

Sustainability Review

Sustainability at Borouge

This year marks a pivotal moment in Borouge's sustainability journey as we accelerate progress towards our Net Zero 2045 ambition and deepen our alignment with global ESG standards.

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VP Sustainability

We successfully concluded one of the most significant chapters in our sustainability history: the five-year Al Ruwais Environmental Sustainability Programme (RESP 2025). Through disciplined execution across the organisation, continuous innovation, and strong collective commitment, we not only met but exceeded the programme's ambitious targets.

This achievement reflects what Borouge can deliver when the entire organisation aligns behind a shared purpose. Importantly, the lessons gained have strengthened our governance, data quality, and reporting foundations, supporting our readiness to report against the European Sustainability Reporting Standards (ESRS), alongside GRI, ADX and TCFD.

The organisational maturity built over the years positions us strongly to meet rising international expectations for transparency, double materiality, and robust, credible ESG disclosures, reinforced by the ESG ratings in which we continue to participate.



Our Sustainability Policy commitments

Our Sustainability Policy outlines our commitments across People, Planet and Profit, which is demonstrated through visible leadership and effective communication, a proactive sustainability performance culture supported by

transparent monitoring and reporting systems, and continuous investment in our people, innovation and assets. We engage with all our stakeholders and encourage them to commit to this Policy.

Our Sustainability Policy Frameworks



At Borouge, are committed to the well-being of society and preservation of the environment, while addressing the economic expectations of our shareholders. We conduct our business within the framework of our values, vision and mission, and in accordance with applicable laws, regulations and industry standards. We focus on the performance, profitability and efficiency of our operations and enhance the contribution and

development of our people, while actively contributing to the United Nations Sustainable Development Goals (SDGs). We are committed to explore and drive opportunities towards a circular economy. As a signatory of the Chemical Industry's Responsible Care® Global Charter, we apply best practices and pursue continual improvement.



People

Social responsibility

- Pursuing a goal of no harm to people and society
- Contributing to solutions that deliver a positive and sustainable impact on people's lives
- Promoting the health and welfare of our people and the communities where we operate
- Building diverse and multi-cultural human capabilities and creating opportunities for individual growth
- Fostering mutually beneficial partnerships and social initiatives within the industry and society
- Respecting and conforming to relevant social, cultural, legal and ethical aspects of society



Planet

Environmental stewardship

- Addressing global challenges, such as climate change, water, food, energy, healthcare and waste, with innovative solutions
- Minimising discharges, waste and emissions, safeguarding biodiversity, enhancing energy performance and optimising the use of natural resources
- Ensuring that energy performance improvements are considered throughout the duration of the intended lifecycle of our assets
- Optimising the positive health, safety, environmental, energy and societal impacts of our plastics throughout their lifecycle



Profit

Economic growth

- Maximising shareholder return throughout the value chain
- Enhancing the reputation of Borouge and the image of the plastics industry
- Ensuring that the design, operational and technical integrity of our assets are sustained throughout their lifecycle
- Strengthening organisational resilience through the application of effective risk management, security and emergency preparedness, and business continuity practices
- Advancing the development of local downstream industries, and science and engineering capabilities
- Optimising responsible global procurement and supply chain opportunities

Key achievements in 2025 in advancing our sustainability agenda included:

This year, we proudly concluded one of the most important journeys in our sustainability history: the five year Al Ruwais Environmental Sustainability Programme (RESP 2025). Through disciplined work across every function, continuous innovation, and steadfast determination, we not only met but exceeded the programme’s ambitious goals.

Environmental progress in 2025 included:

Water efficiency

33%

exceeding the 25% target set against the 2018 baseline

Energy intensity reduced by

30%

exceeding the 28% target set against the 2018 baseline

Scope 1 GHG emissions reduced by

27%

exceeding the 22% target set against the 2018 baseline

Scope 2 GHG emissions reduced by

36%

exceeding the 19% target set against the 2018 baseline

Readiness for ESRS reporting (European Sustainability Reporting Standards), including a double materiality assessment, in addition to standards which we already reported against in the past, such as GRI, ADX, SASB and TCFD.

We advanced our capability to understand and manage value chain emissions through **enhanced Scope 3** reporting, giving us clearer insight into upstream and downstream impacts and supporting more targeted reductions in collaboration with our partners.

We delivered our most successful year in commercializing **circular solutions, crossing 100 kt circular sales**, including both recyclates and Design for Recycling (DfR) mono-material solutions, based upon a strong co-operation with global brand owners and converters across Asia and the Middle East.

We were honoured with a series of significant Sustainability awards, both internationally and nationally, including:

● **Oil&Gas Middle East Sustainability**
Initiative of the Year

Middle East Economy’s list of

● **30**
Sustainability Leaders Transforming Energy and Environment

Forbes Top

● **100**
Listed Companies in the Middle East

● **Emirates Energy Award**

● **Asian Innovation Excellence Awards 2025**

● **UAE Majra Impact Seal**

● **Procurement Success Awards 2025**

● **2025 Industry Eagles Awards**

● **Gulf Petrochemicals and Chemicals Association (GPCA)**
Supply Chain Innovation Award

● **2025 Make It In The Emirates**

● **2025 Asian Oil & Gas Awards**

We maintained our position in the **top-quintile** of the **S&P Global ESG ranking**, standing out among more than **500 chemical companies** worldwide for three consecutive years.

Aligned with the UAE’s 2025 theme of the “Year of Community,” we were able to leave a positive mark on the lives of more than **22,900 people** in the areas where we operate – thanks to the dedication of our volunteers, who collectively contributed over 980 volunteering hours.

Sustainability reporting framework

The Borouge Sustainability Report has been developed with reference to the Global Reporting Initiative (GRI) Standards 2021, the Sustainability Accounting Standards Board (SASB), and the Abu Dhabi Securities Exchange (ADX). These standards help us align our efforts with international best practices and ensure transparency in how we manage material ESG topics. Moreover, in response to evolving global regulatory requirements, we have initiated steps toward aligning with the European Sustainability Reporting Standards (ESRS), which includes a double materiality assessment.

We also engaged an external provider to perform limited assurance on selected consolidated environmental and social disclosures. The assurance was conducted in accordance with the International Federation of Accountants' (IFAC) International Standard on Assurance Engagements (ISAE) 3000 standards.

This structured approach helps us to periodically assess and refine our ESG material topics to reflect the most current priorities and emerging opportunities.



Borouge produces a separate, externally-verified Sustainability Report, which is available on our website, providing a comprehensive review of our Sustainability and ESG commitments and progress.

The summary below outlines our approach to sustainability and the key highlights of our performance in 2025.

Success stories

Ruwais Environmental Sustainability Programme (RESP) 2025



Ruwais is the world’s largest single-site polyolefin manufacturing facility, producing and distributing five million tonnes of polyethylene (PE) and polypropylene (PP) annually to customers across the globe. This scale comes with great responsibility, leading to the introduction of Al Ruwais Environmental Sustainability Programme (RESP) in 2020 to strategically improve our operations. RESP sets clear and measurable targets that drive reductions from our 2018 baseline across carbon emissions, energy and water consumption, and waste generation. Some of the major initiatives that were completed as part of this programme include:

- Adding Advanced Process Controls (APC)
- Reducing flaring
- Increasing water recycling

Supported by robust management systems and protocols, our teams surpassed our targets two years ahead of schedule. Due to our success in exceeding our targets, 2025 is now the final year of our RESP programme. In recognition of our innovation and impact, this programme was named the Sustainability Initiative of the Year in the downstream subcategory at the 2025 Oil & Gas Middle East Awards, which are amongst the most reputable awards in the O&G industry worldwide.

Water efficiency*

2025 Results	2025 Target
Increase by 33%	Increase by 25%

Energy intensity*

2025 Results	2025 Target
Reduce by 30%	Reduce by 28%

Reduce Scope 1 GHG emissions*

2025 Results	2025 Target
Reduced by 27%	Reduce by 22%

Reduce Scope 2 GHG Emissions*

2025 Results	2025 Target
Reduced by 36%	Reduce by 19%

* Set against the 2018 baseline

A major milestone in Borouge history 100kt circular solutions sold in 2025

In 2025, we surpassed a major milestone by exceeding 100kts of circular sales for the first time. This includes 25.86 kts of recycled material (recyclate) and 76.18 kts of virgin polymer sales designed specifically for Design for Recyclability (DfR) applications. This performance reflects our strong collaboration with global brand owners and converters across Asia and the Middle East, demonstrating a pathway to growth through combined virgin PE, PP, and recyclate solutions, all while delivering environmental benefits.

Key contributors to these results include the growing demand for PE-based DfR solutions, increased sales of recycled PP for plastic pallets made from 100% post consumer recyclates, and the introduction of new business models such as Marketing Services Agreements in China, India, and Indonesia.

Our circular initiatives have prevented or removed approximately 730kt of plastic waste leakage to the environment to date.

