

Strategic Report



At a Glance

A global leader in differentiated polyolefin solutions, delivering sustainable value through scale, innovation and operational excellence.

Who we are

Borouge is a leading pure-play polyolefins company, providing premium polyethylene (PE) and polypropylene (PP) solutions to high-growth industries worldwide. Established in 1998, as a strategic partnership between ADNOC and Borealis, we have expanded our nameplate capacity more than 11-fold to 5Mtpa, creating one of the world’s largest integrated, single-site polyolefin complexes in Al Ruwais Industrial City, UAE.

With a workforce of c. 3,000 people and a global network of 14 offices and 13 logistics hubs, Borouge serves customers in over 90 countries and territories through an integrated global supply chain. Leveraging Borealis’s proprietary Borstar® technology platform, advanced AI capabilities and deep R&D expertise, we deliver differentiated, high performance solutions tailored to evolving global needs.

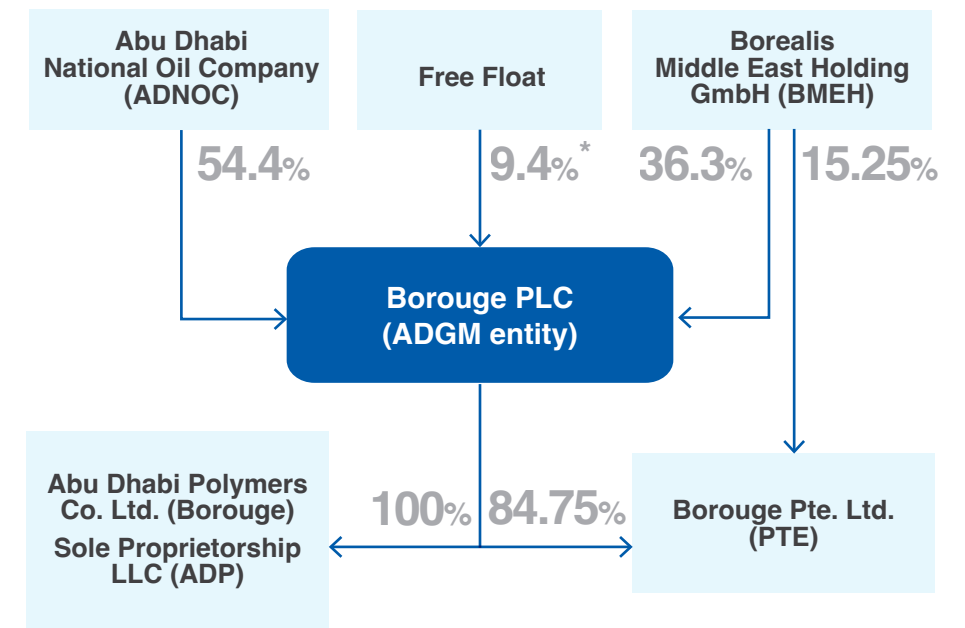
Our strategic growth projects continued to progress throughout the year. Commissioning of the first Borouge 4 facility, XLPE 2, began at the end of 2025. As the remaining Borouge 4 units ramp up over the course of 2026, we are set to further expand our production capacity and enhance our ability to reliably serve customers across global markets.

Borouge PLC is publicly listed on the Abu Dhabi Securities Exchange (ADX).

By the numbers

3,000 employees worldwide
50+ nationalities
90+ countries served through an integrated supply chain

Legal structure**



* As of 31 December 2025.

** The legal structure reflects the Company’s share buyback , under which approximately 212 million shares were repurchased from the free float during 2025. These shares are held as treasury shares on the balance sheet. The share buyback was approved at the Company’s AGM on 7 April 2025.

At a Glance

Our operating entities

Through our integrated operational structure, we maintain world-class facilities and capabilities across our key business segments:



Production

Abu Dhabi Polymers Company

World-class facilities in **Al Ruwais Industrial City**

Utilisation rates exceeded design capacity despite the planned **B3** turnaround

High asset reliability maintained at **98%**



Sales & Marketing

Borouge PTE

Direct sales channels reaching **global markets**

14 offices
13 logistics hubs worldwide

Strategic market presence in **high-growth regions**



Production volume

5.1Mt

Sales volume

5.4Mt

Record sales

Innovation & technology

Borouge is a leading provider of innovative and differentiated polyolefin solutions, supported by world-class innovation and technology capabilities.

Borealis's proprietary Borstar® technology, advanced AI-enabled development tools and strong R&D ecosystem, underpinned by over 1,400 active patents, enable us to deliver premium, high-performance solutions across infrastructure, energy, mobility, healthcare and packaging applications. These capabilities ensure consistent quality, superior performance and improved circularity to meet evolving global customer needs.

80% of sales from differentiated products

Our target is to sustain through-the-cycle premium pricing of USD 200/tonne for PE and USD 140/tonne for PP

Industry-leading solutions across consumer, infrastructure and specialty applications

Sales volume split (2025, Total = 5.4Mt)

By product

57%

Polyethylene

43%

Polypropylene

By geography

59%

APAC

32%

MEA

9%

RoW

By end market

59%

Consumer solutions

38%

Infrastructure solutions

3%

Other

At a Glance

Extensive global footprint

Our global sales and marketing organisation, leverages our Middle Eastern production base and Singapore platform to strategically access and serve key global demand centres.



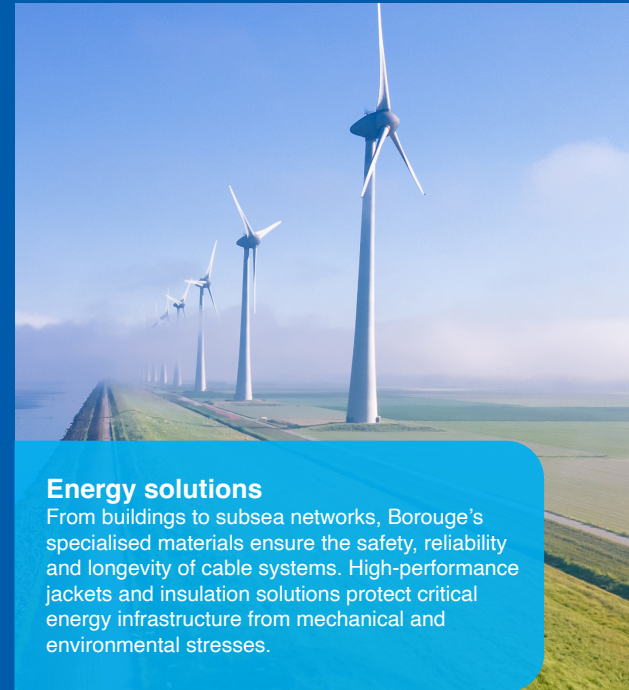
<p>Offices worldwide</p> <p>14</p>	<p>Logistics hubs strategically located</p> <p>13</p>
<p>Our International presence</p> <ul style="list-style-type: none"> ● Head Office: ADP Company ● Head Office: PTE ● Petrochemical Complex ● Compounding Plant ○ Borouge Innovation Centre ○ Sales, Marketing & Representative Offices ● Borealis Innovation Centre ○ Application Centre 	

At a Glance

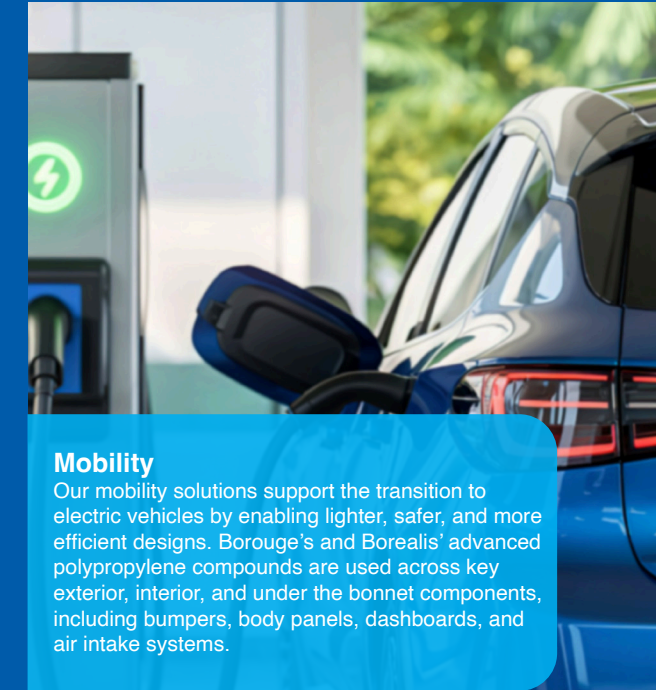
End markets we serve



Infrastructure
 With decades of expertise, Borouge delivers advanced polyolefin solutions that enable reliable, durable, and sustainable infrastructure for communities worldwide. Our materials support critical applications in water and gas distribution, plumbing and heating, industry, and energy. Reliable and long-lasting pipe systems help reduce water losses, lower energy consumption, and minimise maintenance requirements, providing more sustainable and cost-effective solutions over the full infrastructure lifecycle.



Energy solutions
 From buildings to subsea networks, Borouge's specialised materials ensure the safety, reliability and longevity of cable systems. High-performance jackets and insulation solutions protect critical energy infrastructure from mechanical and environmental stresses.



Mobility
 Our mobility solutions support the transition to electric vehicles by enabling lighter, safer, and more efficient designs. Borouge's and Borealis' advanced polypropylene compounds are used across key exterior, interior, and under the bonnet components, including bumpers, body panels, dashboards, and air intake systems.



Advanced packaging
 Borouge's packaging portfolio delivers consistency, performance and material advantages that keep produce fresh while supporting circularity. Leveraging proprietary technologies, we develop differentiated solutions for both flexible and rigid applications, advancing sustainability across the value chain.



Agriculture
 Through Borstar® technology and close collaboration with universities, R&D partners, government agencies and producers, Borouge develops innovative agricultural film solutions that enhance crop productivity and strengthen food security.



Healthcare
 Our Bormed™ range of medical-grade polyolefins is engineered for demanding healthcare applications, delivering consistent quality, regulatory reliability and high performance across both rigid and flexible products. These solutions support patient safety and advanced medical manufacturing.

Highlights

Exceptional 2025 performance

Borouge delivered strong operational and financial performance in 2025, achieving record sales volumes of 5.4 million tonnes, reflecting strong global demand for our differentiated product portfolio. This was supported by production of 5.1 million tonnes, above nameplate capacity despite the planned Borouge 3 turnaround in Q2.

Exceptional sales performance, disciplined cost management and premium pricing supported industry-leading margins and strong cash generation, underpinning our full-year dividend intention of 16.2 fils per share (c. USD 1.3 billion).

Borouge delivered industry-leading margins in 2025 despite a soft pricing environment, achieving an EBITDA margin of 37%, a net profit margin of 19%, and cash conversion of 86%, reflecting strong operational discipline and efficiency.

Strategic growth projects advanced during the year, with the Borouge 4 megaproject reaching 94% completion by year-end 2025. Progress was also made on debottlenecking projects in Ruwais, supporting future capacity enhancements.

Our commitment to safety remained unwavering, with a Total Recordable Injury Rate (TRIR)* of 0.07, in line with last year. Our sustainability performance also strengthened, reflected in a 27% reduction in Scope 1 emissions and a 36% reduction in Scope 2 emissions, compared to a 2018 baseline, both ahead of target. These results demonstrate our continued commitment to producing more with less and reducing our environmental impact.

Financial

Adj. EBITDA margin

37%

Premia

\$224
/tonne for PE

Net debt to EBITDA

1.2x
as at 31 December 2025

Dividend (FY 2025)

16.2***
fils per share

Net profit margin

19%

Premia

\$134
/tonne for PP

Cash conversion

86%
Adj. operating free cash flow conversion from adj. EBITDA

Operational

Asset utilisation

102%
for PE

Asset utilisation

100%
for PP

Asset reliability

98%

Sales volume

5.4Mt

Production volume

5.1Mt

ESG

TRIR

0.07*

Emissions

43.6ktCO₂e
abatement coming from new projects in 2025

Energy intensity

17
GJ/tonne**

Environmental expenditure

\$60.8m

* TRIR: The number of injuries (Fatalities + Permanent Total Disabilities + Permanent Partial Disabilities + Lost Workday Cases + Restricted Work Cases + Medical Treatment Cases) per 1,000,000 hours worked. TRIR does not include First Aid Cases.

** The energy intensity is described in GJ/tonne. It represents the overall energy consumption within the facility in relation to the total volume produce of High Value Chemicals (HVCs) that includes polyolefins, olefins, hydrogen and aromatics.

*** Borouge's full-year 2025 dividend intention is 16.2 fils per share, equating to approximately USD 1.3 billion.

Highlights

Year in review



Exceptional financial performance

Most profitable polyolefins company

37%

EBITDA margin

Borouge delivered another year of strong financial results, reinforcing its position as the most profitable polyolefins producer globally. Revenue reached USD 5.8 billion, supported by record sales volumes of 5.4Mt and a quality price premium for high-value products. We sustained an industry-leading EBITDA margin of 37% and a net profit margin of 19%, both significantly above the global peer average.

Growing innovation pipeline

Serving high growth segments

Record

\$94m

in innovation value generated in 2025

Innovation remains central to our strategy and a key driver of our quality price premium. In 2025, we launched 10 new grades, including the UAE's first LDPE for healthcare applications, supporting our ambition to build a 100 ktpa healthcare business. We also advanced our circular and sustainable packaging portfolio through new mono-material solutions and additions to our recycled Recleo™ grades. These developments, amongst others, contributed to a record USD 94 million of innovation value in 2025, underpinned by a strong innovation pipeline supported by more than 1,400 active patents.

Operational excellence

Exceptional reliability and utilisation rates

5.1Mt

Production volume

Borouge delivered an outstanding operational performance in 2025, with asset reliability of 98% and utilisation rates of 102% for PE and 100% for PP. Despite executing our largest-ever turnaround at the Borouge 3 plant in Q2, we achieved production above nameplate capacity of 5.1Mt. The turnaround was completed ahead of schedule and on budget, minimising downtime and demonstrating our commitment to operational excellence and world-class safety.

Leveraging AI & digital technologies

Driving performance and long-term competitiveness

\$717m

of value delivered in 2025 through the AIDT programme, significantly exceeding the USD 575 million target

AI and digital technologies (AIDT) are central to how we run Borouge. Our AIDT programme was a major contributor to our 2025 outperformance, driving margin gains, improving efficiency and reducing costs across the value chain. We continued to build on this momentum in 2025, completing a proof-of-concept with Honeywell for AI-powered autonomous operations at Ruwais. This milestone positions Borouge to deliver the petrochemical industry's first fully AI-driven autonomous control room, further strengthening our long-term competitiveness. 2025 also marked the third year of our Value Enhancement Programme, which delivered significant value through operational optimisation, higher production and lower conversion costs.

De-risked growth

Strategic expansion projects on track

+1.4Mt

New production capacity from Borouge 4

The Borouge 4 expansion project surpassed 94% completion in 2025, marking a major milestone in our growth journey. Commissioning of the XLPE 2 unit commenced in December 2025, with the additional units scheduled for commissioning through 2026. The Borouge 4 Asset Usage Agreement was signed in March 2026 and is expected to deliver USD 400 million cumulative net profit over three years and approximately 10% earnings accretion, after full ramp up of the Borouge 4 project.

Transformational growth

Formation of Borouge Group International

Fourth-largest polyolefins producer by nameplate capacity

13.6Mtpa

In March 2025, ADNOC and OMV announced the formation of Borouge Group International, combining Borouge with Borealis and including the acquisition of NOVA Chemicals. The transactions completed in March 2026. This transformational growth creates the fourth largest polyolefins producer globally by nameplate capacity, with an expanded geographic footprint, broader product offering and enhanced customer reach. The new Group is expected to unlock significant value through scale, integration and technology leadership, with annual EBITDA synergies in excess of USD 500 million targeted.

Market Overview

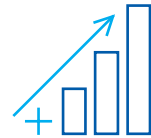
Empowering the new economy

Rapidly evolving infrastructure and energy needs driven by the accelerating AI economy, increasing electric-vehicle uptake and the global energy transition are reshaping demand for advanced materials and specialised solutions.

As high-growth markets continue to urbanise and incomes rise, the world is experiencing heightened pressure on essential systems, from energy and water to food security and industrial productivity. These structural shifts are amplifying the need for more efficient healthcare, agricultural and manufacturing capabilities, while reinforcing the critical importance of the circular economy in achieving sustainable long-term growth. Against this backdrop of intensifying global challenges and opportunity, Borouge is well positioned to address and capitalise on these megatrends in 2026 and beyond through its scale, innovation platform and differentiated portfolio.



Global megatrends



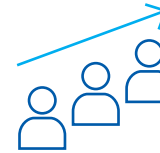
New economy

Rapid data and power infrastructure needs from the AI economy which will lead to a new era of productivity growth.



Food and water

Advanced packaging technologies extend food shelf life in developing regions, while sustainable agriculture solutions enhance resource efficiency and crop yields. Durable pipe systems address critical water infrastructure needs, while innovative polymer technologies enable robust sanitation solutions in developing regions. Solutions for industrial and agricultural sectors are also needed to keep up with population and rapid growth in the new economy.



Growth in population and emerging economies

Rapid urbanisation across Asia and Africa drives infrastructure demand while expanding middle-class populations, creating new sustainable solutions opportunities including the energy needs of electric vehicles in urban areas where our lightweight solutions support automotive electrification and reduced carbon footprints.



Healthcare

Healthcare infrastructure expansion in emerging markets requires higher volumes of advanced materials while rising hygiene and purity standards drive demand for specialised medical solutions.



Energy security and sustainability

Increasing need for self-sufficiency on the back of energy transition trends drive the need for optimal energy solutions. Infrastructure for renewable and conventional power continue to drive growth for specialised polyolefin-based materials.



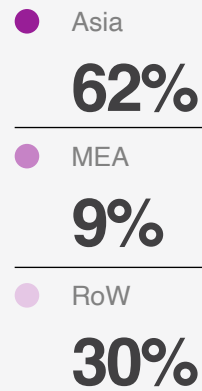
Circular economy

Our recyclable polyolefin solutions transform material lifecycles while integrated recycled content maintains performance standards across our product portfolio.

Market Overview

Serving high-growth markets

Global polyolefins demand and growth 2026-2030



Borouge markets share of global demand growth 2026-2030

71%

Strategically positioned to capture growth in high-value market segments

2026-2030 CAGR % Borouge markets

3.9%

Rest of the World

1.7%

Global megatrends



Near-term drivers

2025 saw a paradigm shift in trade policies, particularly from the United States. This shift has created opportunities for Borouge to enter new markets while also managing those which could face greater competition.

Continuous growth in emerging markets

Asian and MEA markets – including our home market in the UAE – have demonstrated solid growth overall despite periodic fluctuations resulting from tariff uncertainties. India, although affected by increased tariffs, has exhibited resilience in its domestic demand.

Combined with a rising middle-class population this represents an exciting growth opportunity for Borouge. Closer to home, the UAE and Middle East saw strong economic growth, inward investment and diversification – all factors that will sustain polyolefin consumption.

Ongoing stimulus policies

China is the world's largest polyolefin market, with economic conditions closely linked with its regional businesses. In 2025, China continued to roll out stimulus measures and expansionary monetary policies to boost consumer confidence and spending which resulted in a record-high trade surplus of USD 1 trillion despite the period of uncertainty.

Geopolitical volatility remains

Geopolitical developments and logistics challenges in the Middle East region remain an ongoing challenge for our industry. Borouge has activated contingency plans and is working to deliver for its customers.



Market Overview

Organic growth and substitution



Organic growth

Infrastructure expansion and urbanisation are boosting demand in emerging markets, particularly in Asia and the Middle East. Economic recovery continues to stimulate consumer confidence and industrial output while smart cities and transportation networks are developing rapidly, driving the ongoing need for polyolefin solutions. A growing middle class is also amplifying consumption, creating multiple growth opportunities in construction, packaging, industrial, agricultural and consumer goods.



Material substitution

Advanced polyolefins are replacing traditional materials due to superior performance and sustainability. Environmental regulations and corporate commitments are accelerating this shift, especially in automotive, construction, and packaging. Advancements in Borstar® technology support the creation of high-performance materials that meet industry standards and reduce environmental impact.

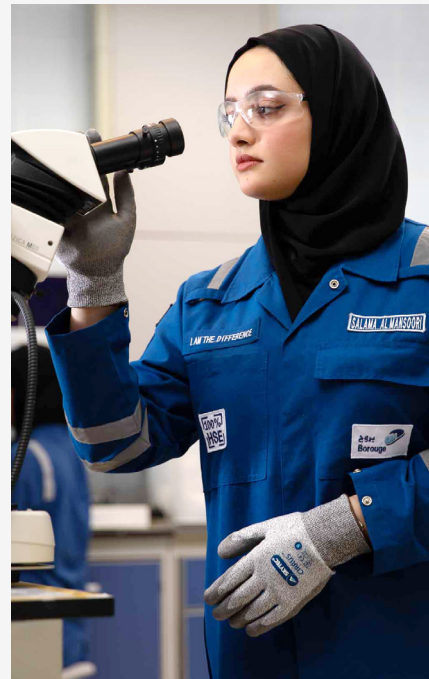
Market Overview

Supported by an improving outlook for polyolefins



Industry outlook

Through economic cycles and periods of global uncertainty, Borouge has delivered growth and created value for our customers. A culture of research and development and ongoing investment in expanding our global footprint leave Borouge well placed to meet the needs of high-growth markets while delivering sustained growth and shareholder value in 2025 and beyond.

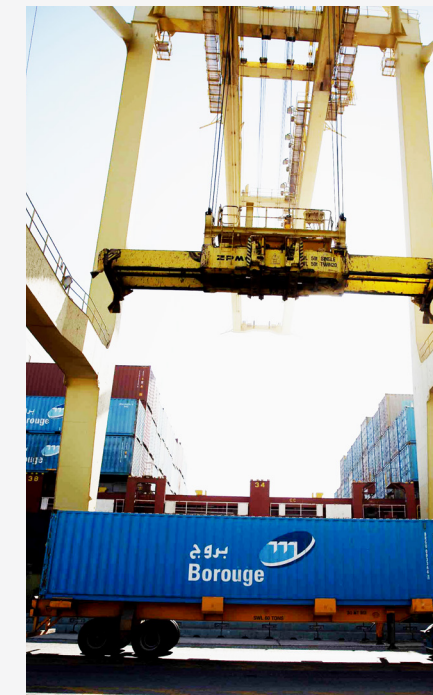


Assets under strategic review

Some producers in Europe and Asia Pacific have been conducting strategic reviews of their assets, and there are early signs of industry consolidation. We anticipate further capacity rationalisation to come, creating a more sustainable supply and demand balance going forwards.

Value chain integration

More producers are focused on value chain integration to identify enhanced efficiency in the supply chain and downstream products, and improved cost position in feedstock. This strategic approach provides cost advantages and operational stability, while attracting premium segments through improved customer alignment and tailored solutions.



Geographic diversification

Producers with the ability and flexibility to diversify their geographic exposure are more able to address the short-term challenges faced. Expanding capabilities across various regions facilitates better market access and risk management. This strategy also helps to mitigate regional market volatility and provides access to new growth opportunities.

Market Overview

Success story



Expanding our high-margin healthcare portfolio through local innovation

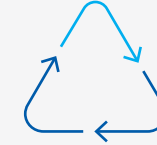
In 2025, Borouge advanced its Healthcare portfolio with the launch of the first Made-in-UAE low-density polyethylene (LDPE) grade for pharmaceutical packaging. The new Bormed™ LE6607-PH, produced in Ruwais, enables regional manufacturing of IV bottles, ampoules and other sterile medical packaging. This strengthens healthcare supply chains across the Middle East, Asia and Africa while supporting the Make it in the Emirates initiative.



Strengthening our leadership in high-performance pipe solutions

Borouge expanded its Infrastructure portfolio with a next generation BorSafe™ PE100 RC pipe grade, engineered for superior durability and long term performance in critical water and gas networks.

In parallel, Borouge's broader PE100-RC+ materials were recognised as 'New Product of the Year' at the Asian Oil & Gas Awards, reflecting the breakthrough performance and strategic relevance of the Company's advanced piping solutions and reinforcing its position as a leader in resilient infrastructure technologies.



Accelerating circularity through mono material innovation

In collaboration with Siegwark and TPN, Borouge launched a fully recyclable mono material polyethylene laminate for food grade stand up pouches. The solution provides high oxygen barrier performance for dry foods while enabling full recyclability and high quality recycled polyethylene production. Produced by TPN in Thailand, this is the first co development under the Siegwark-Borouge partnership and strengthens Borouge's advanced packaging offering.



Enabling sustainable mobility through advanced materials

Borouge expanded its presence in Automotive by deepening its partnership with ROX Motor to supply lightweight polyolefin materials for 17 interior and exterior components of the new ADAMAS SUV.

The collaboration supports the UAE's growing automotive manufacturing ambitions and includes a joint innovation laboratory in Shanghai focused on advanced polyolefin solutions and next-generation lightweight design.

Investment Case

Borouge is a trusted global leader in premium polyolefin solutions, uniquely positioned to deliver sustainable value through scale, technology leadership and an advantaged cost position.

Our differentiated proposition is built on six pillars:



World-class production platform

Borouge operates one of the world's largest integrated single-site polyolefin complexes in Al Ruwais Industrial City, with 5Mtpa of nameplate capacity and a young, efficient asset base with 90% of assets are under 14 years old.

The transformational Borouge 4 project will add 1.4Mtpa upon retribution and is expected to generate USD 900 million of EBITDA through the cycle.



● 11x growth since 2001

5Mtpa capacity

● Utilisation rates in 2025

102% PE
100% PP

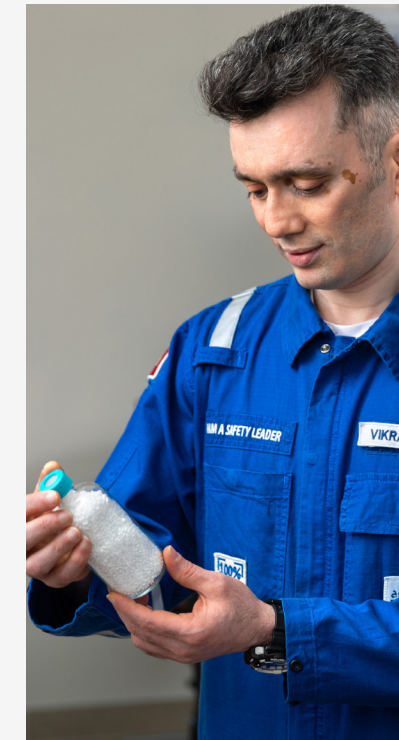
● First-quartile cost position underpinned by

ADNOC
feedstock
agreement to 2057



Superior technology and quality price premium

Through our partnership with Borealis, Borouge leverages proprietary Borstar® technology to deliver differentiated, high-performance polyolefin solutions that command consistent pricing premia above commodity benchmarks. Our direct-to-market model in APAC, MEA and Africa ensures strong customer intimacy and efficient market reach.



● **10**
new grades launched in 2025

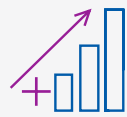
● **27% PE**

16% PP
quality price premium in 2025

● **90%**
sales via direct channels

● **9**
international logistics hubs

Investment Case



Financial resilience

Borouge consistently delivers industry-leading margins and cash conversion, supported by disciplined capital allocation and a robust balance sheet. Since IPO, we have sustained an average EBITDA margin of approximately 40%, more than 3x the global peer average, demonstrating resilience through market cycles.

● Adj. EBITDA margin (2025)

37%

● Net profit margin (2025)

19%

● Cash conversion (2025)

86%



Sector-leading shareholder returns

Borouge is one of the ADX's largest dividend payers, with USD 4.2 billion distributed since IPO. For full-year 2025, we intend to pay 16.2 fils per share, with an intention to maintain this annual level through 2030. Borouge also commenced a share buy back in April 2025 and had repurchased approximately 212 million shares by 31 December 2025.

● Dividends paid since IPO

\$4.24Bn

● TSR delivered since IPO

+25%



Access to high-growth markets and serving megatrends

Borouge is strategically positioned to capture demand in high-growth markets that are expected to drive a significant share of global polyolefin consumption through 2030. Our solutions support major global megatrends including population growth, healthcare, food security, water infrastructure, the circular economy and the energy transition. These long-term structural themes underpin sustained demand for premium applications across energy, infrastructure, healthcare and advanced packaging.

● Total sales in 2025

38%

high-value Energy & Infrastructure solutions

● **+90%**

of sales volumes to Asia Pacific, the Middle East and Africa



Sustainability leadership

Sustainability is embedded in Borouge's strategy and operational model. We provide safe, durable and lightweight materials that enhance food preservation, healthcare delivery, clean water access and energy efficiency. We are committed to long-term ESG leadership through transparent reporting, operational efficiency and circular innovation.

● **Net Zero**

Operations by 2045

● Strong safety performance

Zero

Tier 1/Tier 2 incidents and TRIR* of 0.07

* TRIR: The number of injuries per 1,000,000 hours worked.



Our Business Model

Sustainable value creation for our stakeholders

Borouge’s business model is built on a foundation of innovation, operational excellence, and strategic partnerships. We create value by leveraging our proprietary Borstar® technology and world-class production facilities to deliver differentiated polyolefin solutions that address global challenges.

Inputs

- Operational scale
- 5Mtpa** polyolefin capacity

- Young asset base
- 90%** of capacity less than 14 years old

- Borstar® technology
- Powering Innovation**

- Differentiated products
- c. **80%** of total sales

- Long-term feedstock agreement
- In place with **ADNOC** until 2057

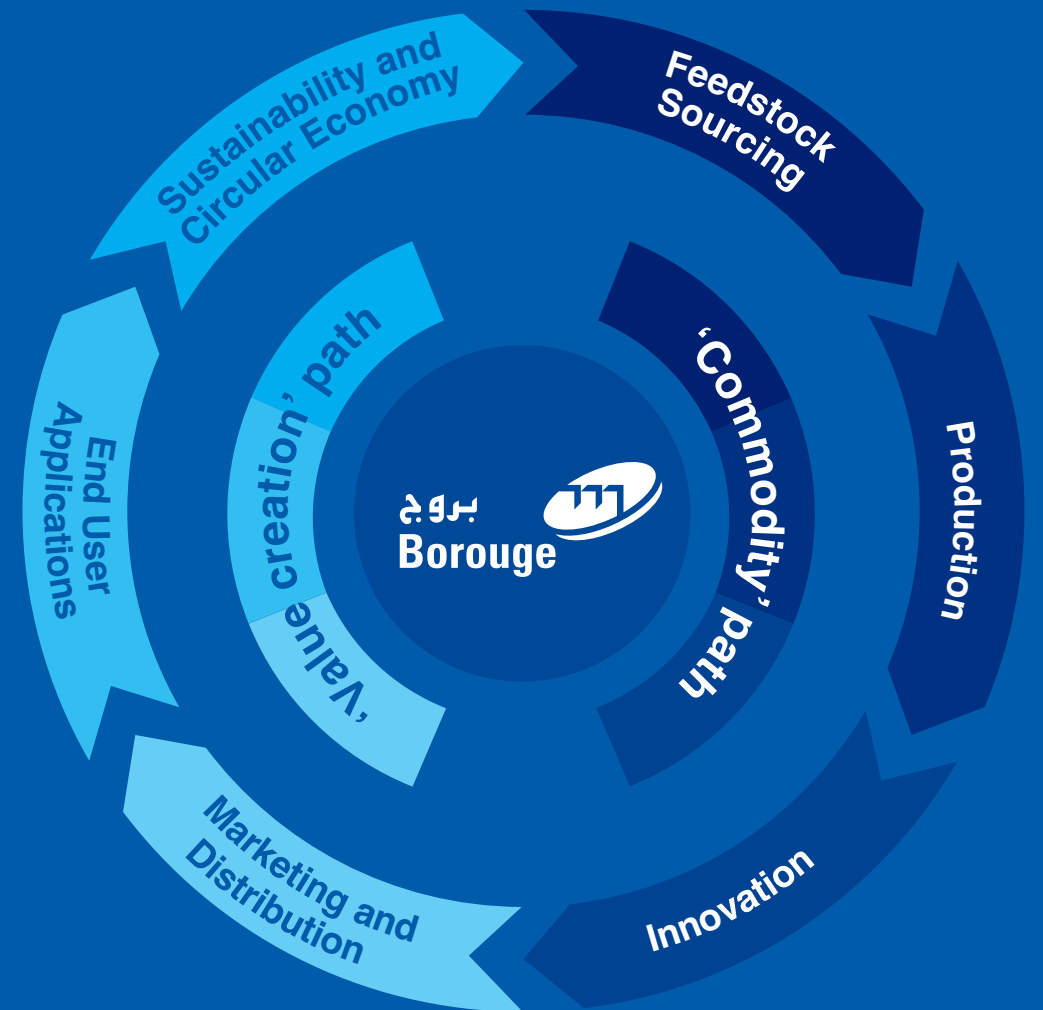
- 25 years of operational experience supporting exceptional shareholder

Returns

- Trusted brand
- To our customers, employees, suppliers and partners

Unlocking sustainable value and growth

Sustainability sits at the heart of our business



Our Business Model

How we make a difference

Expertise

- **100+** scientists, researchers and technicians to drive innovation

Research & development

- **25** polymer research labs for analysis, processing and application testing.

New product innovation

- **+20%** of Borouge's annual sales volume is derived from new product innovations.

Patents

- Borouge has filed more than **1,400+** patent applications.

Addressing Global Challenges

Our solutions are safe, durable, lightweight and are found in applications which address global challenges such as food security, improved healthcare, access to energy, water and sanitation. We are also growing our circular solutions and innovation for differentiated sustainable solutions.

For all our stakeholders

Our shareholders

- **37%** adjusted EBITDA margin
- **\$4.24Bn** dividends paid since IPO

Our people

- **68,143** total training hours in 2025

Our customers

- **\$25M** Total R&D spend in 2025
- **10** new products launched in 2025

Our communities and environment

- **981** volunteering hours in 2025



Value creation process

Inputs

- Proprietary Borstar® technology
- World-class production facilities
- Strategic partnerships with ADNOC and Borealis
- Skilled workforce of 3,000 employees

Activities

- Research and development of innovative polyolefin solutions
- Efficient production of high-quality PE and PP applications
- Strategic expansion of production capacity
- Global marketing and distribution
- Continuous focus on operational excellence and sustainability

Outputs

- Differentiated polyolefin products for infrastructure, energy, mobility, healthcare, agriculture, and advanced packaging industries
- Industry-leading EBITDA margins and ROIC
- Sustainable solutions addressing global megatrends

Impact

- Consistent value creation for shareholders
- Contribution to economic diversification in the UAE
- Advancement of circular economy solutions
- Support for global sustainability goals

Competitive advantages

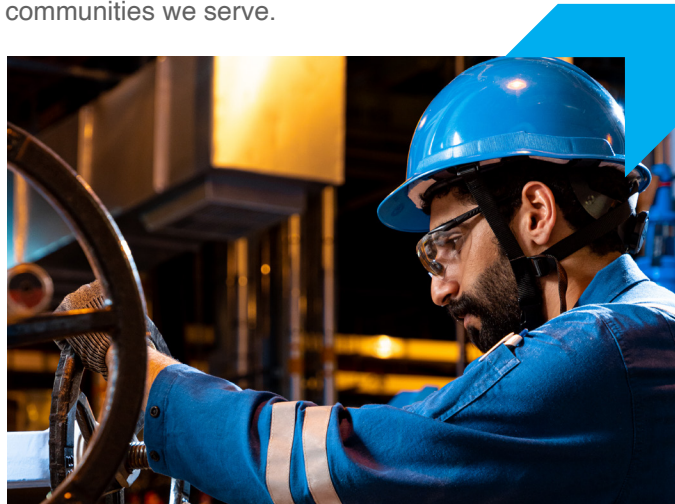
- Proprietary Borstar® technology enables the production of differentiated products.
- Strategic location in Al Ruwais Industrial City, providing cost advantages
- Strong market presence in high-growth regions
- Robust innovation capabilities with 1,400+ active patents
- Industry-leading operational efficiency and reliability

Our Strategy

A strategy built for performance

Borouge’s strategy is designed to reinforce our position as a global leader in innovative, high performance polyolefin solutions. Built on three core pillars, our strategy focuses on leveraging our advantaged production platform, expanding our technology driven and differentiated product portfolio, and delivering sustainable, long term value for customers, shareholders and society.

Our approach ensures that every decision across the organisation supports our ambition to lead in premium polyolefins, accelerate growth in high value markets, and contribute to a more sustainable future for the communities we serve.



Our Strategic Pillars

Excellence

HSE and operational excellence

- Maintain industry-leading safety standards.
- Optimise asset utilisation and reliability.
- Continuously improve operational efficiency.

Innovation and commercial excellence

- Leverage Borealis proprietary Borstar® technology to deliver differentiated, high performance products.
- Collaborate with Borealis innovation hubs to create cutting-edge solutions.
- Optimise commercial operations to drive growth and value creation, leveraging industry best practices and technologies.

AI & Digital Technology (AIDT)

- Leverage AIDT to improve productivity, accelerate innovation and enhance processes.
- Build strategic partnerships to enhance and deploy AI solutions.
- Promote AI awareness and adoption across the organisation and upskill the workforce.

Growth

A growing portfolio of differentiated solutions

- Expand the product range for emerging applications and growth markets.
- Develop sustainable solutions addressing global megatrends.
- Strengthen value selling and differentiation to achieve through the cycle premia and reinforce market leadership.

Growing circular economy solutions

- Increase production of recyclable and recycled content products.
- Collaborate with partners to advance circularity initiatives across the value chain.

Value accretive capacity expansion projects

- Complete the Borouge 4 expansion to increase production capacity by 1.4Mtpa.
- Explore international growth opportunities, including the planned specialty polyolefins plant in Fujian Province, China.
- Complete asset debottlenecking project at Ruwais to further increase production capacity by 0.2Mtpa.

Identity

Strong and cohesive identity and culture

- Foster a culture of innovation, accountability and sustainability.
- Promote diversity and inclusion across the organisation.

Corporate citizenship and ESG commitment

- Advance towards net-zero emissions target by 2045.
- Support local communities and contribute to the UAE’s economic diversification agenda.

Borouge branding

- Strengthen brand recognition as a leader in innovative polyolefin solutions.
- Enhance customer engagement through direct sales channels.

Excellence

Borouge's commitment to excellence spans HSE, operations, innovation, and commercial practices.

We continuously strive to enhance operational efficiency, maintain industry-leading safety standards, and leverage cutting-edge technologies to drive innovation.

Our focus on excellence ensures we deliver superior products and maintain our competitive edge in the global polyolefins market.

Asset utilisation

● 102% PE ● 100% PP

PO production

● 5.1Mt



HSE and operational excellence

HSE excellence underpins Borouge’s commitment to protecting people, the environment, and operational integrity. It covers asset integrity and process safety, learning, contractor management, competence, occupational health, environment, business continuity, and culture, driven by strong governance and continuous improvement.

Operational excellence at Borouge is driven by maximising asset utilisation, elevating production efficiency, and deploying advanced technologies. Our record production, exceptional asset reliability, and outstanding PP and PE utilisation rates reflect the strength of Production Excellence, Asset Management Excellence, and Technical Excellence. Together, these capabilities, reinforced by improved planning, cost-efficiency gains, and adoption of best demonstrated practices, sustain industry-leading safety, reliability, and operational performance.



What we did in 2025

- Strengthened asset integrity and process safety performance by improving the reliability of safety-critical equipment, maintaining preventive maintenance discipline, strengthening alarm management, and closing risk-assessment actions on time.
- Sustained a proactive occupational health programme through targeted screening, early intervention, and well-being initiatives, with strong focus on heat-stress prevention.
- Maintained environmental performance by improving waste management controls and strengthening emissions monitoring and control.
- Executed the Borouge 3 turnaround safely and successfully through early readiness planning, strong contractor onboarding, disciplined work controls, and visible field leadership.
- Accelerated enterprise transformation by improving turnaround efficiency, minimising planned downtime, reducing operational and logistics costs, enhancing digital training and quality systems, and strengthening overall capability through targeted improvement initiatives.
- Advanced autonomous-operations capabilities through a successful proof of concept, progressing toward a fully AI-enabled control-room environment and reinforcing leadership in digital innovation.

Plans for 2026 and beyond

- Strengthen operational readiness through safer and more controlled start-ups, tighter operational oversight, and wider use of digital tools and technology.
- Improve employee and contractor performance by strengthening supervision quality, advancing learning and welfare governance, and closing critical competence gaps.
- Further elevate HSE maturity by strengthening incident insight, embedding requirements into day-to-day work, refining leading indicators, and strengthening business continuity resilience.
- Enhance operational performance and reduce costs by improving production efficiency, minimising losses, optimising product planning, and strengthening value-chain effectiveness, supported by broader digital enablement, advanced control systems, and scalable automation tools.
- Increase reliability and build long-term technical resilience through predictive, digitally supported maintenance, more efficient shutdown execution, stronger investment governance, wider use of smart-factory solutions, and advanced monitoring and detection capabilities.
- Develop a future-ready workforce by deepening employee engagement, expanding skills, and leveraging AI-driven learning, while operational functions focus on maximising output, maintaining uninterrupted services, improving energy efficiency, and scaling real-time digital insights for better performance.

Total Recordable Incident Rate (TRIR)*

● 0.07

● ZERO

Process Safety Events (T1/ T2)

Total PO production

● 5.1Mt

Utilisation rate

● 102% PE
100% PP

Overall Asset reliability

● 98%

* TRIR: The number of injuries per 1,000,000 hours worked.

Innovation and commercial excellence

We maintain a strong focus on innovation, further complemented through collaboration with Borealis. By leveraging Borealis' proprietary Borstar® technology, we develop differentiated and sustainable solutions with superior properties, driving continuous innovation to support value creation and circular economy.

We leverage AI and digitalisation to increase the speed-to-market of new products, pioneer new applications and lock-in value chain and key customers, while implementing dynamic business management to achieve optimal margin realisation. In this way, we provide premium differentiated solutions across the largest and fastest growing markets, leveraging our direct sales network to build intelligence and tailor products to capitalise customer demand.



What we did in 2025

- Launched six polyethylene products, highlighted by the new healthcare grade Bormed™ LH6607 PH, building on the earlier introduction of Bormed™ RG868MO to further expand our healthcare portfolio. In parallel, we introduced Borsafe™ HE3490LSH RC, a next generation PE100 RC+ pipe grade offering superior durability, surface quality, and resistance to slow crack growth.
- Launched four polypropylene grades, including BH555MO, a best in class block PP grade engineered for exceptional impact strength and stiffness, even at low temperatures, and RD201CF, a high performance PP grade designed to deliver cost efficiency and superior film properties for Cast Polypropylene (CPP), Biaxially Oriented Polypropylene (BOPP), and Polyolefin (POF) films.
- Strengthened our circular economy solution offerings with the development of an ultra thin 14 micron (14 μm) fully recyclable Machine Direction Oriented (MDO) PE film – the thinnest and most economical MDO PE blown film on the market – developed in collaboration with Reifenhäuser.
- Launched digital tools and platforms to reduce time to market for new products and enhance customer engagement and experience.
- Launched our new Customer Business Model to better understand and segment our customers, placing customer needs at the centre of our strategy, and introduced a new Service Level Offering concept to better serve customers and improve retention.
- Enhanced our Customer Portal by adding Chinese language support and real time shipment tracking, improving order visibility and transparency for customers.

- Implemented real time customer sentiment tracking through post invoice feedback to strengthen engagement and drive continuous improvement.
- Leveraged GenAI to aggregate and synthesise competitive intelligence, macroeconomic trends and market insights, while deploying Large Language Models to power knowledge based customer support – enabling rapid access to in house technical expertise and tailoring of solutions.

Plans for 2026 and beyond

- Develop product portfolio and prepare market readiness for upcoming Borouge 4 expansion.
- Leverage new technologies to improve the speed of innovation.
- Continue to work closely with our partners, including the Borealis innovation team, to sustain high differentiation in product portfolio.
- Revise and update the Commercial Academy to equip Borouge workforce with up-to-date knowledge and competencies development.
- Optimise our internal processes to improve our agility in addressing customers' needs; leverage digital technologies and AI to drive commercial excellence and deliver superior value to our customers.
- Deploy advanced digitalisation to streamline commercial operations, harnessing data-driven tools to deliver actionable customer insights that maximise profitability, elevate customer experience, and empower strategic decision-making.

● **10**
new products launched

● **+20%**
of sales volume from new product innovations

● **5.4Mt**
record sales volume

● **+1,400**
patent cases

AI & Digital Technology

Borouge is a leading global enterprise in AI-driven transformation, leveraging our strong foundational pillars, including:

- **Robust AIDT Governance:** A centralised and empowered framework that evaluates the value proposition of expanding AIDT’s scope, ensuring alignment with broader strategic objectives and accelerating implementation.
- **Talent Development and Innovation Culture:** A comprehensive upskilling programme designed to enhance workforce capabilities through targeted learning opportunities, supported by strong collaborations with academic institutions to build internal capabilities.
- **Strategic Expertise:** Deep partnerships with ADNOC and Borealis, granting access to world-class AI capabilities and technology leadership.
- **Global Partnerships:** Collaborations with leading service providers to leverage emerging technologies and deliver best-in-class solutions.
- **End-to-End Transformation:** AIDT initiatives driving impact across Borouge’s entire value chain – from the world’s largest integrated PO complex and supply chain operations to sales and marketing, innovation and research, HSE, and business support functions – accelerating AI-driven value creation across all assets.
- **Modern Digital Infrastructure:** Advanced, cutting-edge IT and digital infrastructure designed to enable and unlock the full potential of AI across critical business processes.
- **World-Class Talent Pool:** Building a future-ready, resilient workforce through industry-leading talent development strategies.

What we did in 2025

In 2025, Borouge successfully implemented the AIDT Programme through robust governance and full value-chain integration, delivering USD 717 million in value. Key achievements include:

- **AI-Enabled Autonomous Operations:** Advanced Phase I of autonomous control rooms leveraging agentic AI for real-time decision-making, operational safety, and risk mitigation in collaboration with strategic partners.
- **3D Printing & Digital Warehouse:** Produced 450+ critical spare parts via 3D printing, significantly reducing cost, lead time, and inventory carrying costs.
- **Robotic Sphere Inspection:** Deployed robotics for spherical tank inspections during turnaround, enhancing safety and reducing turnaround time and costs.
- **Supply Chain Agentic Hub:** Transformed logistics and supply chain operations into fully AI-enabled processes through a centralised digital hub for demand planning, price forecasting, and inventory optimisation.
- **RealWear Z1 Navigator:** Full-scale deployment of intrinsically safe, voice-activated wearable devices for frontline teams in hazardous environments.
- **Talent Development:** Rolled out comprehensive upskilling and internally designed bespoke e-learning programmes to foster AI awareness, education, and adoption across the organisation.
- **Key accolades:** Received the GPCA Supply Chain Innovation Award and two Industry Eagle Awards – Gold for S&OP Quintiq and Bronze for our AI-driven demand planning solution.

Plans for 2026 and beyond

- Focus on unlocking internal and external opportunities to accelerate value generation through AI and digital transformation.
- Implement a robust solution pipeline is in place to deliver high-impact, targeted initiatives, while workforce capabilities will be strengthened through the core pillars of Excite, Educate, and Engage, ensuring innovation and digital adoption remain central to our strategy.
- Leveraging structured change management, we will drive successful implementation of these solutions and continue forging strategic partnerships with global market leaders to further enhance our position and technological capabilities.



● **Full-scale**
enablement of our AIDT Programme across the value chain

● **1,700+** employees
(i.e. more than 65% of our employees) actively participated in new comprehensive AI upskilling programme

● **USD 717 million**
in value generated through AIDT

● **25+**
strategic partners

● **150+**
implemented solutions



Excellence

Strategy in action

Case study 1

Largest turnaround in Borouge’s History

Every six years, Borouge conducts major plant turnarounds to ensure the safety, reliability, and long term performance of our assets. These events require a full shutdown of operations to support comprehensive inspection, cleaning, maintenance, and upgrades. In 2025, Borouge 3 underwent the largest and most complex turnaround in our history.

Through rigorous planning, the use of AI enabled scheduling tools, and strong cross functional coordination, the planned 45-day Borouge 3 turnaround was completed eight days ahead of schedule without compromising safety or quality. Optimising turnaround days generated substantial value, enabling an additional 31 kilotonnes of ethylene and 70 kilotonnes of polyolefins production.

Case study 2

AI enabled autonomous operations

In 2025, Borouge, together with Honeywell, completed a proof of concept for AI powered autonomous operations at our Ruwais facility. This milestone represents an important step in enhancing operational performance and long term competitiveness, while also supporting ADNOC’s ambition to become the world’s most AI enabled energy company. The proof of concept, conducted in a live production environment, demonstrated strong potential benefits: efficiency improvements of up to 20%, a 20% reduction in downtime, and operating cost reductions of up to 15%. It also showed clear advantages for process safety, energy efficiency and emissions reduction.

The initiative builds toward creating the petrochemical industry’s first AI driven autonomous control room, transforming operations from reactive monitoring to proactive, data driven decision making. By integrating AI, machine learning and automation, Borouge is laying the foundation for a next generation operational model that enhances reliability, optimises performance and strengthens sustainability across our facilities.

Case study 3

Advanced polymer simulations

Our new product development cycle has relied heavily on physical testing of lab or pilot plant prototypes, making the process resource-intensive and time-consuming. To overcome this, we are implementing AI and Machine Learning (ML) to build an internal predictive model that eliminates trial-and-error synthesis and enables accurate predictions for efficient polymer space exploration for a pilot grade.

This initiative is accelerating the discovery of innovative polymers and streamlining development steps. As part of the rollout, time-to-market for pilot-grade is reduced by 60 days, unlocking approximately USD 1.5 million.

Case study 4

3D warehouse and printing for critical spares

The cracker furnace faced a challenge with the side-wall burner spares when the original supplier quoted an unworkable eight-month lead time. The team turned to advanced 3D printing, replicating the design, enhancing the material, and producing the parts locally. Manufacturing and installation were completed on-site in three weeks.

This success highlights the value of a digital warehouse for rapid prototyping, customised part production, and reduced costs and lead times across multiple instances. The initiative delivered a gain of USD 3.8 million.

Case study 5

RealWear smart glasses

Currently, there is no provision for real-time remote assistance when addressing process safety issues at the plant. The introduction of AI-enabled, voice-operated RealWear smart glasses, integrated with standard safety helmets, offers a comprehensive solution to enhance process safety and strengthen real-time communication with subject-matter experts during critical field interventions.

This technology enables safe and seamless collaboration with experts – or other key stakeholders – while operating in hazardous environments. In addition to improving response effectiveness, it can also deliver measurable operational efficiencies, including the reduction of international travel requirements for multiple specialists. Moreover, minimising the number of personnel physically present at high-risk sites can significantly reduce the likelihood of workplace incidents.

Growth

Our growth strategy focuses on expanding our portfolio of differentiated solutions, advancing circular economy initiatives, and pursuing value-accretive capacity expansion projects.

By leveraging Borealis' proprietary technologies and market insights, we aim to capture opportunities in high-growth regions and emerging applications, ensuring sustainable long-term growth for Borouge.



Growing portfolio of differentiated solutions

We drive product differentiation through our Borstar® PE, Borstar® PP and Borlink™ technology platforms, delivering innovative solutions aligned with sustainability priorities and major socioeconomic megatrends. Our strategy remains focused on enabling circularity, expanding our infrastructure and energy solutions, and enhancing customer value through digitalisation and innovation.

Looking ahead, we will continue to strengthen our differentiated product portfolio, advance our cross linked polyethylene (XLPE) production capabilities, and apply value selling to maintain competitive advantage and achieve through the cycle premia.



What we did in 2025

- Continued to target high value market segments, such as energy and infrastructure solutions, through strong growth in high value XLPE and Jacketing products, reinforcing market leadership and customer value.
- Launched the upgraded BorSafe™ HE3490LSH RC, a next generation PE100 RC+ pipe grade delivering benchmark durability, surface quality, and slow crack growth resistance. Borouge was the first in Asia to meet the enhanced PE100-RC+ standards.
- Advanced our sustainable packaging platform by expanding the use of Anteo™ FK1510 and FK1516 across our renewed flexible packaging portfolio, achieving step change improvements in sealing integrity, consumer safety, and conversion efficiency.
- Introduced a fully recyclable mono material packaging solution in collaboration with Siegwerk and TPN Food Packaging.
- Won the Innovation Excellence Award at Make it in the Emirates (MIITE) 2025 for pioneering product and leading innovation excellence.
- Secured two honours at the Asian Innovation Excellence Awards 2025, recognising leadership in digital transformation and sustainable materials. Our blockchain-powered TradeChain platform was named UAE Technology Innovation of the Year, and our fully recyclable mono-material PE pouch won UAE Business Product Innovation of the Year. In addition, our new BorSafe™ PE pipe grade, launched in September, was recognised as New Product of the Year at the Asian Oil & Gas Awards.

Plans for 2026 and beyond

- Continue to drive product differentiation and value selling of new products to achieve through the cycle pricing premia.
- Expand XLPE capacity through Borouge 4 to meet growing demand for advanced energy and power cable applications, while advancing new Extra High Voltage (EHV) wire and cable product development from our Ruwais assets to reinforce our innovation pipeline and strengthen competitive advantage.



10 product launches in 2025

USD94M of value generated through innovation

20% increase in circular product sales

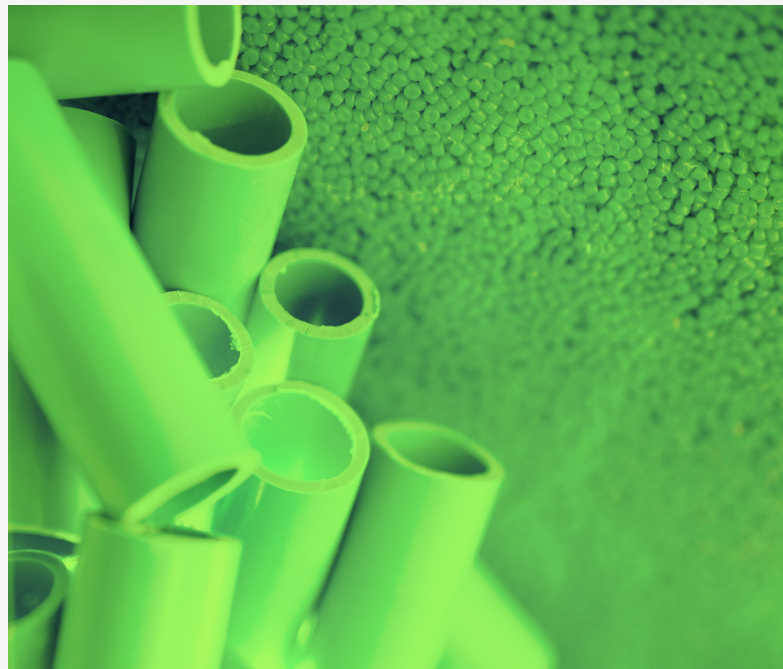
Highest-ever 5.4Mt polyolefins sales volume

Quality price premium of USD224/t for PE and USD134/t for PP over product benchmarks

Growing circular economy solutions

We have developed a comprehensive circular economy strategy and recycling roadmap, and are expanding our network of mechanical recycling partners across all regions to grow our recyclate portfolio under our new Recleo brand.

Working closely with customers and value chain partners, we have also developed smart solution concepts that enable 100% recyclability across a broad range of industries and applications. Excelling in circular offerings will help us increase sales of our Borstar® virgin polyolefins by delivering synergistic solutions that incorporate higher levels of recyclates or improve end product performance through advanced design and material innovation.



What we did in 2025

- Expanded our network of mechanical recycling partners to more than 25 across Borouge territories.
- Delivered strong growth in recyclate sales by accelerating application development that incorporates post consumer recycled (PCR) polyolefins into virgin materials, including:
 - 20% rLDPE inclusion in collation shrink film for soft drink and water bottle packaging in India to support new PCR content legislation.
 - Our first HD PCR/HD virgin compound, addressing rising FMCG demand for sustainable blow moulding solutions such as shampoo, detergent, and lubricant oil bottles.
- Expanded global access to premium sustainable automotive compounds through newly commercialised PCR based grades combining 40% PCR with 20% glass fibres, meeting stringent purity, fogging, and odour requirements while reducing carbon footprint by approximately 36% versus virgin material.
- Strengthened leadership in mono material packaging solutions, developing an award winning 100% recyclable PE pouch with Siegwirk and TPN Food Packaging featuring advanced barrier performance and de inking capability; recognised at the Asian Innovation Excellence Awards 2025.
- Deepened downstream engagement with more than 10 brand owners and retailers, generating over 10 new growth opportunities.
- Introduced Recleo, our new brand for mechanical recycled solutions, developed with Borealis to offer a full range of high quality recyclates from rLD, rHD and rPP to PCR containing compounds with virgin polyolefins.
- Signed a MoU with Ningbo Dabashou and Ningbo Hajing in China to establish a waste to recycling ecosystem using AI based collection systems, supported by World Bank funding.

Plans for 2026 and beyond

- Prepare to commercially launch additional high quality, value added PCR/polyolefin compounds for demanding applications to enhance performance, circularity, and customer value.
- Expand polyolefin based mono material solutions through Design for Recyclability (DfR) initiatives to support virgin polyolefin growth, while deepening collaboration with recycling partners to improve operations, product properties, and recyclate quality – extending circular solutions beyond packaging into infrastructure and mobility markets.
- Intensify cooperation with Ningbo circular partners to establish a waste to recycling ecosystem, creating a model setup for achieving Circular Excellence in China.
- Continue to promote youth education and advocacy through our Polymers on the Move (POTM) programme.

● Recycling partnerships located across

3
Borouge sub-regions, across nine countries, enhancing accessibility

● **25+**
recycling partners

● **25+**
value chain collaborations



Value accretive capacity expansion projects

The Borouge 4 project aligned with our 2030 Strategy to increase total polymer nameplate capacity from 5.0Mtpa to 6.4Mtpa.

Borouge 4 is an integrated, state-of-the-art, capital-efficient petrochemical complex that add additional capacity to one of the world’s largest integrated polyolefin complexes.

Additional capacity expansion of 200 ktpa of the existing site is planned through the EU2 Cracker, PE4 and PE5 asset revamp projects. The feasibility of capacity expansion in China is another expansion project that is currently in progress.



What we did in 2025

Borouge 4 megaproject

- Progressed Borouge 4’s engineering, procurement and construction (EPC) phase to approximately 94% completion, achieving major milestones including completion of the XLPE 2 plant and utilities, installation and trial of the world’s largest single line extruder, and readiness of key utilities such as the flare and steam systems.
- Commenced commissioning of XLPE 2 – the first Borouge 4 unit – at the end of 2025, more than doubling Borouge’s cross linked polyethylene capacity to 180 ktpa.
- Borouge 4 project has achieved over 180 million man-hours with a TRIR* of 0.07 with over 24,000 personnel on site.
- Commercial readiness of Borouge 4 is progressing well which is enabled by a finalised customer segmentation, a completed Service Level Offering catalogue, concrete business plan and finalised logistics contracts. Additionally, an enhanced customer database enables increased volume potential and activation of new customers to drive Borouge 4 product sales.
- A streamlined organisational structure and defined recruitment timelines are in place to ensure the human capabilities required for Borouge 4 sales execution.

Ruwais expansion

- Completed Front-End Engineering Design (FEED) for the expansion of the second ethane cracker (EU2)
- Awarded the EPC contract for the expansion and refurbishment of the PE4 and PE5 production units.
- Completed the feasibility study for the expansion of the third ethane cracker (EU3) and progressed into pre-FEED activities.

China JV

- Completed a feasibility study for a proposed greenfield project with Wanhua Chemical, to produce specialty polyolefins in China.

Plans for 2026 and beyond

Borouge 4 megaproject

- Commissioning of the Borouge 4 units is expected through 2026, delivering additional value to Borouge and our shareholders, driving revenue growth and delivering additional value to Borouge and our shareholders.

Ruwais expansion

- Ruwais expansion: EPC work on the PE4/PE5 revamp is advancing toward a 2027 start-up, with the pre-FEED contract for the EU3 cracker expected to be awarded in 2026.

China JV

- Decision on next steps for a proposed greenfield project with Wanhua Chemical is a focus during this year.

Borouge 4

- reached 94% completion as at 31 December 2025
- 180 million project to date (PTD) man hours
- 0.07 PTD TRIR*

Ruwais expansion

- FEED completed for EU2 expansion; EPC contract for PE4 and PE5 awarded with project progressing well
- Feasibility study completed for EU3 cracker expansion, progressing to pre FEED

* TRIR: The number of injuries per 1,000,000 hours worked.

Growth

Strategy in action

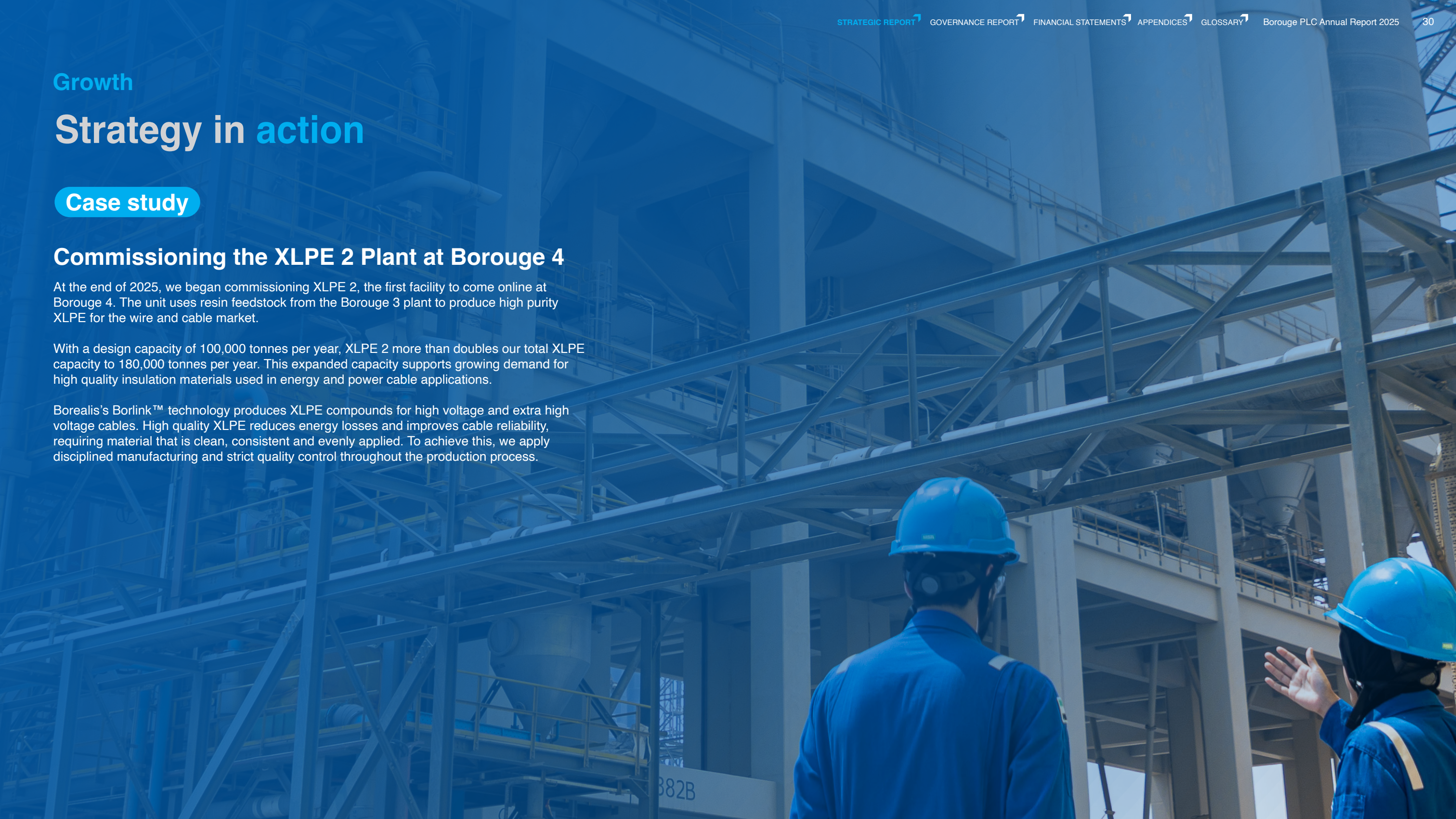
Case study

Commissioning the XLPE 2 Plant at Borouge 4

At the end of 2025, we began commissioning XLPE 2, the first facility to come online at Borouge 4. The unit uses resin feedstock from the Borouge 3 plant to produce high purity XLPE for the wire and cable market.

With a design capacity of 100,000 tonnes per year, XLPE 2 more than doubles our total XLPE capacity to 180,000 tonnes per year. This expanded capacity supports growing demand for high quality insulation materials used in energy and power cable applications.

Borealis's Borlink™ technology produces XLPE compounds for high voltage and extra high voltage cables. High quality XLPE reduces energy losses and improves cable reliability, requiring material that is clean, consistent and evenly applied. To achieve this, we apply disciplined manufacturing and strict quality control throughout the production process.



Identity

Borouge's identity is rooted in a strong corporate culture that values innovation, sustainability, and diversity.

We are committed to fostering a cohesive identity that resonates with our employees, customers, and stakeholders. Our focus on corporate citizenship, ESG commitments, and brand enhancement reinforces our position as a responsible leader in the polyolefins industry.



Strong and cohesive identity and culture

We foster a unified culture by prioritising employee engagement, leadership development, and skill-building initiatives.

Through tailored programmes, mentorship opportunities, and a redesigned onboarding experience, we strive to ensure that our employees feel valued and aligned with our core values, creating a collaborative and inclusive work environment that drives long-term success.



What we did in 2025

- Established Culture Tuesdays, a vibrant, weekly engagement platform that strengthened connection, creativity, and community across the organisation through high-participation events led by our Culture Influencers.
- Advanced our Culture Renovation Programme, rolling out the Culture Toolkit to over 50% of employees, covering key topics including Fail Fast, Recover Safe and Effective, Open Communication, with specialised modules delivered to line managers to enhance leadership capability and embed a high-performance culture.
- Supported work-life balance through dedicated sessions delivered in partnership with ADNOC Medical and Well-being and the Family Development Foundation, offering practical tools for managing professional and family responsibilities. We also hosted #AMRemarkable Google workshops in Abu Dhabi and Ruwais to empower women to recognise and celebrate their achievements.
- Introduced the Himma youth initiative, spotlighting emerging Borouge talent and fostering cross-generational collaboration and capability building.
- Launched the Toastmaster Programme, providing a safe and supportive environment for employees to strengthen presentation and communication skills, build confidence, and expand networks across the organisation.
- Developed future leaders through the Elite Programme, supporting young talent in building strong communication skills and expanding their professional networks, as part of their long-term growth journey.

Plans for 2026 and beyond

- Continue to drive our accelerated growth ambitions and maintain momentum, ensuring impact through ongoing engagement and collaboration.



• **68,305+**
hours of training across all programmes

• **344+**
HSE training sessions for
8,530
participants

• **35**
sessions under the
Leadership Ecosystem
Programme

Corporate citizenship and ESG commitment

We are focused on sustainability through our net-zero by 2045 targets, gender balance goals, and environmental initiatives. By advancing the Al Ruwais Environmental Sustainability Programme and fostering community engagement, we actively address global challenges while promoting responsible growth and social impact.



What we did in 2025

- Achieved significant emissions reductions, with Scope 1 emissions down 27% against a 2025 target of 22%, and Scope 2 emissions reduced by 36% against the 2025 target of 19%, compared to the 2018 baseline.
- Launched the Executive Coaching for Women Programme, pairing high-potential female employees with senior executives (VP level and above) to build resilience, enhance decision-making and accelerate leadership development.
- Delivered community outreach programmes and CSR initiatives, strengthening our contribution to society and supporting key community partners, with a total investment of AED 300,460.
- Continued progress toward our 2045 net-zero target, with projects implemented in 2025 reducing more than 44 KtCO₂e, reinforcing our long-term decarbonisation pathway.

Plans for 2026 and beyond

- Develop and implement long-term sustainability goals, including exploring electrification and carbon capture technologies.
- Focus on creating innovative polyolefin solutions that address global challenges such as circular packaging, water access, and healthcare.
- Expand efforts in promoting circular economy practices and continue to develop fully recyclable mono-material solutions.
- Enhance community engagement and CSR programmes to support local communities.
- Improve ESG performance, aiming for higher rankings and broader recognition in global ESG indices.
- Refine our transition climate risks analysis by incorporating the latest appropriate scientific references and methodologies (e.g. Life Cycle Assessments and thorough Scope 3 estimate).



● **22,932**
people reached through volunteering initiatives, reflecting our commitment to positive community impact.

Steady progress in our long-term decarbonisation journey

● **661 KtCO₂e**
cumulative reduction by 2025 and 44 KtCO₂e coming from new projects

Borouge branding

The Borouge brand reflects our position as a leader in differentiated polyolefin solutions that impacts fast-growing markets and adds incredible value to developing and emerging economies.

Through strategic communication, employee advocacy programmes, and a focus on innovation and sustainability, we reinforce our identity as a trusted brand in delivering world-leading solutions globally.



What we did in 2025

- Enhanced regional market access and building stronger relationships with customers and value chain partners through a robust local presence.
- Supported efficient product delivery with 13 logistics hubs globally, ensuring optimal margin capture and uninterrupted service during crises through alternative supply chain routes.
- Reinforced our identity as a trusted global leader in differentiated polyolefin solutions through strategic communication initiatives and employee advocacy programmes.
- Launched a strategic supply chain transformation, including a landmark partnership with Etihad Rail and the opening of a dedicated, one-million-square-metre freight terminal in Al Ruwais Industrial City. In its first year of operation, the rail network transported more than 700,000 tonnes of polyolefins, marking a major shift toward safer, more efficient, and more sustainable large-scale distribution.
- Strengthened trade efficiency through a strategic partnership with Abu Dhabi Customs, leveraging blockchain-enabled data sharing and real-time system integration to streamline import and export processes, accelerate customs clearance, reduce logistics costs, and enhance transparency, compliance and risk management across Borouge's supply chain.

Plans for 2026 and beyond

- Continue the global brand ambassador programme to empower employees as advocates of Borouge's values and solutions.
- Strengthen digital engagement strategies to improve customer experiences and foster deeper connections with stakeholders.
- Expand the direct sales network to cover additional high-growth regions and emerging markets.
- Develop multimedia campaigns showcasing Borouge's role in addressing global challenges through innovative polyolefin applications.
- Continue investing in sustainability-focused branding initiatives to highlight the recyclability and environmental benefits of Borouge's product portfolio.

● **74%**
sales from direct sales network

● **10**
new products launched in 2025



Identity

Strategy in action

Case study 1

Strengthening employee health, safety and environment ownership

Building a strong safety culture requires active participation from the frontline teams who operate and maintain our assets every day. During the year, our Asset HSE champions led a sustained engagement programme across all shifts to reinforce frontline ownership of safety priorities and strengthen awareness of process safety fundamentals. The initiative was designed around short, interactive shift sessions that allowed teams to engage with practical safety topics in a clear and accessible format. Discussions focused on areas such as process safety fundamentals, learning moments and the importance of speaking up when weak signals are identified. The programme established a consistent routine for reporting, discussing and acting on process safety observations, ensuring that issues were addressed promptly and transparently. Participation was maintained across every shift, with visible leadership support and a strong focus on closing follow up actions quickly and effectively.

Through this structured approach, the programme strengthened frontline engagement and improved the sharing of early warning signals across our operations. It also reinforced a sustained focus on preventing major process safety events, helping to embed a culture of accountability, awareness and continuous improvement across our workforce.



Case study 2

Well-being and healthy heart campaign

Protecting the health and well-being of our workforce is a core priority and an essential component of safe and reliable operations. During the year, we delivered a targeted well-being programme focused on the early detection and prevention of cardiovascular health risks across our workforce, extending the initiative to include contractor personnel working across our facilities.

The programme combined health screening and structured risk identification to support higher risk groups and enable timely medical intervention where required. Early intervention pathways and medical follow up were established to ensure that individuals received appropriate care and guidance. At the same time, contractor health compliance was strengthened through enhanced medical fitness checks and improved tracking systems. Awareness was reinforced through regular well-being sessions and practical guidance designed to help employees and contractors better understand and manage cardiovascular health risks.

Through this proactive approach, we improved early detection and follow up while strengthening workforce well-being support across our operations. The initiative also enhanced our ability to manage health-related risks more effectively, reinforcing our commitment to safeguarding our people and maintaining a safe working environment.

Chief Financial Officer's Review

Exceptional financial performance



Borouge delivered an exceptional performance in 2025 across key metrics, underpinned by record sales volumes of 5.4 million tonnes in a softer pricing environment.

Jan-Martin Nufer
Chief Financial Officer

We reported net profit of USD 1.1 billion, ahead of market expectations, and strengthened our innovation pipeline with 10 new grade launches, reinforcing our leadership in differentiated polyolefin solutions. Our ability to capture healthy price premia and focus on high-value segments continued to set us apart.

Despite the challenging global polyolefins backdrop, Borouge delivered an industry-leading adjusted EBITDA margin of 37% and a net profit margin of 19%. Robust cash generation and disciplined capital allocation underpin our commitment to shareholder returns.

For full-year 2025, we intend to pay an increased dividend of 16.2 fils per share (c. USD 1.3 billion). Looking ahead, we remain focused on operational excellence, disciplined cost management and commercial optimisation to support resilient cash flow through the cycle, while positioning the business to capture long-term polyolefins demand growth across high-value market segments.

A resilient and high-quality performance despite market headwinds

Borouge delivered a highly resilient financial and operational performance in 2025, reporting net profit of USD 1.1 billion and adjusted EBITDA of USD 2.2 billion. This strong result was achieved despite a softer pricing environment, reflecting disciplined execution, cost efficiency and commercial agility.

Production reached 5.1 million tonnes, above our nameplate capacity despite the B3 turnaround executed in Q2, driven by exceptional utilisation rates across the year, including record utilisation achieved in Q4 2025. Sales volumes grew to 5.4 million tonnes – the highest in our history. This outstanding operational reliability, combined with effective commercial optimisation and a focus on the highest-netback markets, underpinned our robust earnings delivery. Demand in our core geographies – Asia Pacific, the Middle East and Africa – remained healthy, with high-value

infrastructure and energy solutions accounting for 38% of total polyolefin sales. Our differentiated, value-added product portfolio enabled us to maintain a strong quality price premium, with PE sales prices averaging USD 1,046 per tonne (27% above benchmarks) and PP sales prices averaging USD 985 per tonne (16% above benchmarks). This consistent quality price premium reflects the strength of our innovation, customer relationships and high-quality solutions.

Maintaining our position as one of the sector's most profitable producers

Borouge delivered strong top-line and operational performance in 2025. Revenue of USD 5.8 billion declined 3% year-on-year due to lower product pricing, but this was offset by strong volumes and continued operational efficiency. Adjusted EBITDA of USD 2.2 billion translated into an industry-leading 37% EBITDA margin, highlighting our ability to protect earnings through premium pricing, disciplined cost control and operational excellence. Net profit of USD 1.1 billion, while 11% lower year-on-year, represented a 19% net profit margin, placing Borouge among the most profitable polyolefins producers globally and significantly outperforming peer averages in the sector. Capital expenditure rose to USD 308 million, reflecting the scheduled B3 turnaround and our continued investment in safe operations, reliability and long-term growth capabilities.

Chief Financial Officer’s Review

Borouge’s business model continues to generate strong cash flow across market cycles, underpinned by our first quartile cost position and quality price premium for our products.

Robust balance sheet and strong cash flow generation supporting industry-leading shareholder returns

Borouge’s business model continues to generate strong cash flow across market cycles, underpinned by our long-term and stable feedstock agreement with ADNOC through 2057, along with our first-quartile cost position, industry-leading Borstar® technology and sustained focus on high-growth, high-value markets. In 2025, we generated adjusted operating free cash flow of USD 1.9 billion, maintaining a healthy 86% cash conversion rate.

We declared and paid a dividend of 8.1 fils per share (USD 663 million) in September 2025 and intend to pay an additional 8.1 fils per share in April 2026, following the AGM, in line with our 2025 dividend commitment of 16.2 fils per share.

Our 2025 share buyback programme has also been highly successful. We repurchased approximately 212 million shares by year-end, reflecting our confidence in the company’s valuation and long-term outlook.

Total shareholder return for the year reached 16 %, materially outperforming the global petrochemical peer group. We ended 2025 with net debt of USD 2.7 billion, broadly unchanged year-on-year, including USD 427 million in cash and equivalents. Our USD 500 million revolving credit facility remains undrawn, and we closed the year with a strong net-debt-to-EBITDA ratio of 1.2x, providing ample financial flexibility.

Accelerating growth through cost discipline, digitalisation and value creation

Borouge retains a first-quartile global cost position, supported by scale, efficient operations and access to competitive feedstock. Our Value Enhancement Programme, launched in late 2022, continued to deliver meaningful improvements across operational excellence, commercial optimisation and cost efficiency. Fixed costs remained disciplined at USD 648 million, broadly flat versus 2023 and 2024.

In parallel, our AIDT programme delivered USD 717 million in value during 2025, significantly exceeding our USD 575 million target. These initiatives enhance production efficiency, improve customer experience and strengthen long-term competitiveness.

Borouge 4: A major step forward in our growth journey

The Borouge 4 expansion, a cornerstone of our long-term strategy, advanced to 94% completion by year-end 2025. The first unit, XLPE 2, entered commissioning in December.

The remaining units will be commissioned progressively throughout 2026. Once fully operational, Borouge 4 will add 1.4 million tonnes of annual capacity, enhancing our ability to serve fast-growing markets and expand our range of differentiated solutions.

Driving transformational growth

During 2025, we laid the foundations for a new era of growth, with the proposed formation of Borouge Group International, combining Borouge, Borealis and Nova Chemicals.

The transactions completed in March 2026, creating a global polyolefins leader with enhanced scale, expanded innovation capabilities and unmatched access to major demand centres.

Our priority for 2026 is executing seamlessly on this transformation while ensuring operational continuity and advancing our performance and productivity programmes.

Key highlights



Adj. EBITDA margin
(FY 2025)

37%



Net profit margin
(FY 2025)

19%



Cash conversion
(FY 2025)

86%

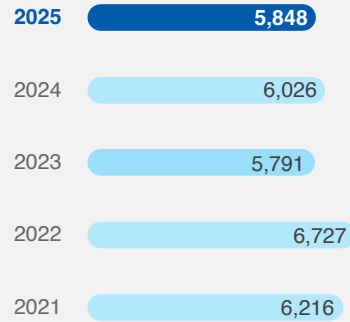


Net Debt to EBITDA
(FY 2025)

1.2x

Key metrics

Revenue **\$5,848m**
(USD m)



Strategic relevance

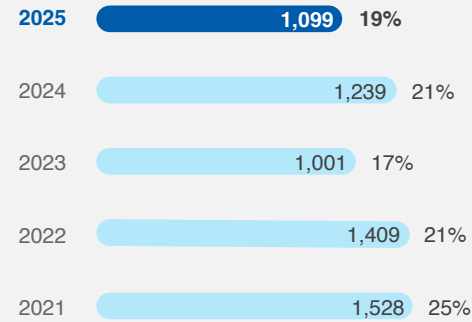
Borouge maintains resilient revenue performance supported by strong and sustained demand across core markets.



Performance

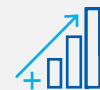
Revenue of USD 5,848 million in 2025, supported by record sales volumes and continued premium pricing for differentiated products. The year-on-year decline was mainly driven by lower realised pricing in a softer market environment.

Net profit and margin **\$1,099m**
19% margin
(USD m and %)



Strategic relevance

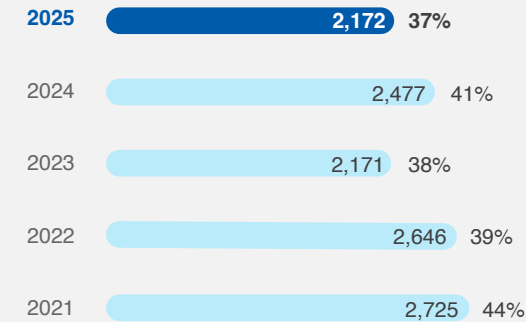
Borouge's goal is to maintain sustainable profitability over the medium term.



Performance

Net profit reached USD 1,099 million in 2025, exceeding market expectations and supported by exceptional operational performance, record sales volumes and strong cost discipline. Despite softer market pricing, Borouge delivered an industry-leading profit margin of 19%.

Adj. EBITDA and margin **\$2,172m**
37% margin
(USD m and %)



Strategic relevance

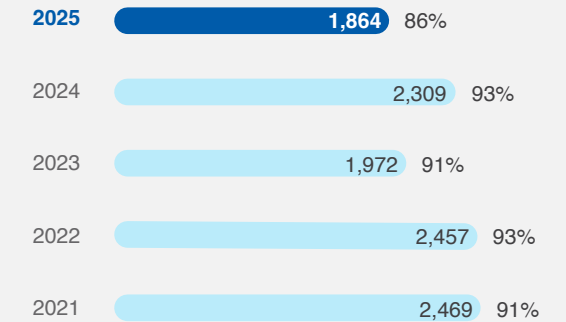
Industry-leading EBITDA margins highlight Borouge's operational excellence and premium product positioning.



Performance

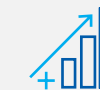
Maintained an industry-leading EBITDA margin of 37% in 2025, driven by strong operational performance and record sales volume.

Adj. operating FCF and cash conversion **\$1,864m**
86% cash conversion
(USD m and %)



Strategic relevance

Strong cash generation enables investment in growth while supporting attractive shareholder returns.



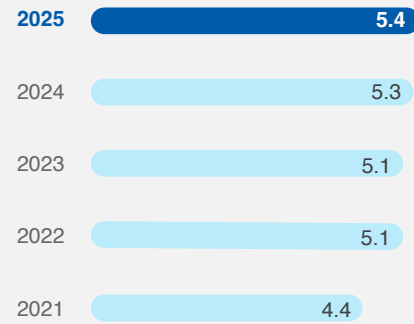
Performance

Delivered USD 1,864 million in adj. operating free cash flow, supporting Borouge's dividend, and achieved a solid 86% cash conversion. The year-on-year decline primarily reflects higher capital expenditure, primarily related to the planned Borouge 3 turnaround successfully executed in Q2 2025.

Key metrics

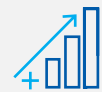
Sales volumes 5.4Mt

(mt)



Strategic relevance

Strong production and sales volumes demonstrate operational excellence and strong market demand.

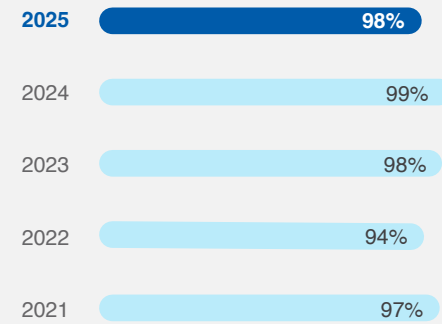


Performance

Achieved record sales volumes of 5.4 mt in 2025, reflecting resilient commercial performance. High-value segments such as energy and infrastructure solutions accounted for 38% of total sales.

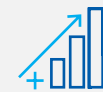
Asset reliability 98%

(%)



Strategic relevance

World-class asset reliability underpins consistent and efficient operational performance.



Performance

Delivered asset reliability of 98% while achieving exceptional utilisation rates of 102% for PE and 100% for PP, despite successfully executing the Borouge 3 turnaround in Q2 2025 – the largest and most complex in the company’s history.



Key metrics

Average selling prices

(USD / per tonne)

Polyethylene

	Average Selling Price	Average Product Premia	Average Benchmark Price
2025	1,046	224	822
2024	1,095	197	898
2023	1,129	215	914
2022	1,318	311	1,007
2021	1,421	334	1,087

Polypropylene

	Average Selling Price	Average Product Premia	Average Benchmark Price
2025	985	134	851
2024	1,047	150	897
2023	1,016	125	891
2022	1,222	208	1,014
2021	1,313	147	1,166



Strategic relevance

Premium pricing reflects the strength of our differentiated product portfolio and the value we deliver to customers across key market segments.



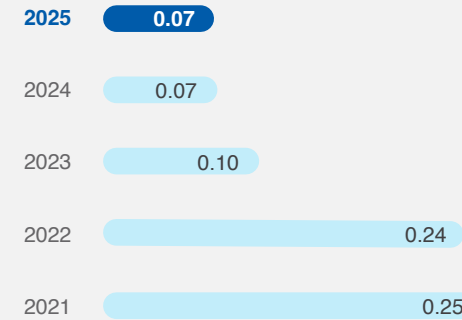
Performance

Maintained a strong quality price premium in 2025, delivering USD 224 per tonne for PE, above management guidance of USD 200 per tonne, and USD 134 per tonne for PP, broadly in line with the through-the-cycle guidance of USD 140 per tonne.

Safety excellence

0.07

Total Recordable Injury Rate (TRIR)*



*TRIR: The number of injuries per 1,000,000 hours worked.



Strategic relevance

Safety remains our top priority across all operations.



Performance

Maintained industry-leading safety performance with a TRIR of 0.07, flat year-on-year.



Business Review - Operations



Exceptional operational performance

2025 was a defining year for Borouge. In a period dominated by the largest turnaround programme in our history, the Company delivered record polyolefin production above nameplate capacity, reaffirming the exceptional strength of our operating model. Asset utilisation reached 101%, reliability remained at 98%, and several units delivered their highest-ever annual output.

In Q4 2025, Borouge achieved a new quarterly production record of 1,464 kilotonnes, supported by outstanding utilisation rates of 119% for PE and 114% for PP. These results underscore the resilience of our operations and the material impact of the ABAX 2025 transformation programme, which drove measurable improvements across all five excellence pillars.

Our unwavering commitment to operational excellence is demonstrated by our ability to deliver more than five million tonnes of polyolefin production in a complex turnaround year, while maintaining an exceptional asset reliability of 98%.

Dr Hasan Karam
Chief Operating Officer

These achievements highlight our relentless drive to enhance asset capabilities and the world-class efficiency and resilience of our operations, enabling us to deliver consistently high output without ever compromising on HSE or quality.

Operational footprint - integrated world-class production network

Al Ruwais (UAE)

Our flagship Ruwais complex remains one of the world's largest fully integrated polyolefin platforms, with a nameplate capacity of 5 million tonnes per year. Benefitting from 90% of our assets being under 14 years old, the site consistently delivers industry-leading utilisation, energy efficiency, and HSE performance.

Shanghai (China)

Our Shanghai Compounding and Application Centres play a strategic role in serving APAC customers with tailored, high-value solutions. In 2025, the sites contributed meaningfully to production and supported deeper commercial penetration in automotive, consumer products, and mobility applications.

Abu Dhabi Innovation Centre (UAE)

A catalyst for differentiation, the Innovation Centre launched 10 new products in 2025 – including advanced healthcare solutions – and accelerated Borouge's transition to data-driven operations through digitalisation initiatives and process optimisation programmes.

Marketing HQ (Singapore)

Our presence in Singapore continued to strengthen Borouge's commercial reach across fast-growing global markets. In 2025, the Marketing HQ expanded direct customer coverage and enhanced supply chain efficiency, enabling superior margin capture and improved customer service levels.

Prioritising Health, Safety and the Environment (HSE)

Borouge maintains an uncompromising focus on health, safety, and environmental performance. The HSE Excellence Journey provides a structured, multi year approach across Asset Integrity and Process Safety (AIPS), Learning from Incidents, Contractor HSE Management, HSE Competency Assurance, Environmental Stewardship, and HSE Culture Transformation.

In 2025, Borouge sustained zero Tier 1 and Tier 2 LOPC incidents, demonstrating the strength of its AIPS framework and 100% compliance with all critical HSECES preventive maintenance requirements, alarm management targets, Safety Instrumented System (SIS) learnings, and emergency response drills. Leadership visibility remained a central driver of performance, with 624 site engagement tours, over 30,000 safety observations, and full closure of all mandatory incident actions.

The Total Recordable Injury Rate (TRIR)* remained exceptionally low at 0.07, flat year on year, despite the scale and complexity of operations including the Borouge 4 project, which accounted for a significant portion of the total 96.4 million man hours worked. Borouge also achieved 100% compliance with occupational health surveillance and medical examinations for employees and contractors, reinforcing a proactive approach to health management.

* TRIR: The number of injuries per 1,000,000 hours worked.

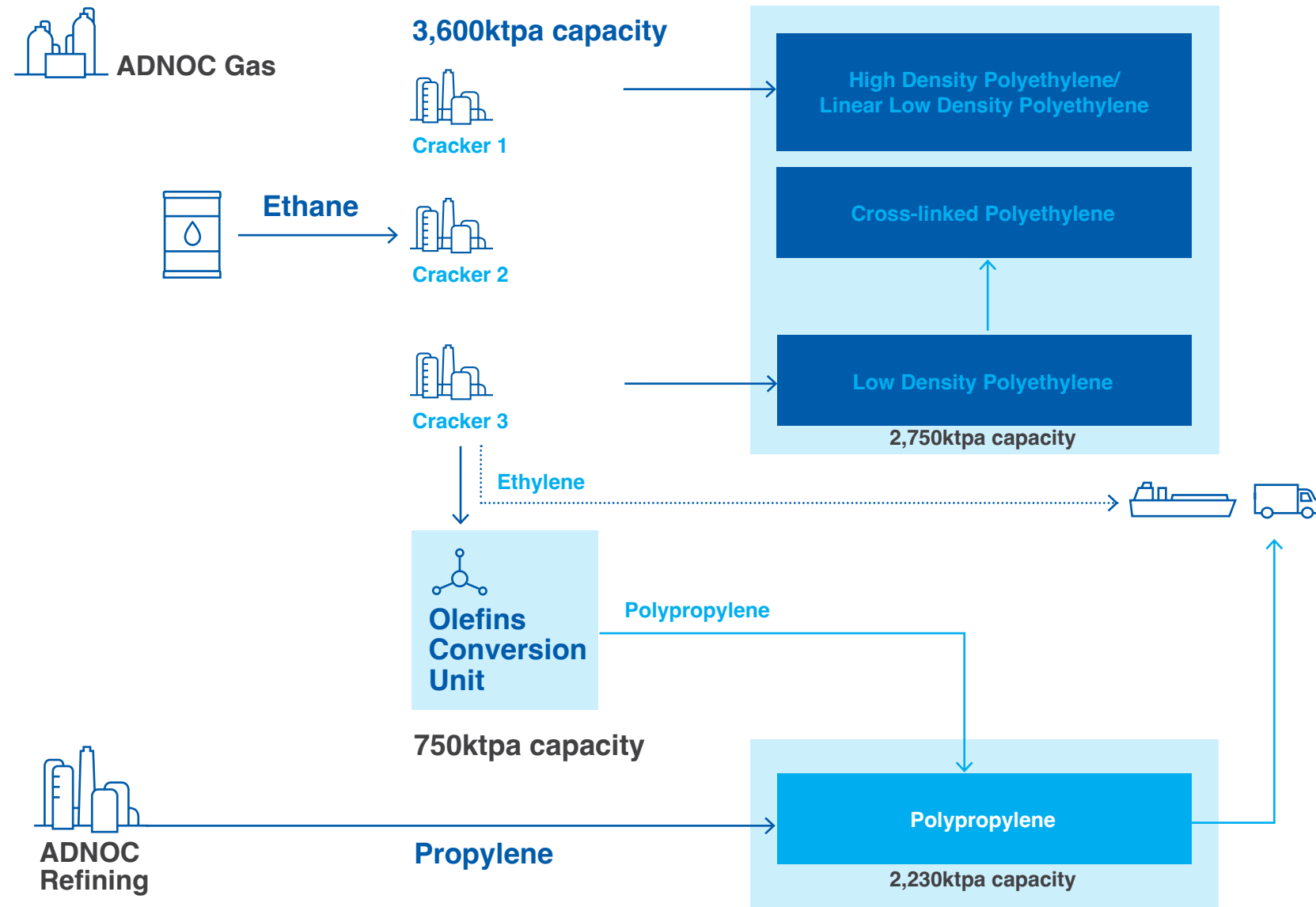
Environmental stewardship remained a key priority. Borouge achieved meaningful reductions in greenhouse gas emissions, waste generation, and flaring. The Company recycled 35% of non hazardous waste, continued the implementation of the Air Emission Monitoring System (AEMS) and fugitive emissions detection technologies, and achieved the OGMP Gold Standard for methane emissions reduction.

HSE culture transformation was further reinforced through behavioural based safety initiatives, visible leadership commitments, and employee recognition programmes. More than 75 employees were acknowledged for their contributions to safety excellence. Our strengthened HSE assurance programme ensured timely completion of all audit actions and incident learnings, while a full scale business continuity exercise demonstrated robust operational preparedness and organisational resilience.



Production Volumes
5.1Mt

Fully integrated production complex



Feedstock for Al Ruwais Complex

Borouge benefits from long-term, competitively priced feedstock supplied exclusively by ADNOC, ensuring secure volumes and strategic alignment. Current feedstock contracts extend to 2057.

	Ethane	Propylene
Supplier	ADNOC Gas Processing	~60% from ADNOC Refining and ~40% from internal Borouge sources
Volume	No minimum off-take, no contractual cap	
Contract start date	Contracts entered in October 1998, with amendments to reflect the additional volume requirements	
Contract end date	Current Feedstock Supply Agreement until 2057, includes a re-pricing mechanism due to take effect in late November 2027 (pricing mechanism due to be reviewed again in June 2045)	



Source: Company information

Production facilities

Launched in 2001, our integrated petrochemical complex in Al Ruwais Industrial City comprises Borouge 1 and five subsequent expansions — Borouge 1 Expansion, Borouge 2, Borouge 3, PP5, and Borouge 4. The site hosts a broad array of modern production units that together form one of the world’s largest polyolefin complexes. The Ruwais complex delivers 5.0 million tonnes of polyolefins annually, comprising 2.8 million tonnes of polyethylene and 2.2 million tonnes of polypropylene. In addition, we operate a Compounding Manufacturing Plant in Shanghai with a 90 kt/y capacity for advanced polypropylene compounds, enabling us to tailor automotive solutions to evolving global requirements.

Borouge 1

Borouge 1, the foundation of our operations, continues to deliver a robust performance. In 2025, the site maintained high production volumes and efficiency, contributing significantly to our overall capacity. The facility’s focus on safety and process optimisation ensured consistent output and reliability.

Borouge 2

Borouge 2, with its expanded capacity, played a crucial role in meeting the increasing demand for polyolefins. The site’s advanced technologies and operational excellence drove significant production efficiency and product quality improvements, supporting our strategic growth objectives.

Borouge 3

Borouge 3 continued to operate at full capacity in 2025. The site’s state-of-the-art facilities and innovative processes enabled us to deliver high value, differentiated products to our global customers. The facility’s focus on sustainability and energy efficiency further enhanced its performance. In Q2 2025, Borouge completed the largest turnaround in its history: the turnaround of the Borouge 3 plant. The Borouge 3 turnaround was delivered eight days ahead of schedule, reducing downtime by 15%. The reduced downtime contributed a USD 39 million positive sales margin impact, while improved execution efficiency lowered turnaround CAPEX by a further USD 4 million. All major maintenance activities were completed successfully, ensuring strong and reliable performance of the Borouge 3 assets for the next six years.

Borouge 4

In 2025, the Borouge 4 megaproject progressed past 94% completion. Commissioning activities for the first Borouge 4 unit, XLPE 2, commenced at the end of the year. The remaining units are expected to be commissioned and ramped up progressively through 2026.

In March 2026, Borouge entered into an agreement via its wholly owned subsidiary, Abu Dhabi Polymers Ltd, with the owners of Borouge 4 LLC, which will enable Borouge to operate and market the volumes of Borouge 4 in return for an at-cost utilisation fee. The Asset Usage Agreement is expected to deliver USD 400 million cumulative net profit over three years, after full ramp up of the Borouge 4 project.

Ruwais debottlenecking projects

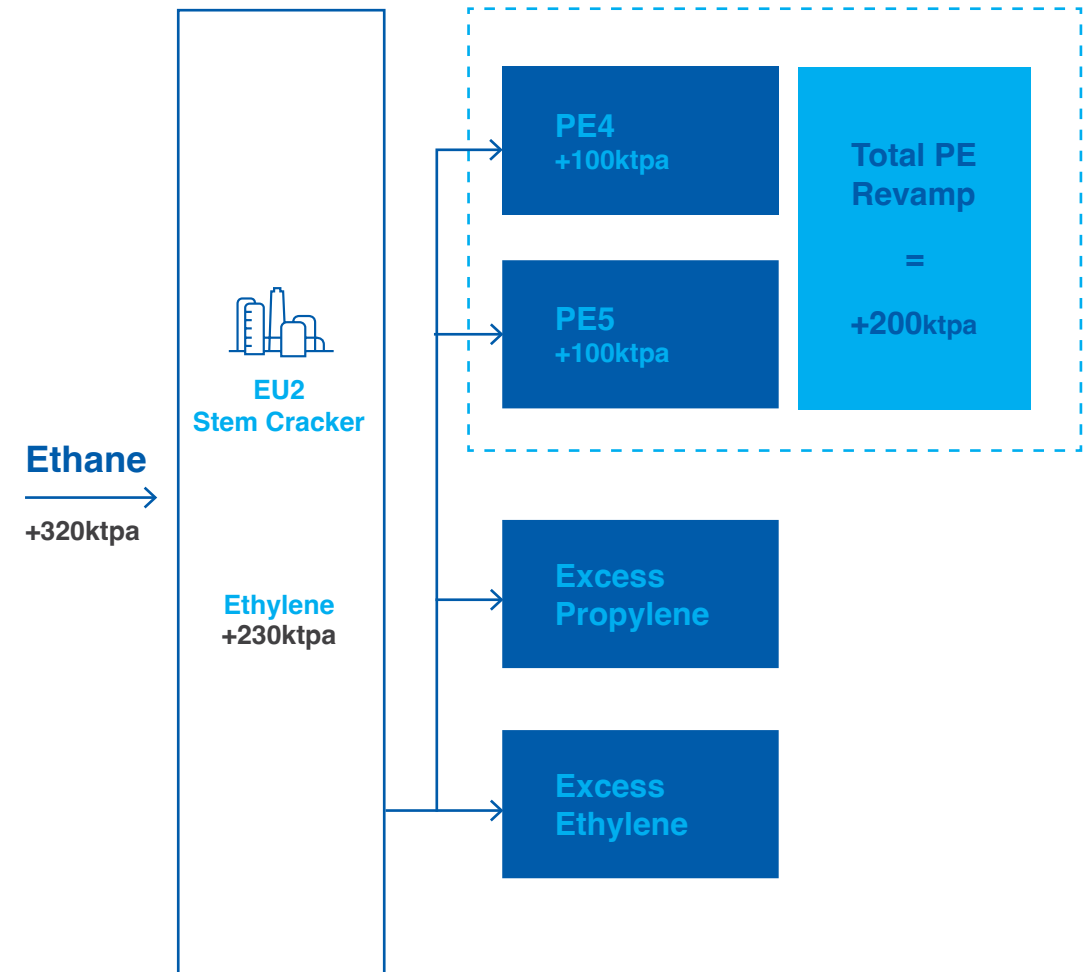
In 2025, Borouge initiated a series of asset expansion projects at the Ruwais site aimed at increasing the nameplate capacity of its second ethane cracker (EU2) and the fourth and fifth polyethylene units (PE4 and PE5). Once completed, these enhancements are expected to increase overall polyolefin production capacity by approximately 200 ktpa.

By the end of 2025, Front-End Engineering Design (FEED) services for the EU2 expansion were completed by Linde Engineering. The Company is now preparing to award an Engineering, Procurement and Construction (EPC) contract for the project in 2026. Upon completion, the EU2 revamp will add an additional 230 ktpa of ethylene production capacity.

Progress also continued on the revamp of the PE4 and PE5 production units. An EPC contract for these upgrades was awarded to Target Engineering Construction Company in 2025. This project will increase the nameplate capacity of each unit from 540,000 tpa to 700,000 tpa. Leveraging Borealis Borstar® Polyethylene technology, the enhanced units are scheduled for start-up in 2027.

In parallel, Borouge completed a feasibility study for the expansion of its third ethane cracker (EU3) and has advanced into the pre-FEED phase of development.

Ruwais debottlenecking projects



Case study

Borouge 4 commences commissioning

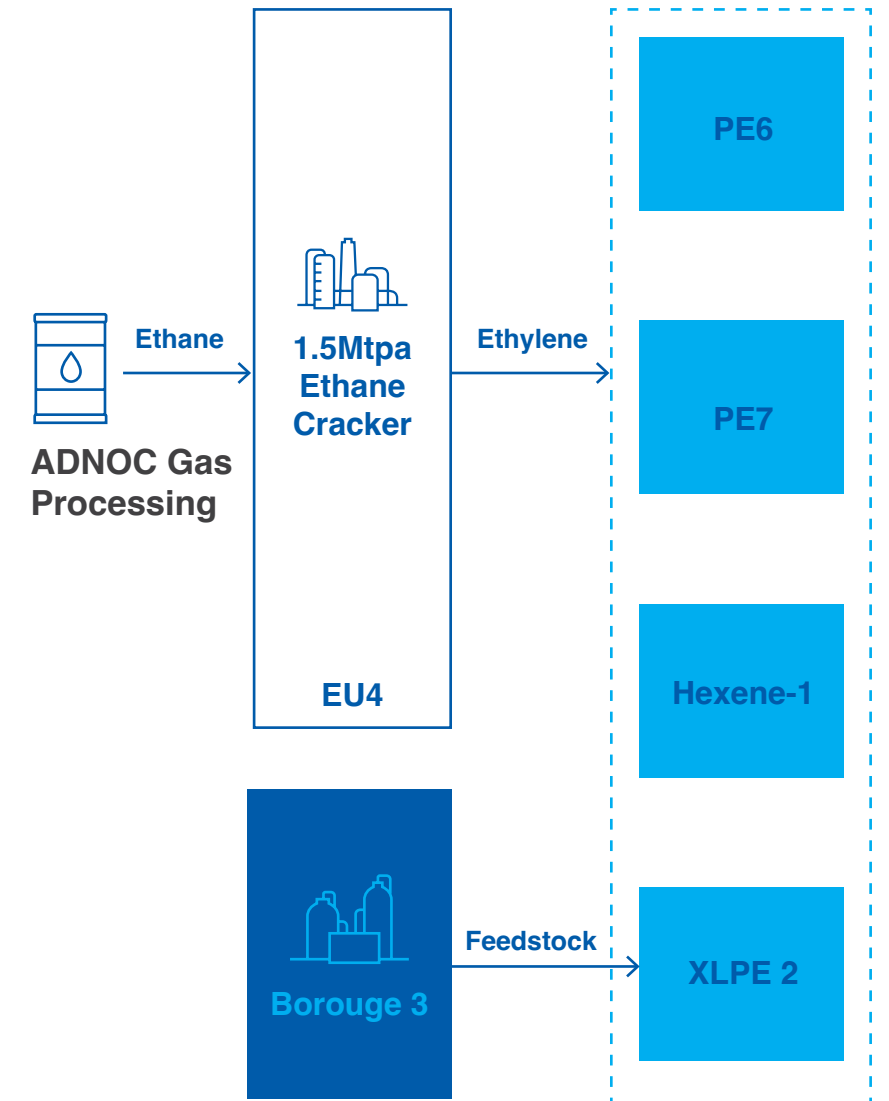


In 2025, the Borouge 4 project reached 94% completion, with commissioning of the first facility, XLPE 2, commencing at year-end. XLPE 2, which uses resin feedstock from the B3 plant, produces high-purity XLPE for the high-value wire and cable market. Production across the complex will ramp up through 2026 as the remaining units are commissioned.

The Borouge 4 Asset Usage Agreement is expected to deliver USD 400 million cumulative net profit over three years and approximately 10% earnings accretion, after full ramp up of the Borouge 4 project.

Powered by Borstar® 3G technology and rising global demand for durable, low-carbon infrastructure materials, Borouge is well positioned to deliver specialised, value-added solutions and strengthen its leadership in advanced polyolefin applications.

Borouge 4 plant



Exceptional operational performance

2025 was a standout year for Borouge, delivering polyolefin production above nameplate design capacity in a turnaround year. Operational excellence and disciplined performance management drove 101% asset utilisation, 98% asset reliability, and the highest-ever annual output across several key units. The Company also achieved its highest quarterly production on record in Q4 2025, reaching 1,464 kilotonnes, supported by exceptional utilisation rates of 119% for PE and 114% for PP. These achievements highlight Borouge’s strong operational foundation and the impact of the ABAX 2025 Programme, which delivered meaningful enhancements across all five excellence pillars.

● **101%**

Asset Utilisation

● **98%**

Asset Reliability

● Highest quarterly production on record in Q4 2025

1,464 kt

● Record utilisation rates achieved in Q4 2025

119%

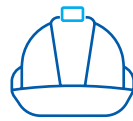
for PE

● **114%**

for PP

Sustained operational excellence

Borouge’s operational excellence framework is built around five pillars – HSE, Production, Asset Management, Technical, and People & Culture Excellence – each designed to strengthen performance, drive reliability, and support long-term value creation.



HSE excellence

We maintain an uncompromising focus on safety, asset integrity, and process safety compliance. In 2025, Borouge recorded zero Tier 1 and Tier 2 LOPC incidents, reflecting disciplined execution of our Asset Integrity and Process Safety (AIPS) frameworks. HSE leadership engagement remained strong, with 624 site tours, strengthened contractor management, and expanded assurance programmes. The deployment of AI-enabled safety technologies further reinforced behavioural-based safety practices and supported a proactive, prevention-driven safety culture across all operations.



Production excellence

Borouge continues to advance production excellence by maximising throughput, minimising losses, and improving product consistency. In 2025, production performance was strengthened through advanced optimisation technologies – Real-Time Optimisation (RTOs), Advanced Process Control (APC), Process Data Technology (PDT) and Yield Accounting Systems (YAS). AI-enabled process enhancements, including a Polymer Optimisation AI proof of concept, improved stability, increased yield, and unlocked additional performance uplift across both polyethylene and polypropylene lines.



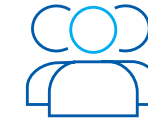
Asset management excellence

Asset management initiatives in 2025 delivered substantial reliability and cost improvements. The Borouge 3 turnaround was completed ahead of schedule with an approximately 15% reduction in downtime, generating USD 45 million in value. Further efficiencies were realised through optimised preventive maintenance, improved spare parts strategies, and the adoption of digital maintenance tools such as 3D printing and smart-part digitisation. These initiatives support Borouge’s ambition to reduce downtime by 30–40% and establish world-class shutdown and turnaround practices.



Technical excellence

Technical Excellence focuses on maximising margins through high-value differentiated products while maintaining superior product quality and top-tier First-Time-Right (FTR) performance. In 2025, process stability and reliability improved through reduced unplanned downtime, enhanced data integration, and the deployment of AI-enabled quality tools. Progress continued on the 1001 (one-out-of-one) elimination programme, strengthening equipment availability and supporting long-term asset resilience. Targeted CAPEX optimisation further ensured that investment prioritisation aligned with critical technical needs and operational risk reduction.



People and culture excellence

Borouge continues to build a future-ready, high-performing workforce by strengthening leadership engagement, enhancing technical and behavioural capabilities, and accelerating digital fluency. In 2025, strong progress was achieved through the Progressive Emiratization Programme, expanded competency frameworks, and the deployment of AI-enabled simulators and immersive digital learning tools. These initiatives have significantly improved workforce readiness and reinforced a culture of continuous learning, innovation, and operational excellence.

Product differentiation and quality

Borouge operates one of the world’s largest single-site, fully integrated polyolefin complexes, delivering significant economies of scale. The use of Borealis Borstar® technology enables differentiation at scale – enhancing asset flexibility, improving reliability, and supporting superior first-time-right production. This technological advantage allows Borouge to consistently meet the highest customer expectations while delivering high-quality, value-added solutions across its global markets.

Key focus areas for 2026

In 2026, Borouge will launch ABAX 2.0, an expanded transformation framework that introduces a sixth pillar: Base Chemicals & Utilities Excellence. This next phase will deepen integration, strengthen cost competitiveness, and elevate long-term asset resilience.

Key 2026 priorities include:

- Sustaining zero Tier 1 and Tier 2 process safety incidents
- Achieving new Best Demonstrated Rates, optimising grade mix, and scaling digital optimisation tools
- Improving asset availability through predictive maintenance and targeted bad-actor elimination
- Advancing technical resilience via the 1001 programme and enhanced CAPEX governance
- Strengthening workforce readiness through advanced capability development and AI-enabled training
- Reinforcing monomer and utility system reliability while reducing specific energy and utility consumption

Business Review – Sales and Marketing



Guided by our commitment to innovation and collaboration across the value chain, we successfully launched 10 new products that advance sustainable packaging and circular economy solutions, while addressing critical global challenges such as food security and resource efficiency. These achievements reflect disciplined commercial execution, strong cross functional collaboration, and an unwavering focus on value creation.

At the same time, initiatives such as the People Pulse Survey reinforced our culture of engagement and performance excellence, ensuring that growth is underpinned by a resilient and empowered organisation. With a clear roadmap for capacity expansion and a strong foundation of trust, partnership, and customer focus, we are well positioned to accelerate momentum and deliver sustainable, long term value for shareholders in the years ahead.

Markets and products

Against volatile market pricing conditions throughout 2025, we continued to optimise our geographic sales mix, increasing allocations to the Middle East & Africa and Borealis regions by approximately 4%, supporting improved netbacks. This calibrated approach has allowed us to optimise volume flows in a commercially beneficial way, as we reallocated supply to meet market demand while leveraging our wide-ranging logistics and delivery capabilities. Consequently, we were able to achieve a balanced distribution of our products to high-growth markets, meeting differing regional needs and providing Borouge with a leading role in the development of highly differentiated products.

These initiatives underscore our unwavering commitment and steadfast contribution to a better, sustainable future. This progress has been underpinned by the continued expansion of our manufacturing and R&D capabilities, together with the further strengthening of our global marketing footprint. Extending from East Africa across the Middle East and into India, China, Korea, Thailand, Singapore, and Vietnam, our broad geographic reach continues to be a key enabler of scale, allowing us to serve markets efficiently while optimising margin capture. Our extensive commercial platform – comprising 14 sales offices and 13 logistics hubs worldwide – supports the efficient delivery of products across multiple regions, including our largest market, Asia Pacific, alongside the Middle East, Africa, and Europe, reinforcing our ability to respond dynamically to customer needs and market opportunities. Asia Pacific accounted for 59% of total sales volumes in 2025, while the Middle East and Africa contributed 32%, with the remaining volumes distributed globally through our strategic partnership with Borealis. Our rapidly expanding global reach supported by strong pricing premia and record sales volumes, was a major driver of our outstanding financial performance in 2025. Despite a challenging market environment, Borouge delivered a net profit of USD 1.1 billion, reflecting the strength of our commercial strategy, disciplined execution, and enduring customer partnerships.

2025 was a year of strong execution and progress for Borouge

Roland Janssen
Chief Marketing Officer

In 2025, Borouge achieved significant progress across our global sales and marketing footprint, delivered through commercial excellence and execution agility, aided by the integration of artificial intelligence and digitalisation across our operations. Despite the production volume impact from a major planned asset turnaround at Borouge 3, we registered a 1% year-on-year increase in sales volume, reaching a new record volume of 5.4 million tonnes. This result was achieved through our exceptional organisational competencies, consistently strong market positioning, and solid relationships with our customers.

The new solutions that were developed in 2025 were designed to address emerging customer needs in terms of sustainability and performance. Examples include the first made-in-UAE healthcare Low-Density Polyethylene (LDPE) grade, Bormed™ LE6607-PH, for healthcare applications that enable localised production of critical sterile pharmaceutical packaging. We also partnered with China-based ROX Motor to supply advanced lightweight polyolefin solutions for its ADAMAS SUV, in addition to inaugurating a joint innovation laboratory in Shanghai to drive sustainable design for next-generation vehicles.

Segmental volumes split (2025 5.4mt)

Product group



● Polyethylene (PE)

57%

● Polypropylene (PP)

43%

End markets



● Consumer solutions

59%

● Infrastructure solutions

38%

● Others

3%

Quality price premium

Across the portfolio of differentiated PE and PP products, the average premia for PE stood at USD 224 per tonne, while PP achieved average premia of USD 134 per tonne in 2025. These figures underscore our ability to command premium prices through our differentiated

product offerings and advanced Borstar® technology. We also enhanced our pricing strategies and market intelligence in 2025, with investments in artificial intelligence tools that enabled dynamic pricing models and improved customer relationship management systems.

As a major provider of polyolefins, base chemicals, and fertilisers, Borealis has been instrumental in

supporting our sales and market expansion in 2025. Established through a joint venture with ADNOC, its expertise in advanced technology and innovation has demonstrated its ability to consistently enhance our product offerings and competitive edge.

Borealis's established market presence and customer relationships have been fundamental to our ability

to access new high-value markets in 2025 – particularly in the Asia-Pacific and Middle East regions.

Looking at our direct sales, 74% were delivered through our direct sales channels in 2025, contributing to additional margin capture and enabling strong relationships with our customers and value chain partners.

Through leadership in high-growth markets, maintaining price premia, and expanding our global footprint, we delivered record sales volumes amidst a challenging market landscape.

Differentiated product prices

	2023	2024	2025
Polyethylene			
Borouge PE average realised price	1,129	1,095	1,046
PE product benchmark	914	898	822
Borouge PE premium to benchmark	215	197	224
Polypropylene			
Borouge PP average realised price	1,016	1,047	985
PP product benchmark	891	897	851
Borouge PP premium to benchmark	125	150	134



Through-the-cycle premia guidance

USD 200/tonne PE

USD 140/tonne PP

Business Review – Technology and Innovation

Technology and quality control

Borealis' proprietary Borstar® technology continues to provide a clear competitive advantage, enabling the delivery of differentiated products with superior performance characteristics that meet stringent customer requirements while supporting our sustainability and circular economy objectives.

This focus is critical to maintaining organisational readiness in an increasingly dynamic operating environment and to positioning Borouge to capture sustainable, long term growth opportunities. The launch of Bormed™ LE6607 PH in 2025 exemplifies this approach, enabling the development of a resilient regional medical supply chain and supporting local healthcare manufacturers in reducing risk, shortening lead times, and enhancing patient safety. More broadly, we continue to advance an extensive R&D programme spanning high value applications across healthcare and hygiene, clean energy and electrification, and sustainability driven circular economy solutions. In particular, next generation circular products are being developed to address critical challenges related to food waste reduction and recyclability, reinforcing our role as a provider of differentiated, future ready solutions.

Innovation Centre

Our Innovation Centre in Abu Dhabi, with over 1,400 active patents, continues to drive significant advancements in polyolefin solutions. In 2025, key achievements included:

- Launch of high-value LDPE healthcare grade, Bormed™ LE6607-PH, in the UAE.
- Launch of a fully-recyclable, mono-material barrier stand-up pouch solution, incorporating our Borstar® FB560.

- Received Asian Oil and Gas Award 2025 for BorSafe™ HE3492-LS-H, PE100-RC material.
- Inauguration of a joint innovation laboratory on advanced lightweight polyolefin solutions with ROX Motor in Shanghai.

Capturing future growth

Borouge is structurally well positioned to outperform industry peers across the cycle, supported by a differentiated product portfolio and a clear focus on value accretive growth. In addition to developing solutions that address the world's most pressing challenges, we continue to deliver product premia above benchmark prices. This capability is underpinned by our strategic focus on differentiated products and disciplined capacity expansion, embedding scalability into both our long term strategy and day to day operations.

The Borouge 4 strategic expansion project represents a significant step change in scale, increasing production capacity by almost one third while further strengthening our innovation platform. Together, these enhancements are expected to support sales growth in major markets and reinforce our ability to generate resilient, long term shareholder value.

Innovation remains a core pillar of Borouge's business strategy, underpinning our ability to achieve and sustain operational and commercial excellence across the organisation.

Throughout the year, we remained focused on ensuring that our product portfolio remains relevant, competitive, and well aligned with key global megatrends.

Case study

BH555MO

high-performance high-flow polypropylene for rigid packaging needs

BH555MO enables up to

50%

PCR content incorporation without compromising performance

BH555MO is a best-in-class block polypropylene (PP) grade engineered for exceptional impact strength and stiffness, even at low temperatures, making it ideal for demanding applications such as industrial pails, crates, pallets, and heavy-duty toolboxes. BH555MO offers superior processability, allowing faster cycles, smoother mold filling, and reduced energy use. Our optimised rheology enables complex designs without compromising strength, making it ideal for durable, everyday products.

This new product which enables up to 50% post-consumer recycled (PCR) content incorporation without compromising performance enhances our differentiated PP portfolio. Its approval by Keter for Milwaukee Tool Boxes underscores its commercial viability and societal impact by supporting durable, sustainable consumer goods. Aligned with global trends in circular economy and carbon reduction, BH555MO exemplifies our commitment to future-proofing our portfolio and driving profitability through sustainable innovations.

Digitalisation and excellence driving the future of polyolefins through AI-powered innovation

AI and digital driven transformation

Value generation

USD 717m

Through its AIDT programme

Borouge continues to implement AI and digital-powered autonomous solutions across our value chain, covering Operations, Asset Management, Supply Chain, Sales & Marketing, Innovation & Research, HSE and our Corporate functions. Our comprehensive transformation is anchored on strategic partnerships with world-leading service providers such as Honeywell, Yokogawa, Siemens, SAS, Emerson, Maersk, MBZUAE, and Gecko Robotics in addition to strong in-house capabilities.

This foundation enables the deployment of advanced AI and digital solutions, including autonomous operations, storage probability prediction, demand planning, hazard identification through computer vision, robotic inspections, and real-time optimisation to name few.

A critical pillar of this transformation is workforce upskilling, delivered through the 'Excite, Educate and Position' framework, ensuring our teams are equipped to thrive in a digitally driven future.

As we advance and implement a range of cutting-edge AI and digital solutions as part of our transformation journey, some of the key initiatives include:

AI enabled autonomous operations

In 2025, we successfully advanced Phase I of this initiative focused on Safe Operations in close collaboration with our strategic partners. The programme aims to equip our operating facilities with AI driven autonomous control rooms, powered by agentic AI to enable real-time decision making, unlock value creation, and proactively mitigate operational risk.

This initiative is designed to accelerate growth, enhance safety and asset integrity, and reduce production losses by leveraging advanced data analytics, anomaly detection, and predictive pattern modelling. These insights activate interconnected agentic AI solutions across operations, enabling seamless field coordination, effective shift handovers, management of transient operational activities, plant optimisation, and flawless communication. The project is underway with our strategic partners across the EU2 cracker covering the Gasoline Redistillation Unit furnace and the OCU unit (dimmer section) as well as the EU3 cracker for the C3 splitter column furnace. Robust execution has commenced to ensure successful deployment over the coming years.

3D printing and digital warehouse

Borouge as successfully completed a POC by producing more than 450 critical spare parts through 3D printing, which significantly reduced cost, lead time and inventory carrying cost. We are aiming to deploy this digital technology at full scale, having identified over 15,000 potential spares to digitise while more than 1,500 spares are planned during 2026.

Borouge has successfully completed POC

450

critical spare parts through I3D printing

Borouge has identified

15,000+

potential spares to digitise

More than

1,500

spares are planned during 2026

Robotic sphere inspection

Inspection of spherical tanks using robotics was successfully performed during the Borouge 3 plant turnaround in 2025. A wall-climbing robot was deployed to conduct ultrasonic thickness measurements on the tank to assess its structural integrity and overall health. This AI-enabled solution demonstrated enhanced safety and enabled faster inspection, thus reducing turnaround time and costs.

Crackers front-end online optimisation

By integrating AI, process modelling, and real-time analytics, our crackers will consistently operate at their most efficient, profitable, and sustainable levels by dynamically adjusting over 2,500 process parameters and 70 performance targets while maintaining over 500 operational constraints.

2,500

process parameter

70

performance targets

maintaining over

500

operational constraints

Supply chain agent hub

We are transforming traditional logistics and supply chain operations to fully AI and digitally enabled processes through centralised digital hub, by data integration and storage, cleansing and knowledge mapping. The hub links external data sources and global supply chain factors to enhanced customer regularity, price forecast, demand planning and inventory management. We are now working with our leading shipping line partners to integrate their systems with the maximised yield of the Agentic Hub.

Knowledge based sales system

Our sales team benefits from an AI powered knowledge management system built on 25 years of structured and unstructured data. Leveraging large language models (LLMs), the platform enables faster and more accurate access to information, strengthening decision making, improving marketing efficiency, and enhancing customer service.

Realwear Z1 navigator

We successfully deployed Realwear Z1 Navigator at full scale, beginning with a Proof of Concept in early 2025. The intrinsically safe rugged wearable headset is designed for frontline field teams working in hazardous environments, who benefit from a voice-activated, hands-free device that displays digital information while they work on site. It has drastically enhanced productivity, safety and efficiency in tough real-world environments where traditional electronics cannot be used. Our field team have yielded benefits of remote expert assistance, improved inspection and data capture, reduced downtime and errors.

Borouge's robotics process automation

AI is deployed alongside Robotic Process Automation (RPA) to automate repetitive tasks across our operations, ensuring consistent, accurate, and error free execution while reducing manual workload and human error. This initiative enhances process reliability and speed, supports scalable operations, and advances our broader digital transformation agenda.

Launch of MEERA GPT agent

In January, our Digital and Analytics solutions and Sustainability teams partnered to launch the Borouge Sustainability Agent, Meera GPT. The tool enables ADNOC employees to easily access and learn about sustainability across Borouge, including our goals, strategies, governance framework, and key initiatives. This initiative was recognised as first runner up in the Borouge Excellence Awards under the AI & Digitalisation stream.

Recognition, reward and upskilling programme

Our AI and Digital transformation journey earned strong external recognition, reinforcing our position as an industry leader in innovation. Key accolades include the GPCA Supply Chain Innovation Award and two Industry Eagle Gold Awards for S&OP Quintiq and Bronze for our AI driven demand planning solution. In addition, Borouge was named a finalist at both the IChemE Global Awards and the Gulf Energy Excellence Awards for our real time optimiser, further validating our commitment to embedding intelligence and automation across operations to drive long term value creation. A notable highlight was our impactful showcase at ADIPEC 2025, which attracted industry leaders and positioned Borouge at the forefront of transformative advancements across the value chain.

Building on this momentum, we continue our strong focus on innovation and digital adoption, structured around three core pillars: Excite, Educate, and Position. As part of this approach, we launched a comprehensive Upskilling Programme to strengthen workforce capabilities through a broad range of internal and external learning opportunities. The initiative has delivered strong results, with 64.4% of employees (1,700 individuals) actively participating, exceeding the annual target of 60%.



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.

Maitha Al Marashi
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, we 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%

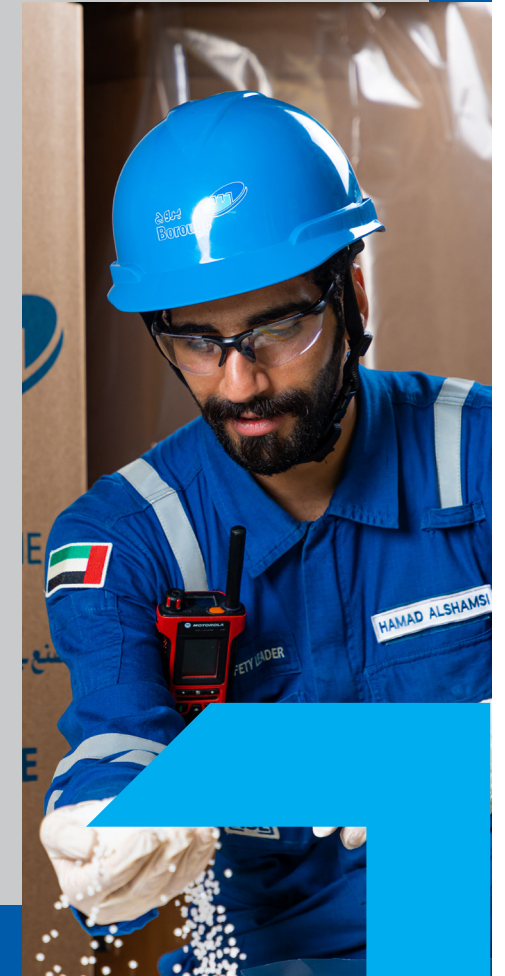
* Set against the 2018 baseline

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.



Our People

At Borouge, our people are the driving force behind our success.

Operating across Asia, the Middle East, and Africa, we are proud of our diverse community of around 3,000 employees, representing more than 50 nationalities. This diversity is a source of strength – bringing together a wide range of perspectives, experiences, and ideas that fuel innovation and resilience.

We are committed to fostering an inclusive and collaborative culture in which every employee feels empowered to contribute. Guided by our core values, we work as one team, united by a shared purpose and ambition. This spirit of collaboration underpins our ability to deliver sustainable growth, strengthen performance, and uphold the highest standards of excellence in everything we do.



In 2025, our people were instrumental in delivering Borouge’s strategic milestones and operational goals. Their dedication, capability, and commitment enabled Borouge to meet our targets and uphold the highest standards of performance. The achievements of the year clearly demonstrate the strength of our workforce and the essential role each individual plays in Borouge’s success.

Our Human Capital function continues to invest in developing and empowering our employees, creating a culture that supports growth, retention, and long term career development. By providing meaningful opportunities to build new skills, take on expanded responsibilities, and advance within the Company, we not only strengthen our talent pipeline but also enable our people to realise their full potential.

Notable achievements in 2025 related to our people development and capability building include:

- **68,305** hours of training conducted across all our programmes
- **344** HSE training sessions held for 8,530 participants, including direct hire employees and contractors, resulting in **USD 637,000** in cost savings
- **100% of the 42** Trainees who participated in our Fresh Graduate Programme completed our Youth Development Programme (YDP) and successfully integrated into the Company
- **35** Leadership Ecosystem Programme sessions held



- **36** employees supported through part time study leave, enabling them to pursue further education while balancing their professional responsibilities
- **Automated Online** tracking and reporting system created to address HSE training compliance
- **Two-day technical orientation** conducted for **45** new employees including Borouge 4 under Marhaba Ruwais Onboarding Programme

Our People

Diversity and Inclusion

We are committed to attracting, developing, and retaining a diverse workforce that reflects the breadth of the communities and markets we serve. Employees with different backgrounds, experiences, and perspectives play a critical role in driving innovation across our business. By bringing together a diverse team, we harness a wide range of ideas and viewpoints, fostering creativity and enabling more innovative and effective solutions for our customers.



As of the end of 2025, our workforce comprised 14.1% female employees across all areas of operations, with 19% of females holding management positions. Borouge is committed to advancing gender balance and supporting the empowerment of women across the organisation, in alignment with the vision of the UAE’s leadership. We continue to invest in high quality professional development opportunities to enable the growth and advancement of women across Borouge. At the same time, we are active in attracting and retaining high calibre female talent, ensuring that women play a central role in shaping our future workforce and contributing to our long term success.

Developing local talent

Developing and empowering UAE National talent is a cornerstone of our People Strategy and reflects our long standing alignment and support of the UAE’s national development agenda. We believe that investing in the skills and capabilities of Emiratis is essential to building a strong, sustainable workforce and contributing to nation building.

As of the end of 2025, we achieved our Emiratisation targets with an outstanding score of 55.54% on applicable positions. Out of our total workforce, 1,130 are UAE Nationals, comprising half of our overall headcount. This milestone demonstrates both the strength of our talent pipeline and the effectiveness of our long term approach to national workforce development. To support the growth of UAE Nationals across all career stages, we have a dedicated function focused on developing secondary- and tertiary level Emirati graduates. This team designs and delivers structured development programmes that provide the technical, behavioural, and leadership skills needed for successful and meaningful careers at Borouge. Over the years, we have continued to offer our Emirati employees opportunities for international exposure, career advancement, and professional development. By upholding high standards of excellence and providing a workplace where talent can thrive, Borouge is well-established as an employer of choice for UAE Nationals.

Employee engagement and culture

Employee engagement is essential to the long term success and sustainability of any organisation. Engaged employees are more motivated, productive, and committed, contributing directly to stronger overall performance. At Borouge, our leaders and managers continue to prioritise regular communication with employees, providing frequent updates and maintaining enhanced two way channels that encourage open and constructive exchange of information and ideas.

We also take pride in our holistic approach to employee well being, which encompasses the four dimensions of social, personal, work, and environmental well being. Throughout the year, we organised a range of well being activities designed to support work–life balance and promote a positive and healthy working environment for all our people.

We place high importance on organisational culture as a key driver of positive and sustainable change across Borouge. In 2025, we continued to implement the Culture Renovation Programme, with the objective of strengthening a high performance and accountable culture, deeply rooted in our values and behaviours, and reinforced through positive cultural shifts.

At the heart of our Culture Transformation journey is our Culture Renovation Committee, which leads our efforts to strengthen a high performance, accountable culture rooted in Borouge’s values and behaviours. In 2025, the Committee advanced a refreshed Culture and Engagement Action Plan and continued to drive leadership led communication, recognition initiatives, and the rollout of the Culture Toolkit across the organisation. To support these priorities, a series of activities were delivered throughout the year, including e learning workshops, recognition events, fireside chats, and in person engagement sessions. Culture Tuesdays also remained a vibrant part of our workplace, bringing colleagues together weekly to reinforce connection, creativity, and community.

Recruitment in 2025

Total experienced	110
Total graduates	42
Emiratisation on recruitment	64
Including graduates female diversity	8

	UAE National		Non-UAE National
	Graduates	Experienced	Experienced
Female	0	5	3
Male	42	17	85
Total	42	22	88

Performance management

Building on last year’s progress, 2025 marked a year of strengthened performance management, reinforcing our commitment to continuous development and accountability. The use of the Continuous Performance Management (CPM) system was further enhanced, ensuring that real time feedback, structured discussions and data driven insights remain central to our performance culture.

For the third consecutive year, we refined CPM subcategories to enable more precise evaluations, clearer performance expectations and stronger talent development outcomes. These enhancements supported more meaningful conversations between employees and leaders, improving transparency and alignment with organisational priorities. The integration of data analytics into performance reviews also provided deeper insight into performance trends, high potential talent and development needs. Our continued emphasis on well being and support within the performance framework helped strengthen engagement, motivation and long term success. Overall, 2025 was a year of sustained advancement in performance management, laying a solid foundation for continued excellence and workforce development in the years ahead.



Talent development

Developing the skills, capabilities and future readiness of our people is a strategic priority for Borouge. We offer a wide range of internal and external learning opportunities, including e learning, on the job training, classroom programmes, coaching, mentoring and specialised technical development.

Through ADNOC’s Learning Management System (LMS), our employees have access to curated e learning content tailored to their individual needs and interests, covering areas such as management, HSE, leadership, technical skills, role related competencies and interpersonal development. In line with our business priorities, we delivered several key learning initiatives in 2025.

Coaching for transformation

We continued our coaching platform in SAP for all employees, strengthening access to certified and professional internal coaches across Borouge. This enhanced platform supports employees in unlocking their potential, stimulating creativity and productivity, and driving meaningful personal and professional growth.

Youth empowerment

In 2025, we continued to invest in the development of our young entry point professionals, integrating them into the organisation and preparing them to take on increased responsibilities.

We remain committed to equipping early career talent with the skills, exposure, and support needed to contribute effectively within their functions and to the wider organisation.

Early Professional Employees (EPEs) were integrated under our Youth Development Programme (YDP), while 20 ADNOC Training Academy trainees completed the 25% our On-Job Training Programme and successfully graduated.

● **7 EPEs**
During 2025, seven Early Professional Employees (EPEs) were integrated under our YDP

● **20**
ADNOC Training Academy (ATA) Trainees completed **25%** our **On-Job Training Programme** and successfully graduated.

● **20** employees graduated from Cohort 1 in 2025
36 employees are currently enrolled in Cohort 2

Competency streams Technical Competence Standard

We achieved 97% implementation for Operators, Technicians, and Supervisors.

Asset Integrity & Process Safety Standard

We achieved 97% implementation for Operators, Technicians, and Supervisors.

Internship programme

During 2025, we welcomed 87 Interns, who were given the opportunity to gain basic work experience and fulfil their graduation requirements. In addition, there were 60 talent mobility cases within Borouge during 2025, giving them the opportunity to enrich their knowledge, experience, and skills by involving in various projects and leadership development plan.

Borouge elite programme

The Borouge Leadership Ecosystem continued in 2025, featuring a bespoke, 12-month, Continuing Professional Development (CPD)-accredited Elite High-Potential Programme, which combined executive masterclasses, curated digital learning, and business critical projects sponsored by senior leadership.

In addition, we delivered the 2025 Elite Programme, developing high potential talent through two cohorts and five targeted interventions, which included financial acumen, leadership effectiveness, and project execution, with strong participation and 20 graduates.

Furthermore, we designed comprehensive toolkits to reinforce learning across all programmes, supporting lasting behavioural change and delivering a positive ROI, as evidenced by participant feedback.

Risk Management

Enterprise Risk Management

In 2025, we advanced from a traditional defensive risk mitigation to a model of Strategic Resilience, positioning Borouge to thrive amid volatility and complexity.



Strategic resilience in action

We operated against a backdrop of global macroeconomic uncertainty, geopolitical disruptions, and accelerating regulatory change. Despite these conditions, we continued to anticipate, adapt, and respond effectively, leveraging an Enterprise Risk Management (ERM) framework that is deeply embedded across the organisation.

Our ERM approach is anchored in internationally recognised standards, including ISO 31000 and COSO ERM, ensuring alignment with global best practice. This framework is not merely procedural; it is cultural. Risk-informed decision-making is integrated from strategy and capital allocation through to operational execution, reinforcing trust and resilience.

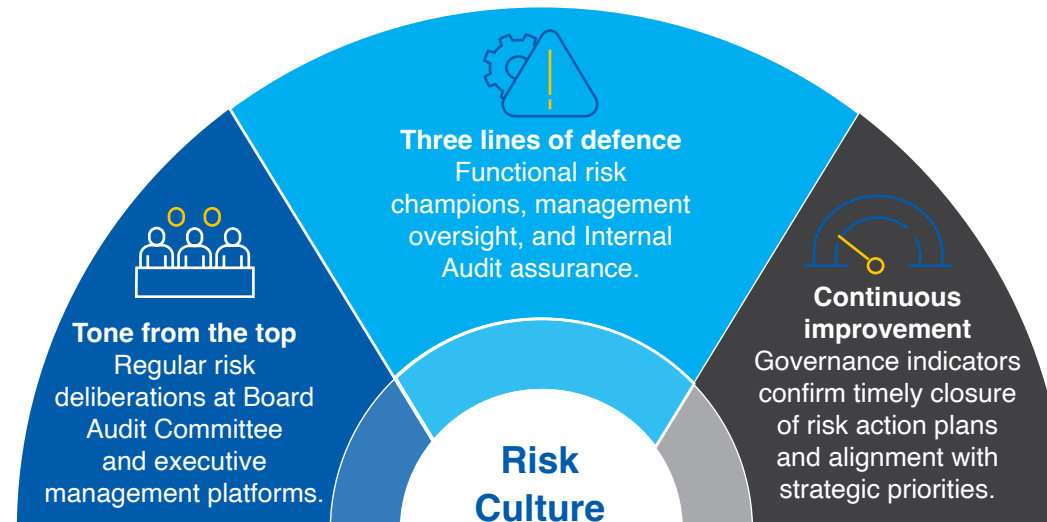
Looking ahead to 2026, our priority is to deliver on our strategic growth objectives, while remaining resilient through the cycle and positioning the business to capture long-term polyolefins demand growth. We do not merely manage risk; we manage for reality, building resilience today to convert future demand into sustained value.

Risk culture

Risk culture remains a cornerstone of Borouge's resilience. In 2025, we strengthened this culture by fostering proactive risk conversations across leadership platforms, including the Board Audit Committee sessions and executive management reviews. These dialogues ensure that emerging risks are identified early and deliberated at the highest levels, reinforcing a strong tone from the top.

Our governance model follows a structured, multi-layered oversight approach: our CEO provides strategic approval of Borouge's risk posture, senior management aligns mitigation strategies with business objectives, and risk champions embedded across functions identify issues at source. Independent assurance from Internal Audit validates the effectiveness of controls, supporting continuous improvement and accountability.

Our risk culture is built on:



The Borouge ERM Framework

Our risk methodology remains anchored in ISO 31000 model and COSO ERM guidance, ensuring alignment with globally recognised best-practice standards. ERM is embedded across Borouge’s culture so that every decision, from day-to-day

operations to multibillion-dollar investments, is informed by a clear understanding of risk. This integration strengthens trust, supports disciplined governance, and enables sound, forward-looking decision-making throughout the organisation.



The risk assessment architecture

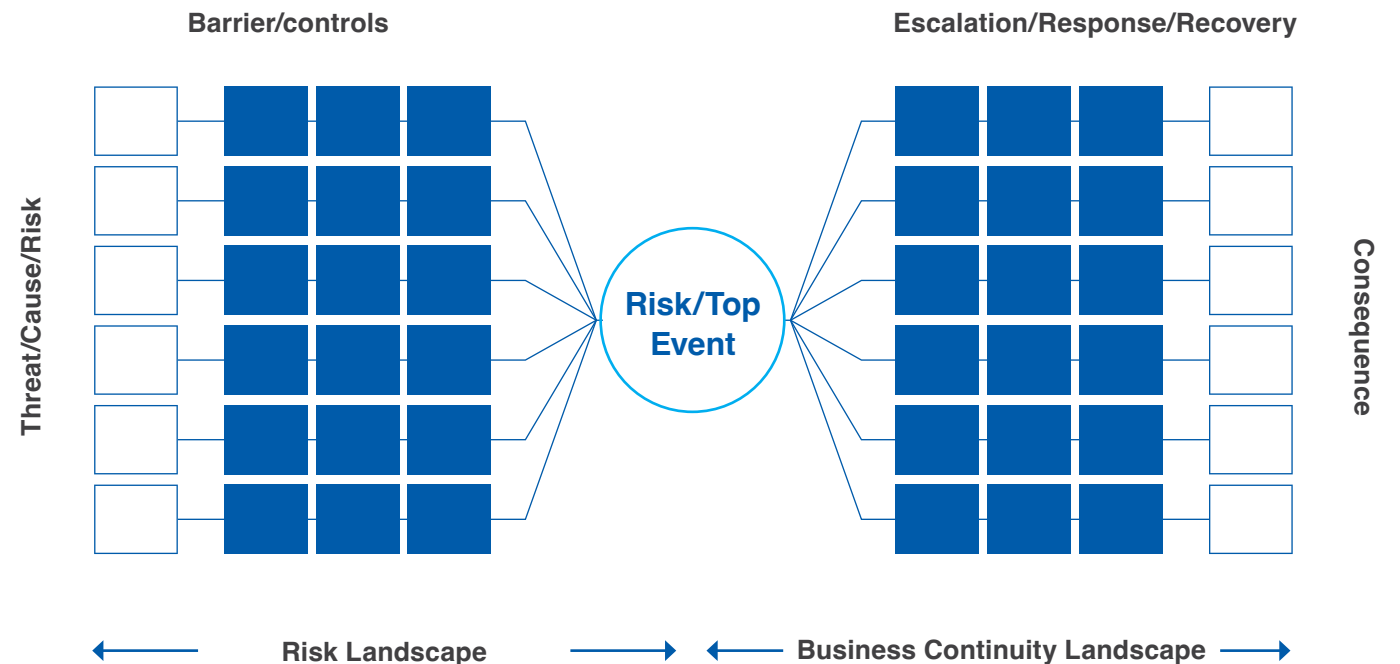
We apply a systematic process to identify, analyse and evaluate risks, ensuring a consistent approach across all operating locations.

- **Establishing the context:** We define key parameters based on the external environment, shareholder expectations and our internal value drivers.
- **Identification and analysis:** We assess where, when and how potential events could affect our business objectives, considering both threats and the opportunities that may emerge.
- **The Bowtie Method:** This visual methodology maps the progression of risk from root causes to final consequences. It clarifies the distinction between preventive controls (before an event) and reactive controls (after an event), supporting robust business continuity planning.

Risk treatment and mitigation philosophy

Based on our established risk thresholds and tolerance levels, Borouge applies four primary treatment strategies to manage risk effectively:

- **Treat:** Reduce the likelihood and/or impact of a risk by implementing mitigation action plans or Risk Action Plans (RAPs).
- **Tolerate:** Accept the risk within defined limits while continuing to monitor for changes.
- **Transfer:** Shift the financial or operational impact of a risk to a third party, such as through insurance or outsourcing. This does not eliminate the risk entirely but can mitigate its consequences.
- **Terminate:** Avoid or discontinue the activity that gives risk to the risk where feasible.



Risk Management

Governance oversight and continuous improvement

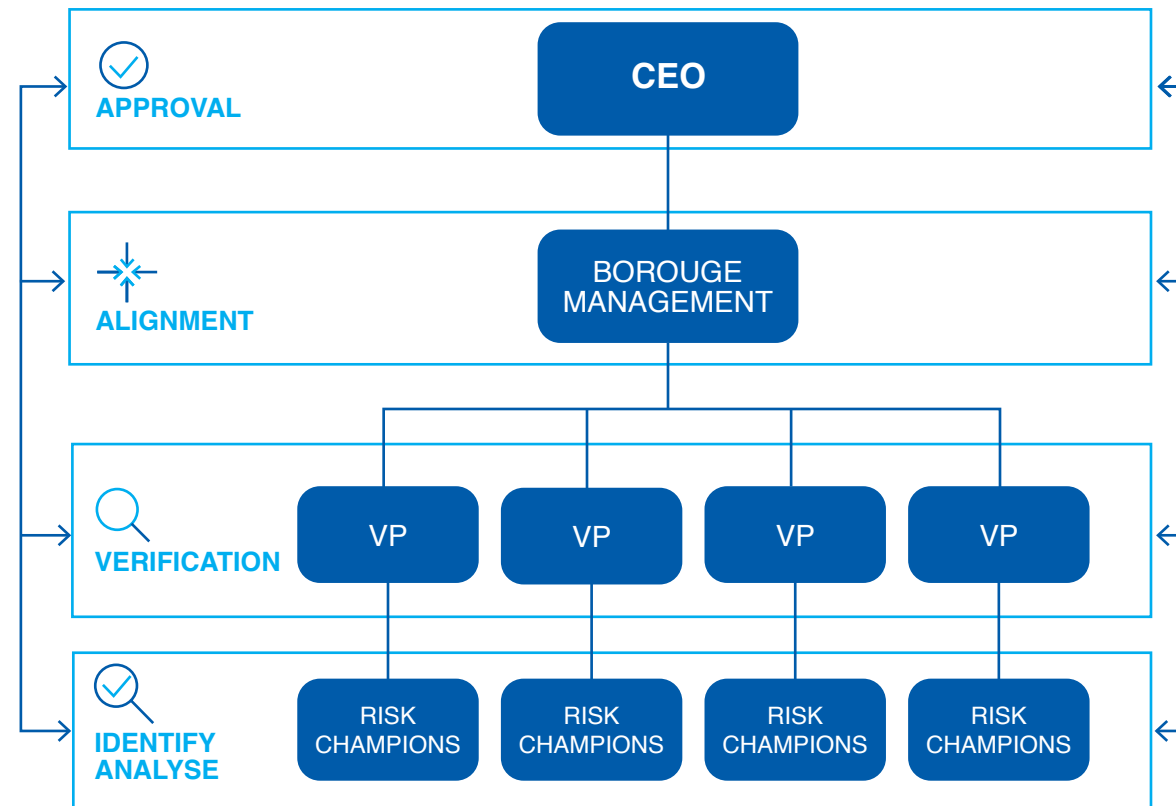
ERM is embedded across the organisation to ensure Borouge effectively manages risks and supports both short-term performance and long-term growth aspirations.

Our approach is integrated and proactive, enabling the business to anticipate and respond to a wide range of risks and potential disruptions.

Our multi-layered oversight structure ensures clear accountability throughout the enterprise:

- Approval**
 Our CEO provides final strategic approval of Borouge’s overall risk posture.
- Alignment**
 Our senior management ensures risk-mitigation actions are aligned with business objectives and operational priorities.
- Verification**
 Our functional management verifies that mitigation measures are effective and operating as intended within their departments.
- Identification and Analysis**
 Our risk champions embedded across all departments identify emerging risks at the source and escalate them appropriately.

Our Internal Audit Department provides independent assurance by assessing the effectiveness of these processes and incorporating feedback from management, risk champions and ERM team. This ensures our control environment remains strong, adaptive and aligned with evolving business and risk landscapes.



Emerging risks

In a dynamic market environment, we continuously assess emerging risks to remain proactive and resilient. This process involves ongoing monitoring and analysis of external factors that could influence our objectives and performance. Identified emerging risks are reviewed through our Management Committees, ensuring leadership has clear visibility and is prepared to respond.

Where possible, new and evolving risks are linked to existing risk categories, allowing for a cohesive and integrated risk management strategy. Mitigation action plans are then defined, monitored, and tracked to ensure effective timely and effective response. This proactive process strengthens Borouge’s ability to adapt to volatility and maintain resilience in pursuing our strategic goals. During 2025, this included:

- 
Continuously reporting and assessing emerging risks through Leadership Committees and Board Audit Committee meetings, ensuring timely visibility and oversight.
- 
Supporting our management and project teams by providing risk insights for strategic growth projects and major initiatives.
- 
Conducting scenario-based risk assessments to support the business during disruptive market conditions and global events impacting our operations.

Risk Management

Navigating **principal risks** in 2025



Geopolitical & geo-economic

The year was marked by persistent geopolitical and geoeconomic disruptions. The Red Sea and Suez Canal corridor, which typically handles 12-15% of global trade and nearly 20% of container traffic, experienced severe interruptions, forcing carriers to reroute via the Cape of Good Hope. This extended transit times by up to two weeks and drove shipping costs to levels more than 140% above pre-crisis benchmarks. Borouge mitigated these exposures through friend-shoring strategies and diversified logistics routes, preserving supply chain integrity.



Macroeconomic & market

Macroeconomic conditions added further complexity. Global GDP growth moderated to 3.2%, while polyolefin markets faced a pronounced down-cycle driven by oversupply and weak demand. Borouge responded with disciplined capital management, value-based pricing, and a focus on specialty grades to protect margins. At the same time, regulatory developments accelerated. The European Union's Carbon Border Adjustment Mechanism (CBAM) moved toward its definitive phase, and sustainability reporting obligations under CSRD and EPR began to reshape compliance landscapes. Borouge proactively advanced low-carbon intensity initiatives and traceable product data capabilities to maintain market access and meet evolving stakeholder expectations.

In 2025, the United States implemented broad tariff measures under its "reciprocal trade" policy, imposing a baseline 10% duty on most imports and significantly higher rates on targeted sectors, including chemicals and plastics. Polyolefin imports, such as polyethylene and polypropylene, faced combined tariffs exceeding 25%, while downstream plastic products were subject to duties of up to 45%. These actions disrupted global trade flows, raised input costs, and reduced U.S. resin imports by nearly 7% year-on-year. For Borouge, the tariff environment compressed competitiveness for commodity-grade resins but reinforced the strategic importance of specialty products and regional diversification, enabling us to mitigate exposure and sustain market access despite shifting trade dynamics.



AI & cybersecurity

Cybersecurity risks intensified across industrial sectors, with ransomware campaigns and OT/ICS-targeted attacks escalating. In response, Borouge transitioned from static controls to dynamic, agentic governance, implementing zero-trust principles for operational technology and deploying digital-twin-enabled resilience strategies. These measures strengthen our ability to safeguard critical infrastructure and maintain operational continuity.



Sustainability & ESG

CBAM’s definitive regime begins on 1 January 2026: EU importers must purchase and surrender CBAM certificates against embedded emissions in covered sectors, with scope expansions under consideration. On reporting, the EU’s Omnibus I has narrowed Corporate Sustainability Reporting Directive (CSRD) scope, targeting companies with over EUR 450 million turnover and over 1,000 employees, with first-wave companies having reported for 2024 and certain later waves deferred. Digital Product Passports under the Ecodesign for Sustainable Products Regulation (ESPR) are phasing in from 2026, with batteries and other high-impact categories prioritised; harmonised standards are being advanced to enable interoperability. Implication: low-carbon intensity and traceable product data become prerequisites for EU market access.



HSE & operational

Borouge’s integrated Al Ruwais site is recognised as the world’s largest single-site polyolefins complex, which forms a cornerstone of our HSE risk management strategy. By consolidating production units, utilities, and safety systems under a unified governance framework, we ensure consistent standards and operational resilience. Leveraging ISO 50001-certified energy management and the Ruwais Environmental Sustainability Programme, the site has delivered significant reductions in flaring, water consumption, and greenhouse gas emissions since 2018. Large-scale maintenance turnarounds, such as Borouge 2, were executed with strong adherence to HSE protocols and millions of safe man-hours, underscoring our commitment to minimising operational risk. This integrated approach enhances our ability to prevent, detect, and respond to HSE challenges across the entire complex.



Strategic growth

Borouge 4 remains a flagship execution priority. Execution focus areas include commissioning readiness, workforce availability, and rapid market integration, with prudent capital cycle management given the broader oversupply signals in basic chemicals.



People & talent

The World Economic Forum’s 2025 Future of Jobs survey underscores the pivot in skills: 39% of core skills are expected to change by 2030, with AI/big data, cybersecurity, and technological literacy among the fastest-growing capabilities. Employers anticipate substantial reskilling, with demand strongest at the intersection of petrochemicals domain expertise and data/automation proficiency. Our succession planning and knowledge management programmes are prioritising these hybrid skill sets.



Looking ahead: 2026 and beyond

In 2026, Borouge’s strategic posture shifts from realignment to high-stakes execution. The commissioning of Borouge 4 remains a flagship priority, requiring meticulous readiness planning, workforce optimisation, and rapid market integration. At the same time, we continue to navigate a challenging capital cycle characterised by petrochemical oversupply and margin compression. Our focus on disciplined investment, operational excellence, and sustainability compliance positions Borouge to convert potential risks into structural advantages. **By embedding resilience into every facet of our operations, from governance and culture to technology and sustainability, Borouge stands prepared to deliver sustainable value to stakeholders in an increasingly complex global environment.**