

## Sadara Executes Engineering Contract for First EO/PO Supply System in MENA

**JUBAIL, Saudi Arabia, 28 May, 2018:** Sadara Chemical Company (Sadara) has 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 that will transport ethylene oxide (EO) and propylene oxide (PO) from Sadara plants to PlasChem Park, a collaborative effort between Sadara and the Royal Commission for Jubail and Yanbu (RCJY).

The EO/PO pipeline transportation system will be the first of its kind in the Middle East and North Africa (MENA) region.

The system will include 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 the engineering contract, Dr. Faisal Al-Faqeer, Sadara CEO, said: “We will be building a transport system for EO and PO that is second to none in the entire MENA region. This is a major milestone for the development of one of the most attractive clusters in PlasChem Park. The EO/PO transportation system will be commissioned just in time for the first wave of our EO and PO cluster investors, and will provide a great incentive for EO and PO investors to locate in PlasChem Park.”

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 a 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.

There are currently two downstream investments operating in Jubail Industrial City II and several existing investors in the PlasChem Park will conclude their planned project engineering activities in the first half of 2018 with ground-breaking activities set to take place in the second half of the year.

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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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