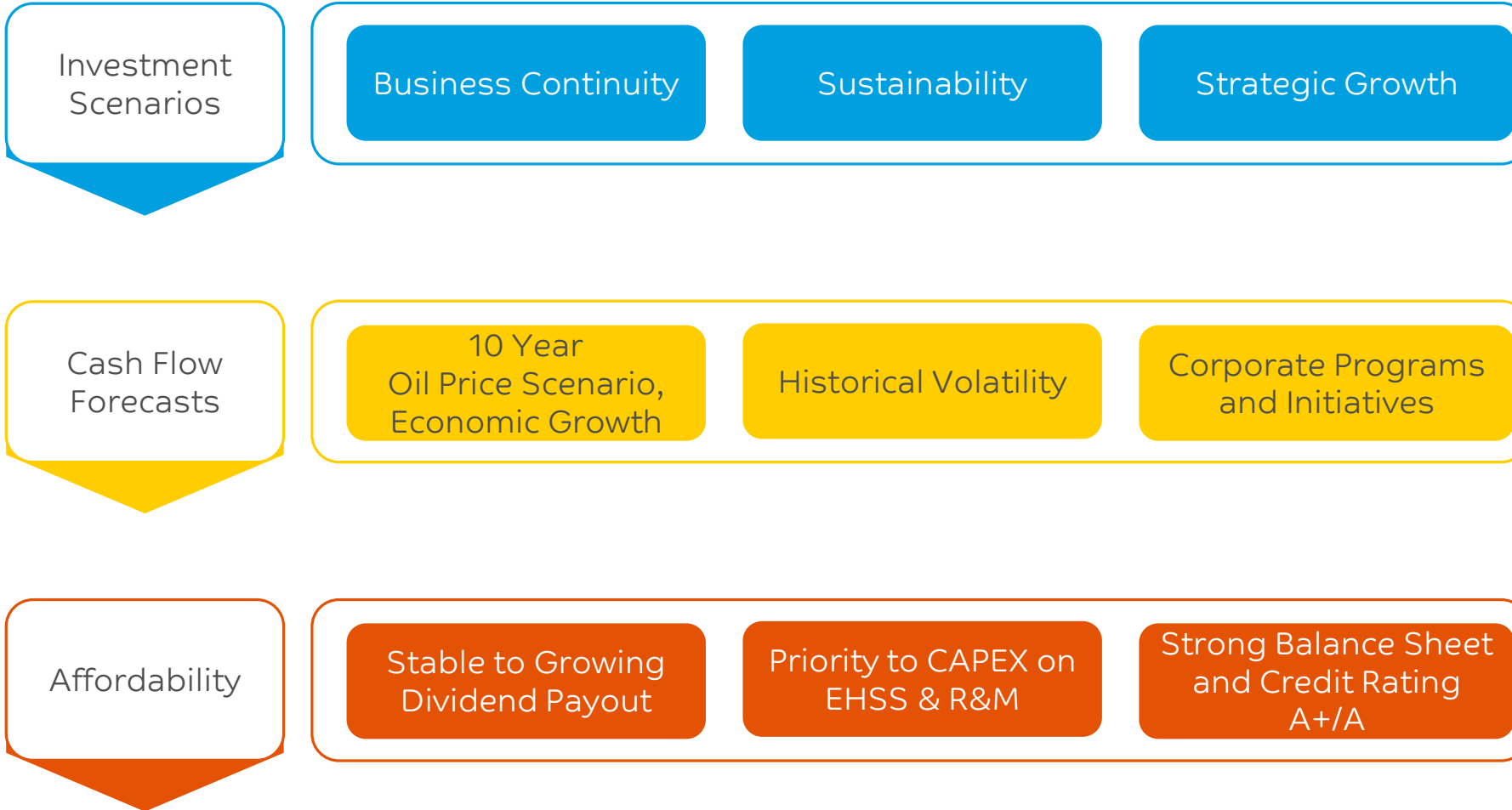
SABIC – NON FINANCIALS	
ESG ⁴	Deliver on the Carbon Neutrality Roadmap to 2050 with an interim target of 20% reduction by 2030 (baseline 2018)

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

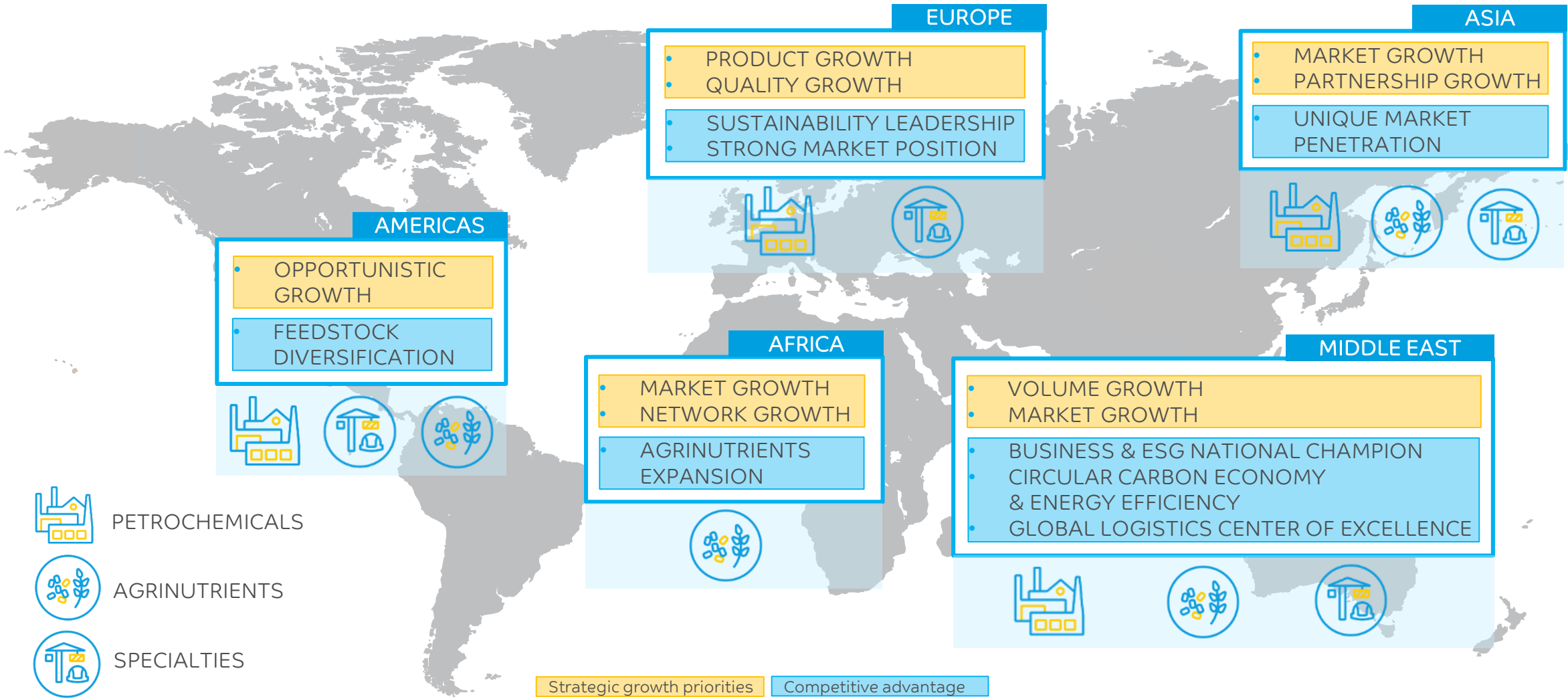
INVESTMENT THESIS



CAPITAL ALLOCATION FRAMEWORK



STRATEGIC GROWTH PRIORITIES & COMPETITIVE ADVANTAGES



CARBON NEUTRALITY & ESG

CARBON NEUTRALITY JOURNEY & PHASE STRATEGY

MAJOR FOCUS AREAS



Energy Efficiency

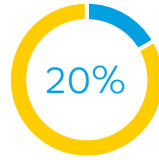


Renewable Energy



CCUS

2030



GHG Reduction

\$3-4B

CAPEX



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



Electrification



Hydrogen

2050



CARBON NEUTRAL



- 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

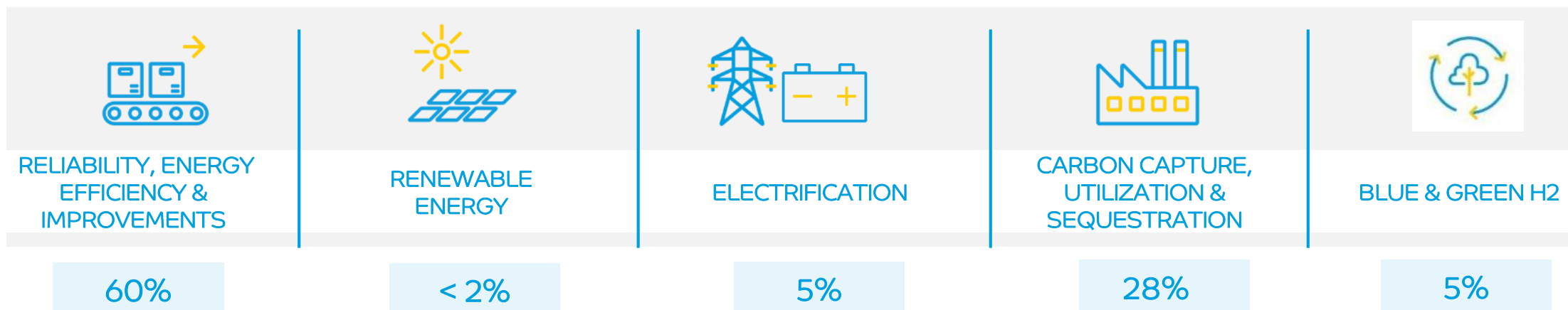
\$3-4B

2030

MAIN STRATEGIC ACTIONS

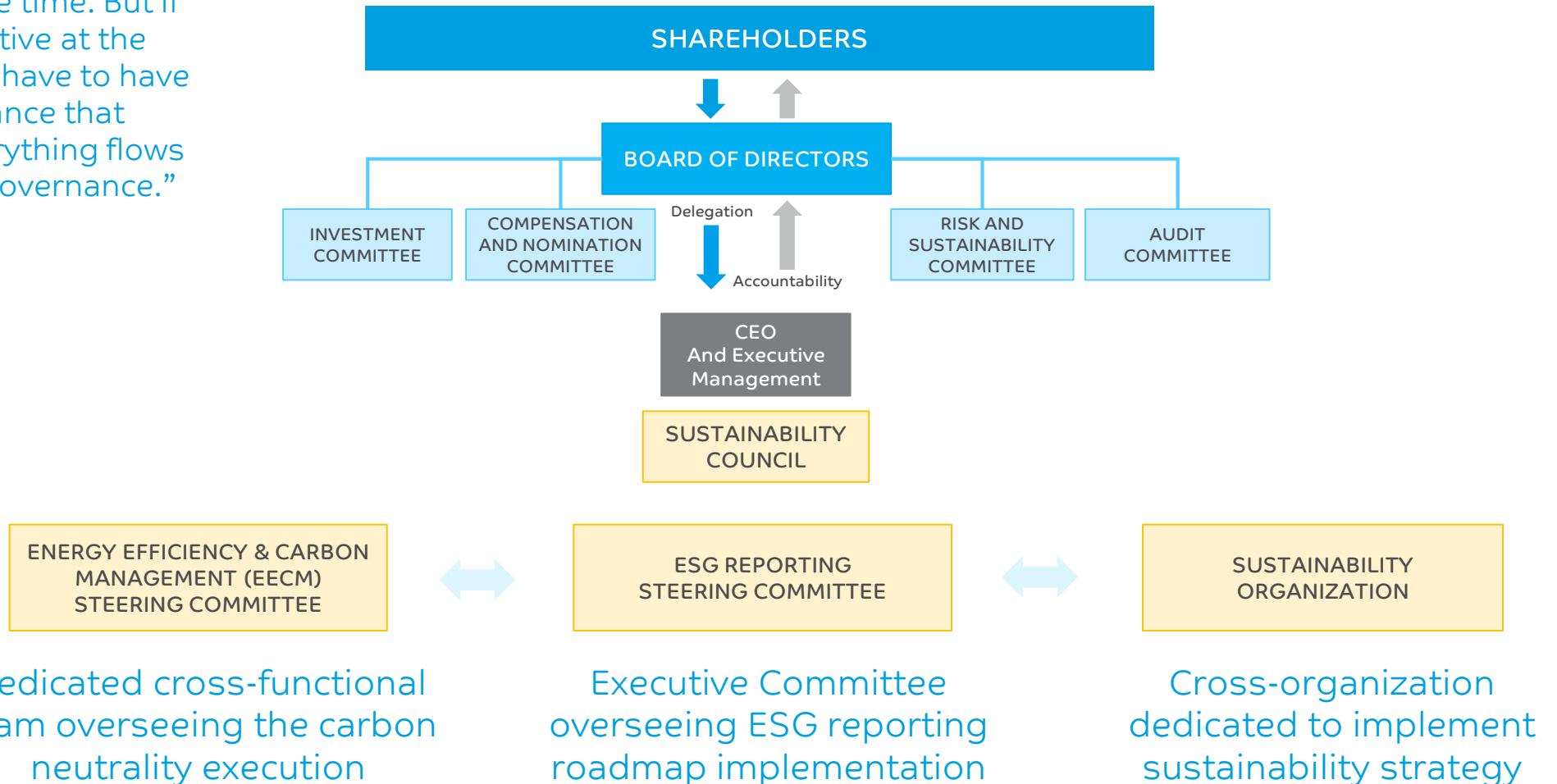
- Continuing energy efficiency journey to achieve SEEC* second cycle target and beyond
- Capitalizing on KSA 2030 energy mix target and renewable energy projects (PPA)
- Capturing CO₂ through KSA CCUS hub

CAPITAL EXPENDITURE ALLOCATION TO CARBON NEUTRALITY (\$)



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.”



SABIC'S INTEGRATED ESG APPROACH

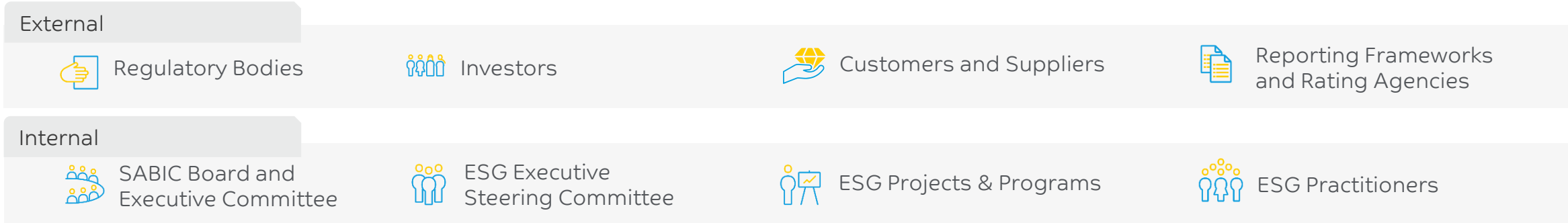


SABIC ESG Dashboard (Sustainability KPIs)

MOTIVATING FACTORS

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

KEY ESG STAKEHOLDERS



HOW ARE WE DEVELOPING OUR INTERNAL ESG ECOSYSTEM



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 FRAMEWORK




ESG FOUNDATION PROJECTS

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



ESG ENABLEMENT

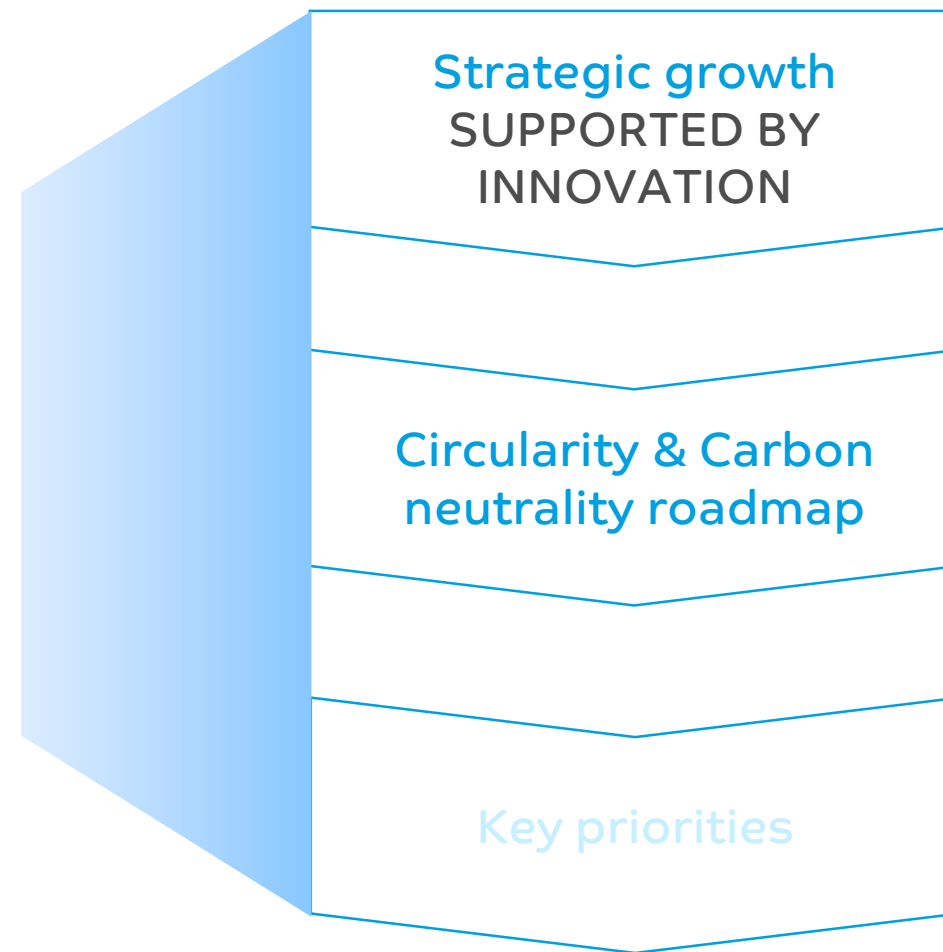
- ESG Frameworks and Definitions
- ESG Data Automation
- ESG Quality Assurance
- ESG Governance & Controls
- ESG Culture & Change Management

OUR ESG EXTERNAL ACTION



CTO & CSO – INNOVATION & SUSTAINABILITY

INVESTMENT THESIS



STRATEGIC GROWTH SUPPORTED BY INNOVATION

SABIC'S TECHNOLOGY AND INNOVATION MISSION

DEVOTED TO SCIENCE:
INGENUITY DRIVEN BY
TECHNOLOGY AND 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

SPECIALTIES

FEEDSTOCK



TECHNOLOGY



INCREASE FLEXIBILITY & COMPETITIVENESS

CREATE A COMPETITIVE EDGE
UNIQUE MARKET SOLUTIONS

SEGMENT-DRIVEN INNOVATION

PROCESS INNOVATION

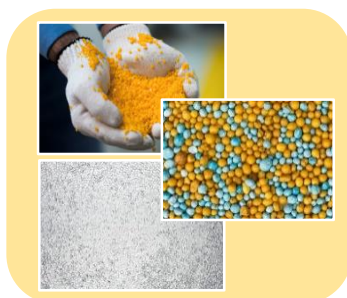
MARKETS & APPLICATIONS
GROWTH / DIFFERENTIATION

PRODUCT
COST / DIFFERENTIATION

PROCESS IMPROVEMENT
COST / RELIABILITY

NEW PROCESS
COST / CAPABILITY

DIFFERENTIATION THROUGH
UNIQUE CHEMISTRIES

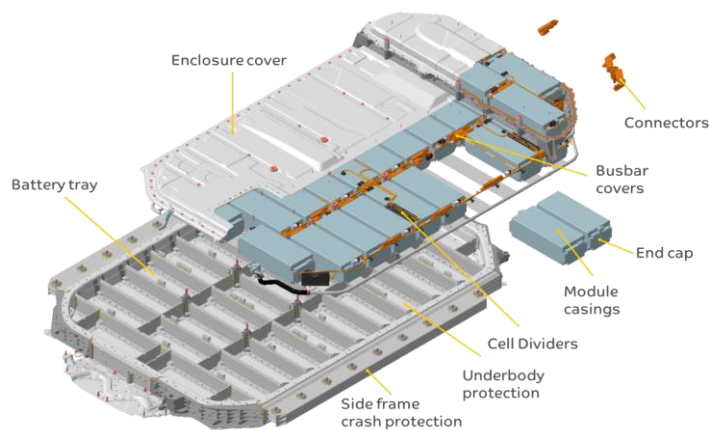


SUSTAINABLE IMPACT

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...



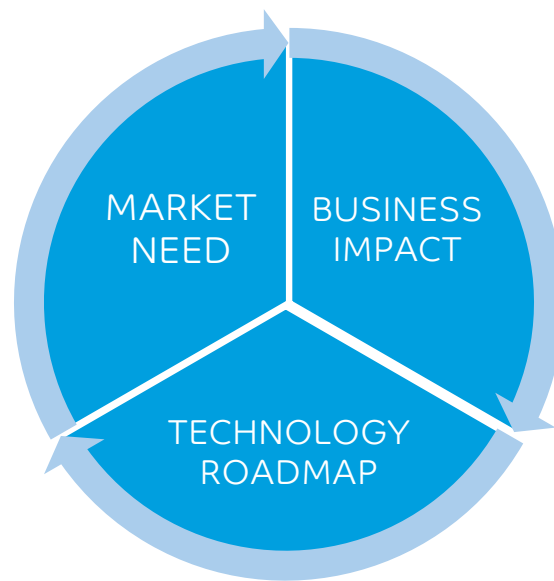
...industry needs:

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...

Materials	Manufacturing	Assembly	Fire-polymer interaction	Application / Verification	Solution Development
 <ul style="list-style-type: none"> FR PP FR ET 	 <ul style="list-style-type: none"> Thermoforming LP IM, compression molding Profile extrusion 	 <ul style="list-style-type: none"> Sealing Bonding EMV / EMI / EMC 	 <ul style="list-style-type: none"> FR translation Fire polymer science testing 	 <ul style="list-style-type: none"> Cover / tray Modules / cells Thermal mgmt. 	 <ul style="list-style-type: none"> Customer / industry collaboration & validation
Engagement with customers and constant interactions – across all verticals					

PROCESS INNOVATION EXAMPLES – CHEMICALS & POLYMERS

POLYMERS PROCESS INNOVATION

PROCESS IMPROVEMENT

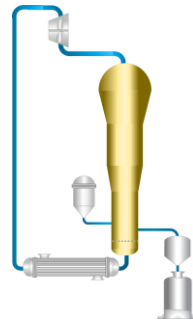
Dry Catalyst Feeder Technology for General Purpose PE



Achieving lower costs and enhanced reliability

ENABLING GROWTH

Integrated Multizone Technology for Differentiated PE



Introducing novel PE products in future assets

CHEMICALS PROCESS INNOVATION

PROCESS IMPROVEMENT

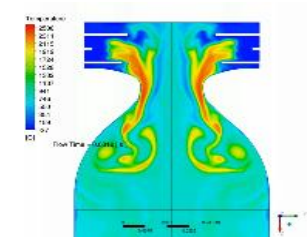
SABIC Butadiene Extraction Technology



Debottlenecking plants for higher productivity

ENABLING GROWTH

SABIC ANJEVOC Technology



Conversion of complex hydrocarbon feeds to chemicals

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



5G Towers
5G Antennas
Printed Circuit Boards
Fiber Optic Connector

ELECTRONICS

Enabling connectivity in sustainable smart devices



Smart Phones
Laptop & Tablets
AR/VR
Smart Appliances

INDUSTRIAL

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



Robotics
Smart Manufacturing
Connected Home
Smart Water Meters

MEDICAL DEVICES

Convergence of connectivity and Medical Devices



Remote Diagnostics
Distant Patient Monitoring
Drug Delivery
Remote Surgical Devices

MOBILITY

Powering EV and EV Batteries



Capacitor Films
EV Charging Stations
Sensors and Shielding
Battery Protection

OEM's

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

SABIC TECHNOLOGY AND INNOVATION GLOBAL CENTERS



PPDC Pittsfield



Selkirk



Wixom



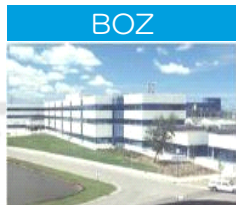
Mt. Vernon



STC Houston

Pittsfield, MA, USA
 Selkirk, NY, USA
 Wixom, MI, USA
 Mount Vernon, IN, USA
 Houston, TX, USA

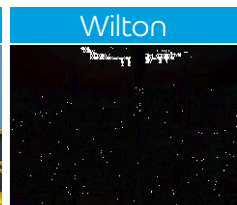
- SABIC Center
- Dedicated Specialties Center
- Dedicated Agri - Nutrients Center



BOZ



STC - Geleen



Wilton



Cartagena

Bergen op Zoom, NL
 Geleen, NL
 Wilton, UK
 Cartagena, Spain

SPADC Riyadh, KSA
 Riyadh, KSA
 Jubail, KSA
 KAUST, Thuwal, Jeddah, KSA
 Home of Innovation (Hol), Riyadh, KSA
 Estidamah, Riyadh, KSA

Sungnam, South Korea
 Moka, Japan
 Shanghai, China
 Bengaluru, India



Korea Tech Center



Japan Tech Center



STC-Shanghai



STC-Bengaluru



SPADC



STC-KAUST



Hol



Estidamah



STC-Riyadh



STC-Jubail

EXTERNAL INNOVATION ECO-SYSTEM

FOCUS ON

PEOPLE

 PIPELINE

 PERFORMANCE

- Acquire**
New & Unique Competencies
- Support Projects**
Expand Capabilities
- 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

ENABLING THE TRANSFORMATIONAL ECONOMIES...AND DELIVERING IMPACT

By acting upon... | SEGMENT-DRIVEN INNOVATIONS | UNIQUE MARKET SOLUTIONS | PROCESS INNOVATION

~ 10k

Patents & Pending Applications

450+

Active R&D Projects

70+

New Products / Year

19

R&D Centers Worldwide

>50%

Sustainability-Driven Solutions

15+%

Improvement in % of Innovation EBITDA / Business EBITDA (2019-2022 YTD)

The Net Zero economy US\$ 2.3 trillion



ELECTRICALLY HEATED FURNACE
UP TO **90%** CO₂



CAPACITOR FILM
EV POWER BOOST



LARGE ENERGY STORAGE UP TO **150°C**

The Circular economy US\$ 4.5 trillion



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



ENHANCED AGRI-NUTRIENTS



UP TO **10% HIGHER** YIELD WITH LOWER CO₂

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



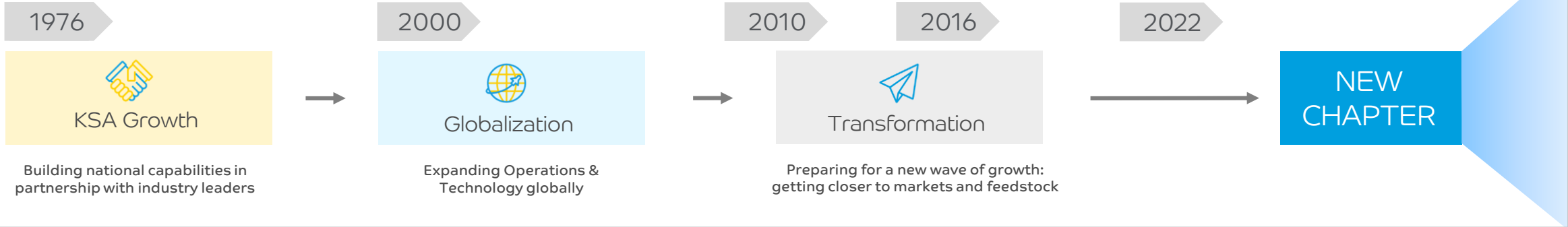
MICROSOFT OCEAN PLASTIC MOUSE
20% RECYCLED OCEAN PLASTIC in exterior shell



ENHANCED PIPE TECHNOLOGY
UP TO **30%** THICKNESS REDUCTION & ENHANCED LIFETIME

SABIC SUSTAINABLE GROWTH JOURNEY

SABIC GROWTH STORY



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**



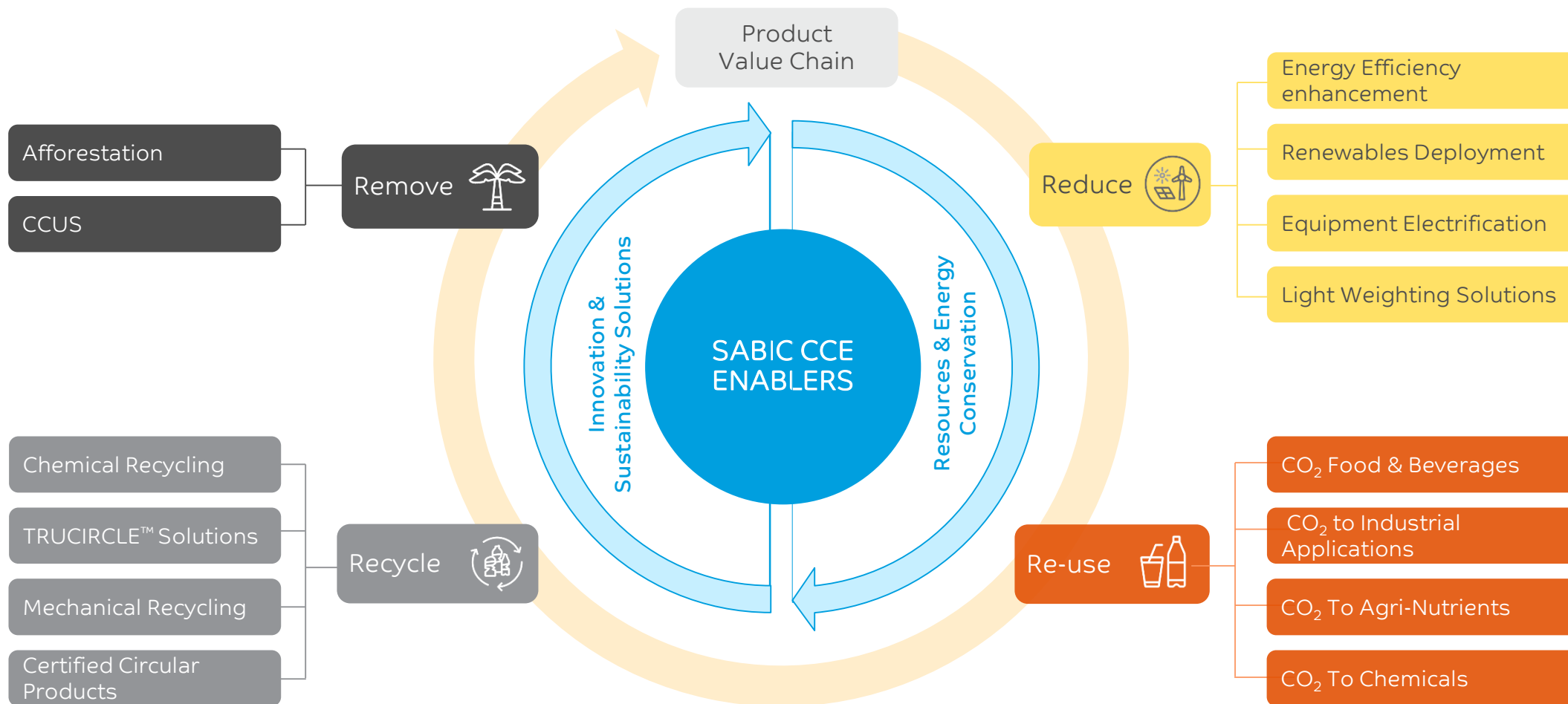
2021 – Carbon neutrality commitment by 2050 with 2030 interim target



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

2021

2021

2021

2022

2022



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 \geq 2025

- >200 kta of circular products
- Legislative framework fully supporting chemical recycling

HYDROTREATMENT PLANT



PYROLYSIS PLANT



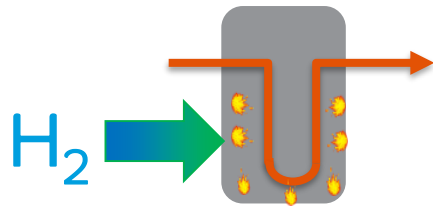
SABIC to grow circular products to maintain leading position in advanced recycling

CARBON NEUTRALITY STRATEGY: 2030 EXECUTION PLAN FOR SCOPE 1 & 2 GHG EMISSIONS

CO2	MAIN INITIATIVES	MAJOR MILESTONES / ENABLERS / APPROACH UP TO 2030
35-45%	Reliability, Energy Efficiency (EE) & Improvements	<p>2022: Developing Sites CN Roadmaps, Accounting for the combined impact of EE & CN</p> <p>2025: Enhancing EE, via SEEC Project Portfolio & Decommissioning Energy Intensive Sites</p> <p>2030: Expected ~7.2 MMT CO₂e reduction</p>
35-45%	Renewable Energy	<p>2021: MOU signing with REPDO</p> <p>2025: 4 GW Installed Capacity of renewable energy</p> <p>2030: Ambition of 12 GW Installed Capacity of renewable energy</p>
0.8%	Electrification	<p>2021: E-Furnaces development collaboration with BASF</p> <p>2023: Kick-off construction of the world's first demonstration plant for large-scale electrically heated steam cracker furnaces.</p> <p>2030: 1st Commercial E-Furnace</p>
8 - 10%	Carbon Capture, Utilization & Sequestration	<p>2022: Utilizing CO₂ for methanol</p> <p>2027: Target supply to KSA CO₂ hub</p> <p>2030: Increased CO₂ capacity exported to KSA CO₂ hub</p>
0.5%	Blue/Green H2	<p>2020: Collaboration with Aramco for first blue ammonia shipment</p> <p>2030: Launch blue ammonia product with Aramco</p>

THE PATH TO 2050 – ENABLING TECHNOLOGIES & INFRASTRUCTURE

HYDROGEN COMBUSTION



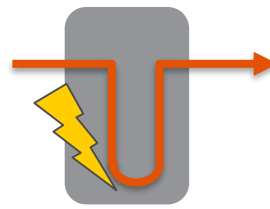
Key Principle: Fire furnaces with hydrogen instead of methane

Risk:

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



ELECTRIFICATION



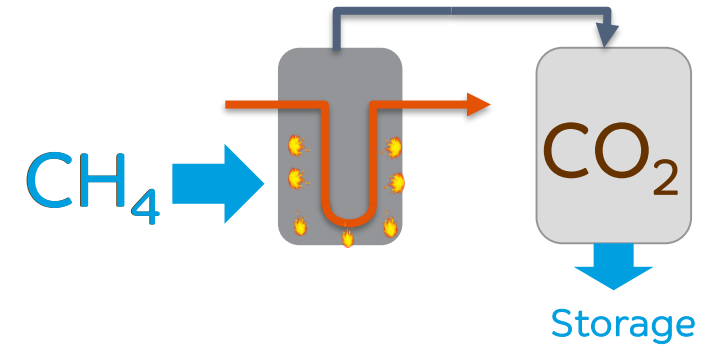
Key Principle: Fired burners replaced with electrical heating

Risk:

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



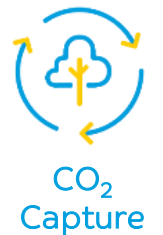
CO₂ CAPTURE



Key Principle: Capture CO₂ from stack and store it underground

Risk:

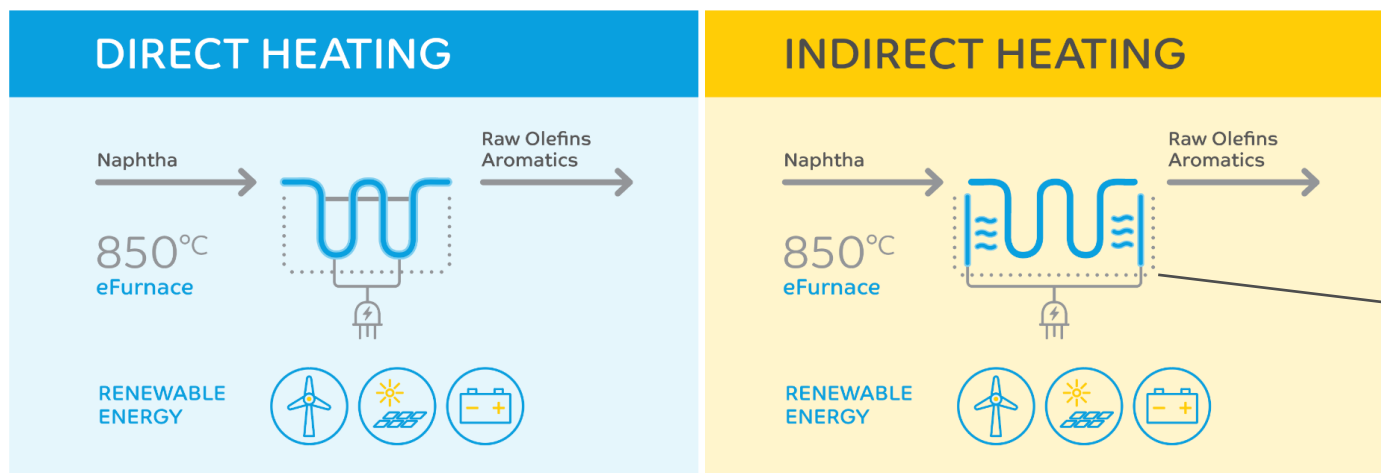
- Increased demand of total energy
- Public acceptance
- Environmental
- **Infrastructure:**
 - CO₂ Pipeline
 - CO₂ Storage



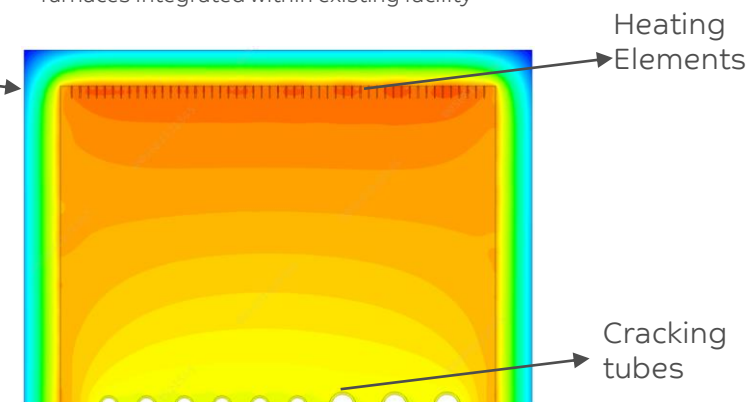
FROM COMBUSTION TO ELECTRIC IN HIGH TEMPERATURE HEATING: E-FURNACES FOR STEAM CRACKING

SABIC JDA with BASF & Linde on Cracker Electrification

TWO RESISTIVE HEATING CONCEPTS



3D graphic of world's first demonstration plant for large scale electrically heated steam cracker furnaces integrated within existing facility



Simulation of the heat and temperature distribution within the e-furnace to derisk the demonstration plant

Both to be demonstrated at demonstration plant in Ludwigshafen, Germany
Expected startup in 2023

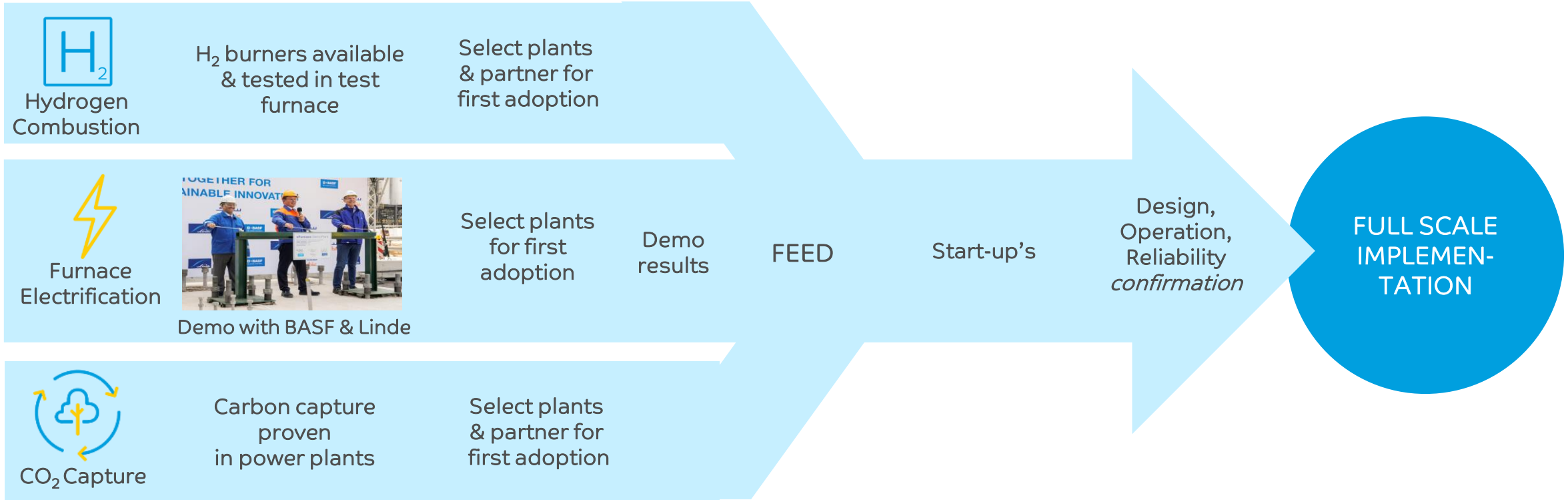
> 90% CO₂eq emission reduction potential is targeted

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



ADDRESSING SCOPE 3 GHG EMISSIONS

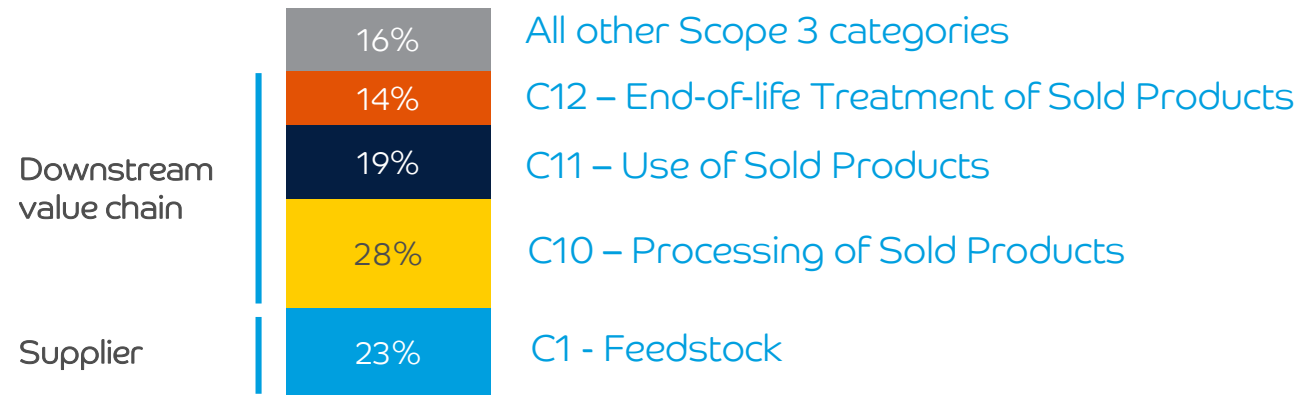
We aim to collaborate with our partners in initiatives to reduce indirect **SCOPE 3** GHG emissions along the value chain

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



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.

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

