

FARABI PETROCHEMICAL COMPANY

SUSTAINABILITY BULLETIN

2025 - Q2 - Q3

Message from Vice President, Manufacturing

Leading Sustainability, a responsible today for a better tomorrow

Dear Valued Stakeholders,

As we progress on our Sustainability journey, I am proud to present glimpse of our efforts in the last two quarters. I am proud to observe the perspective shift that's beginning to take root across our organization. We had strategically re-aligned our Vision, Mission statements and redefined Farabi values, the effort is now reflecting in our actions.

This past quarters have marked a deliberate shift in our philosophy. We are no longer approaching sustainability as a peripheral obligation or a series of isolated fixes. We are embedding it into the very DNA of our operational strategy. This transformation begins not with machines, but with a mindset. We have continued our efforts to ensure we build a strong base for a marathon in Sustainability. This feat of endurance will materialize with a strong shift in translating our philosophies into operating policies. We have been collaborating with global experts, evaluating the latest innovations to support us on this journey.

We are witnessing a strong shift in how our engineers are visualizing solutions to our challenges. That is real momentum.

I invite every team to continue engaging in this shift. Let's bring bold ideas into daily decisions. Challenging traditional thoughts will create new ideas, which eventually shape the future. Let's translate excellence in intention to execution together.

We will continue driving this transformation—with intention, with innovation, and with heart.

Sincerely,

ABDULLAH AI-REFAI

Manufacturing Vice President

Farabi ESG milestones in Q2-2025

Last two quarters were eventful in Farabi. Every aspect is now gradually falling in place with the re-aligned Vision and Mission as defined in Q1-2025. We are progressing at a steady rate with measured risk towards greener sustainable modes of operation. We are mindful to balance the need of development, staying ahead in technology while simultaneously setting standards for a greener future.

The top management at Farabi has shown commitment in keeping Sustainability as core value in every business step. The Farabi Quarterly Sustainability bulletins will provide an opportunity to our stake-holders keep updated with the latest advancements.

A bold commitment towards greener future

We are proud to have taken a significant step in our sustainability roadmap: the journey towards elimination of liquid fuel usage across our operational footprint.

This milestone marks a strategic and values-driven shift in how we define operational excellence. Moving away from liquid fuels—once considered indispensable—with strategic shift in operations, we have made this distant dream a reality. This achievement reflects our commitment to environmental responsibility, technological progress, and long-term resilience. It's not just a change in fuel source; it's a change in philosophy.

What we achieve by it?

- **Reduced Carbon Emissions:** By phasing out liquid fuels, we've lowered our Scope 1 GHG emissions and accelerated our journey toward net-zero goals. Did you know, we achieve about 30% reduction in GHG emission by opting for lean fuel against heavy fuel, for same thermal output.
- **Improved Efficiency:** By adopting cleaner energy option, we enhance process stability, simultaneously improving operational efficiency.
- **Future-Ready Systems:** This shift enables integration of renewable and smart energy solutions, aligning our infrastructure with global sustainability standards.

Farabi Values demonstrated:

HSSEQ commitment



Teamwork



Excellence



The Pledge:

This change is a reflection of the cultural transformation underway—a commitment to questioning legacy norms and replacing them with purpose-driven solutions.

Let’s continue to build momentum—toward energy intelligence, operational integrity, and a thriving future for all.



Journey towards Zero Liquid fuel consumption

We at Farabi Petrochemicals Company (Farabi) are committed to providing high quality products and services while minimizing our environmental impact. We achieve this by elimination, substitution, and controlling hierarchy strategies.

We are committed to reducing our carbon footprint, demonstrating our care and responsibility towards future generations. We are committed to ensuring maximum care to operate responsibly, setting benchmark standards for our peers.

COP-28, Dubai, signaled “Beginning of the end” of fossil-based fuel era. Saudi Arabia intends to reduce 95% liquid fuels by 2030. Fossil based liquid fuels emit approximately 30% higher CO₂e GHG for equivalent thermal output. Keeping these facts and guidelines in mind, Farabi hereby declares to adopt this “Journey towards Zero Liquid fuel consumption” to reduce GHG generation, contributing to Saudi Arabia Net-Zero goals.

All manufacturing Sites operated by Farabi will strive to not consume any liquid fuel. This milestone decision will help us reduce our GHG emissions and improve thermal efficiency thus, helping us towards net-zero emissions target, without compromising our operations.

We believe that continual performance improvement is key to achieving outstanding performance and excellence. We will continue to identify, evaluate and implement measures to reach our climate goals.

In line with this pledge, we management team and employees of Farabi will strive to maintain Zero liquid fuel consumption.



K. Gunasekar
Director, Major
Projects Division



Hammam A. AlFaran
General Manager,
FYPC Technical
Division



Hussam O. Maghrabi
General Manager, FPC
Manufacturing



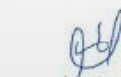
Husam M. Othman
General Manager, FYPC
Manufacturing Division



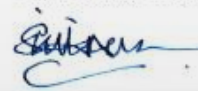
Nasser S. Alogayil
Business Director,
Specialty and
Downstream



Raed J. Al-Arqan
General Manager, FPC
Technical Division



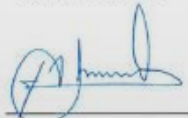
Abdulrahman Z Al-Garni
General Manager, Shared
Services Division



Mohd Shukran Ismail
Chief Financial Officer



Periyanyaham M.
Vice President



Abdullah A. Al-Refai
Vice President



Mohammed Z. Al-Wadaey
Chief Executive Officer

Delivering beyond SEEC targets

Operation in Kingdom of Saudi Arabia is driven by excellence in every aspect. Industries must meet the stringent Energy targets set by Saudi Energy Efficiency Council (SEEC). We have been consistently achieving SEEC energy targets for many quarters on a row. This achievement is a result of sheer dedication across all teams at Farabi. It demonstrates the effort taken by respective departments to work in synchronization.

Farabi Values demonstrated:

Teamwork



Excellence



Team engagement

Employee engagement is beyond enhancing productivity, it aligns deeply with long-term sustainability. It turns out to be an opportunity to spread awareness, motivate, have a team moment all while boosting the team morale towards Management commitment. Engaged teams are more receptive to change, passionate about purpose-driven goals, and energized to support corporate responsibility efforts.

Various activities have been conducted to keep workforce motivated and aware of our ultimate goal.

World water day celebration:



World day for safety and health at workplace:

Health is the most important and ignored aspect of today's world. Our colleagues drive their best efforts for delivering excellence. We had the honour to have Doctors from Royal Commission visit and share insights on importance of balanced diet, proper sleep, proper posture at workplace and so much. These nuances being delivered in a fun-filled interactive session, followed by Q&As, quiz keep the employee spirits high.



Social Responsibility

Mangrove plantation:

Tree plantation helps the ecosystem in multiple ways. It helps achieve greenery, manage global warming, all with helping development in regional flora and fauna growth. We at Farabi, had the opportunity to enhance this initiative by selecting mangrove species plantation. Along with the other benefits, mangrove is even special. Mangrove has ten times higher capacity for CO2 sequestration compared to other tree species. It is called the power house of carbon sequestration for this reason. It helps in protecting the coasts, enhances habitat for aquatic lives. Thus it gradually helps restore the fisheries and local economies. It is also associated with soil improvement and water filtration, by trapping sediments and pollutants. With the initiative, Farabi planted 1000 mangroves in coastal areas of Jubail.



Reduce food waste day:

Food is a privilege, a blessing by almighty. Farabi conducted awareness session on reducing food waste. This enhanced the intention of Social responsibility and global sustainability in our colleagues.



Blood donation camp at Farabi:

We had the opportunity to support our fellow mankind by contributing to save lives. The overwhelming response from our colleagues on this initiative demonstrates their commitment to contribute back to social wellness. This gesture of care, sharing with society, pride of saving a life is beyond words to describe.

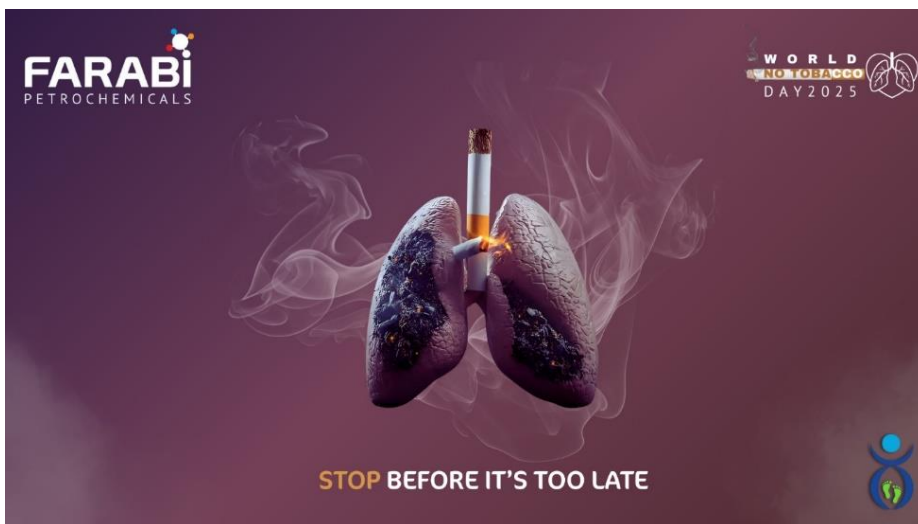


Maintenance Network Committee meeting:

Farabi had the privilege to host 38th Maintenance Network committee meeting in May '25. This platform provides an effective platform to boost engagement among participating companies. This opportunity to network among neighbouring manufacturers builds professional relations. By sharing best practices and safety insights, the event fosters performance and innovation.



Beyond these, we had many other events materialized with focus on employees health and wellbeing. Events like Tea day, No tobacco day were joyful ways to remind our colleagues to adopt best healthy practices.



Recycle of waste cooking oil: Our Commitment to a Cleaner Future:

Our mother Earth is providing for 8.2 billion people, every small step counts. It is a duty of every member to consume responsibly. We at Farabi are exploring every opportunity towards this stewardship. It is no longer our sustainability goal, it is our way of life. We realized the used cooking oil, has limitation in its properties for human consumption and re-use. However, the carbon content in the oil can be utilized for better purpose than being wasted.

Used cooking oil is often discarded as waste, contributing to pollution and clogging drainage systems. But when repurposed correctly, it becomes a valuable resource—an alternative fuel that reduces greenhouse gas emissions and lessens our dependence on fossil fuels.

By diverting our used oil to biofuel production, we're:

- **Reducing landfill waste** and environmental contamination
- **Supporting renewable energy** and circular economy principles
- **Contributing to cleaner air** and lower carbon emissions

Our quest to find solution was answered by collaborating with right people. We have ensured that the used cooking oil is recycled to produce useful product. We collaborated with Biofuel manufacturers in Eastern region to achieve this step. Thus not only re-cycling, we have up-cycled the material.



Sustainability Workshop:

Sustainability is a collective effort. It requires commitment from all workforce. Every body, no matter of their stature or nature of work, can contribute towards Sustainability progress. As a step towards embedding sustainability into our organizational DNA, we recently conducted a dynamic workshop tailored for departmental managers. This initiative was more than a training session — it was a call to action, a platform to align leadership with our long-term environmental goals, and a testament to our unwavering commitment to responsible growth.

The workshop brought together cross-functional leaders to explore practical strategies for energy efficiency, waste reduction, and sustainable procurement. Through interactive sessions and real-world case studies, managers gained clarity on how their decisions directly influence our environmental footprint and operational resilience. We had our GHG consultant from Peer and Climate Change join us for the interaction. This one day session started with knowledge sharing, as day progressed, the teams identified opportunities which can gradually help Farabi achieve the goal. With the success received in Jubail, the program is soon expected to be replicated in Yanbu.

What stood out most was the dedication and enthusiasm. Their engagement, curiosity, and drive to translate sustainability from concept to action reaffirmed our belief: change begins with leadership. By equipping our managers with the right tools and mindset, we are laying the foundation for a future where sustainability is not a side initiative — but a core business imperative.

This workshop marks the beginning of a structured journey. As we move forward, we remain committed to continuous learning, transparent communication, and measurable impact. Together, we are not just meeting targets — we are shaping a legacy of stewardship for generations to come.



Farabi Sustainability journey

We have great sense of pride and joy to present this edition of our quarterly sustainability bulletin. It gives us immense warmth to reflect on the strides we've made—through targeted energy-saving upgrades, reduced emissions, and purposeful engagement across stakeholders. These outcomes reflect management commitment towards a collective shift in mindset toward long-term social responsibility and environmental stewardship.

Yet, this is only the beginning, we have a long and challenging way ahead.

With the foundation falling gradually in place, our journey will continue with greater ambition. In the upcoming quarters, we will expand our impact by embracing smarter technologies, empowering cross-functional collaboration, and deepening our commitment to sustainability. Our efforts to deliver excellence in every initiative will lead us to true transformation.

We will carry this momentum forward with purpose and pride. The future we aspire to achieve is challenging, it will take shape, one sustainable step at a time.





Info@farabipc.com



www.farabipc.com



+966 13 356 5000

