



## SABIC ANNOUNCES GLOBAL OPERATIONAL TRANSFORMATION TO BETTER MEET CUSTOMER NEEDS

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SABIC today announced it is undertaking a global transformation aimed at creating a more agile, cost-efficient, and customer-focused organization that meets their needs more effectively. The company's new organizational structure is expected to be in place by January 1, 2016.

The reorganization follows a comprehensive review addressing the challenges SABIC faces in the context of the company's 2025 strategy -- including changes in the market landscape as well as the need to drive technology and innovation. To meet these challenges, the company is optimizing its existing portfolio while at the same time investing in the innovations that are required for future growth.

As a result of this optimization, the commodity products of the Innovative Plastics Strategic Business Unit (SBU) will now be housed in the Chemicals and Polymers SBUs. The remaining Innovative Plastics' solutions will fall under a newly created SBU called Specialties. This business will serve as the exclusive home for SABIC specialty solutions. Along with the Performance Chemicals SBU, the portfolio of which was reallocated earlier, the Innovative Plastics SBU will cease to exist.

"This reorganization will focus resources more intensively on the needs of each line, enhancing customer intimacy with more focused solutions provision and helping move SABIC to the next level of portfolio product management", said Yousef Abdullah Al-Benyan, Acting Vice Chairman and CEO of SABIC. "The changes will enhance our global footprint to serve our customers locally while providing solutions globally."

One of the drivers of this change is the differing technology priorities of commodity and specialty businesses. The future of the commodity line will depend heavily on innovations around advancing feedstock technology. Specialty products face separate technology challenges, including the need to seek out technology acquisitions and partnerships or joint ventures that can enrich SABIC's existing portfolio.

"This initiative will build a stronger, better SABIC -- one capable of global leadership in meeting customer needs, developing employees and contributing to the communities where we live and work," said Yousef Abdullah Al-Benyan, Acting Vice Chairman and CEO of SABIC. "We are committed to building a company that provides our employees with the opportunity to grow and develop."

"We have strong ambitions in terms of growth, market position and innovation," Al-Benyan added. "Our global 2025 strategy is to be the preferred world leader in chemicals by delivering 'Chemistry that Matters<sup>™</sup>'. This includes striving for excellence in areas, such as customer value, environmental protection, health and safety, cost competitiveness and sustainable profit."

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