



Sadara and Baker Hughes Ink Long-Term PlasChem Park Contracts

JUBAIL, Kingdom of Saudi Arabia, November 13, 2019 -- Sadara Chemical Company (Sadara) and Baker Hughes have signed agreements through which Sadara will supply feedstock chemicals to a Baker Hughes chemical manufacturing facility in PlasChem Park.

Under the agreements' terms, Sadara will supply ethylene oxide (EO) and propylene oxide (PO) via pipeline to the Baker Hughes facility over a 20-year period. The companies formally signed the agreements at a ground-breaking ceremony on November 12 at the facility's PlasChem Park location, which is adjacent to the Sadara complex in Jubail.

"We are excited to have signed these supply agreements with Baker Hughes, a step that will help them establish a strong presence in the booming industrial sector in Saudi Arabia. The competitive benefits that this relationship is going to bring to chemicals manufacturing in the Kingdom are significant, and in complete alignment with our efforts as Sadara to enable downstream manufacturing opportunities in Kingdom, and with Vision 2030," said Dr. Faisal M. Al-Faqeer, Chief Executive Officer of Sadara. "PlasChem Park is uniquely positioned to enable and support these opportunities for diversification of the manufacturing industry in Saudi Arabia, and we look forward to welcoming Baker Hughes as one of the park's first tenants."

"We are pleased to partner with Sadara as we build our first chemicals manufacturing facility in Saudi Arabia to meet the growing needs of customers in the Kingdom and across the Middle East," said Jerome Jammal, Baker Hughes Vice President, Oilfield and Industrial Chemicals. "The chemicals we will make at this facility are essential to the safe, efficient delivery of energy. Localizing these manufacturing capabilities in Saudi Arabia is a demonstration of our commitment to serving our customers and developing our local workforce."

Baker Hughes is an energy technology company that provides solutions to energy and industrial companies worldwide. The manufacturing facility in PlasChem Park will support the company's full portfolio of chemical services and technology solutions for the hydrocarbon production, transmission, processing, and petrochemical industries.



Sadara's EO and PO pipelines attract diversified investments into PlasChem Park for downstream applications such as the production of oil and gas chemicals, construction materials, paints and coatings, as well as home and personal care products. These investments will create new value chains in the Kingdom's downstream industry, as well as contribute to the fulfillment of the Government's vision to diversify the Kingdom's economy.

PlasChem Park, a collaborative effort between Sadara and the Royal Commission for Jubail and Yanbu (RCJY), is a 12-km² industrial park in Jubail Industrial City II, dedicated to chemical and conversion industries. PlasChem Park is a key element in differentiating Sadara from previous petrochemical, chemical and plastics manufacturing projects in Saudi Arabia.

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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 enables 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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