



SUSTAINABILITY WITH PURPOSE

SUSTAINABILITY REPORT 2020



Late Sheikh Zayed Bin Sultan Al Nahyan
Founder of the United Arab Emirates



**His Highness Sheikh
Khalifa Bin Zayed Al Nahyan**
President of the United Arab Emirates



**HH Sheikh
Mohammed Bin Zayed Al Nahyan**
Crown Prince of Abu Dhabi
Deputy Supreme Commander
of the UAE Armed Forces



Learn about Plastics



Borouge Sustainability Video

Contents

CEO Statement	5
Our Journey	6
Borouge 2030 Strategy	8
Highlights 2020	9
Our Company	10
Committed to Sustainability	13
People Social Responsibility	26
Planet Environmental Stewardship	48
Profit Economic Growth	63
About this report	86
GRI Content Index	87



Hazeem Sultan Al Suwaidi
CEO
Abu Dhabi Polymers
Company (Borouge)



Wim Roels
CEO
Borouge Pte Ltd

CEO STATEMENT

2020 has been an extraordinary year with the COVID-19 pandemic. This year we had a mission to pull together and apply our collective expertise with purpose to protect our staff, customers and local communities. We raced to support our customers’ production increase of different hygiene products to contain and minimise the spread of the virus. As such, we managed to reach an unprecedented production record, proving how resilient our operations are. We also progressed as scheduled with our expansion plans at Borouge 4 and PP5 and refreshed our Borouge 2030 (B2030) strategy to proactively steer our business ambitions.

Our relentless efforts to meet the increasing demand of our products did not distract us from our commitment to always preserving the environment. We achieved a record of the lowest flaring since the start of our operations, and we launched a state-of-the art Energy Management Information System. Borouge did not only rise to the challenges the pandemic introduced, but also managed to keep on introducing new and innovative ways to care for our clients’ needs in different sectors, such as the renewable energy and fibre optic.

Providing a safe work environment while maintaining our business continuity and quality standards was a big challenge of 2020. Our focus on 100% HSE is unwavering and remains our top priority, which is reflected in our new safety track record for PP5 of 15 million safe man-hours.

At Borouge, we believe that our employees’ safety, wellbeing and happiness are the foundation of success. This vision has materialised by receiving the “Caring Employer Award” in Singapore for our programmes supporting our employees throughout the pandemic. Furthermore, we have put more efforts into digitalising our processes and activities to remain operational in a safely manner.

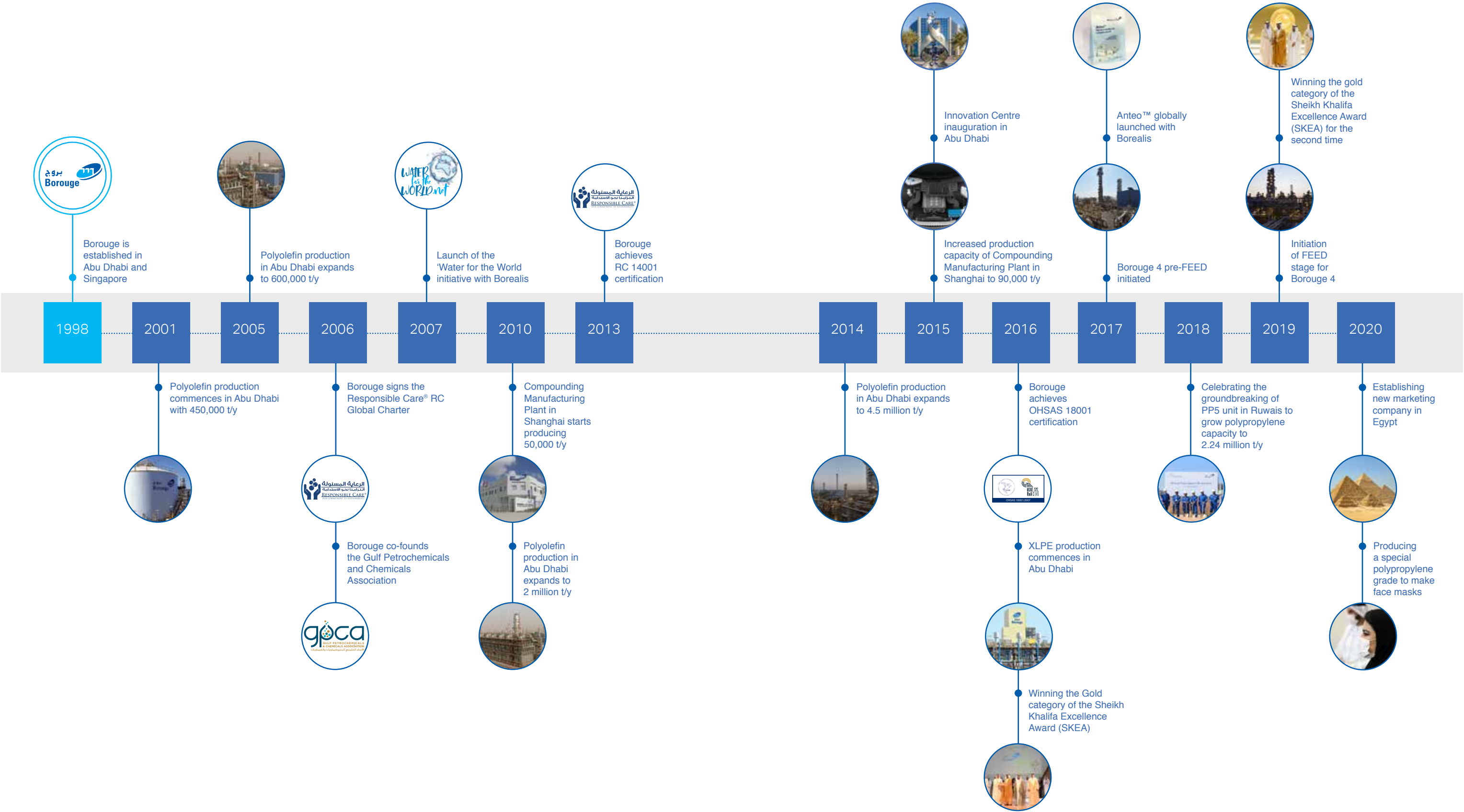
Focusing on our operations’ sustainable development is key to assisting in preserving the environment and positively affecting our communities. This year, our programmes continued their operations and contributions to the community and we are committed to continue collaborating with the future generation of leaders through our new virtual Polymers on the Move to help them understand, embrace and promote the benefits of plastics and sustainability principles. During 2020 and despite the restrictions that the pandemic posed, our employees volunteered over 3,000 man-hours and impacted over 2,700 people across three countries.

It is important to remind ourselves of the great achievements we proudly delivered during this unique year. We received the “ADNOC Excellence Award” under the Responsible category for our commitment to the UAE’s fight against COVID-19 with polypropylene (PP) solution for face masks and the “2020 Best Sustainability Communications Programme award” as part of the Abu Dhabi Sustainable Business Leadership awards. Borouge was also awarded the “HR Asia Best Companies to Work for in Asia” both in Singapore and China, which marks a win on the first attempt in China and a third consecutive win in Singapore.

We have created a circularity ambition as part of our B2030 strategy. We took our first step in this direction by obtaining the International Sustainability and Carbon Certification (ISCC) PLUS. This achievement verifies that Borouge meets the highest environmental and social standards and paves the way for us to offer a range of circular polypropylene products.

At Borouge we recognise that the challenges ahead of us are significant, and we are confident that a steady growth path can be achieved. Our ambition is to extend our full support to our clients, create innovative solutions and value-adding quality, while operating sustainably. We will continue our journey leveraging our people’s skills, innovations, technology and capabilities to remain productive, whilst navigating the new normal brought about by the COVID-19 outbreak.

OUR JOURNEY



BOROUGE 2030 STRATEGY

In 2020, we refreshed our Borouge 2030 Strategy (B2030 Strategy) to proactively steer our business ambitions in response to the changing business environment over the last years. The refresh remains centred on the three main themes in our journey, Excellence, Identity and Growth, to achieve our long-term vision.



B2030 Strategy

- Maintain “differentiated at scale” as the key positioning of Borouge
- Increase our capacity to 8.5 MTA, leveraging our market growth
- Pursue excellence and drive margin enhancement efforts across the value chain
- Explore offering recyclates as part of our product portfolio

By implementing this strategy, we aim at expanding our capabilities, strengthen our market position and be recognised for our innovative plastics solutions. We believe this can be achieved by growing our production capacity, pursuing excellence, providing differentiated products to our customers with better value and pursuing circularity during their use.

To-date, the 2030 Strategy has delivered the desired results, remained robust, is aligned with our vision, mission and values and we are continuing its rigorous implementation.

HIGHLIGHTS 2020



EXCELLENCE

- Record sales volume during a challenging year
- Record Ethylene and Polyolefin production and asset availability with uninterrupted business continuity
- PP5 project achieved 15 million safe man-hours, demonstrating their commitment to 100% HSE
- Lowest annual flaring with a 37% decrease compared to the previous record
- Best ever first time right production and lowest justified product complaints per kt sold by customers
- Outstanding performance Process Safety Tier 1 event rate of (0.0)

IDENTITY

- ADNOC Excellence Award under the Responsible category for producing HH450FB, a special grade of our portfolio that is made in UAE and is used in face masks, supporting the healthcare industry in the UAE and Middle East region in the fight against COVID-19
- Abu Dhabi Sustainability Group Award for the Sustainable Campus Initiative for the third time in the category Best Sustainability Communications Programme
- Exceeded the Emiratization target
- Over 3,000 man-hours volunteered impacting over 2,700 people across three countries
- HR Asia Most Caring Companies Award, Singapore for our programmes supporting our employees during the challenging COVID-19 year
- International Sustainability and Carbon Certification (ISCC) PLUS

GROWTH

- Borouge 4 FEED progressing well
- PP5 on track for start-up in 2021
- Digitalisation strategy and roadmap through digital pilot and scale-up
- Launch of new PE100 grade for water pipes to help alleviate water scarcity in China
- Launch of innovative (ANPQ) grade for packaging to support our circularity ambitions
- Ambition to offer recyclates as part of product portfolio

OUR COMPANY

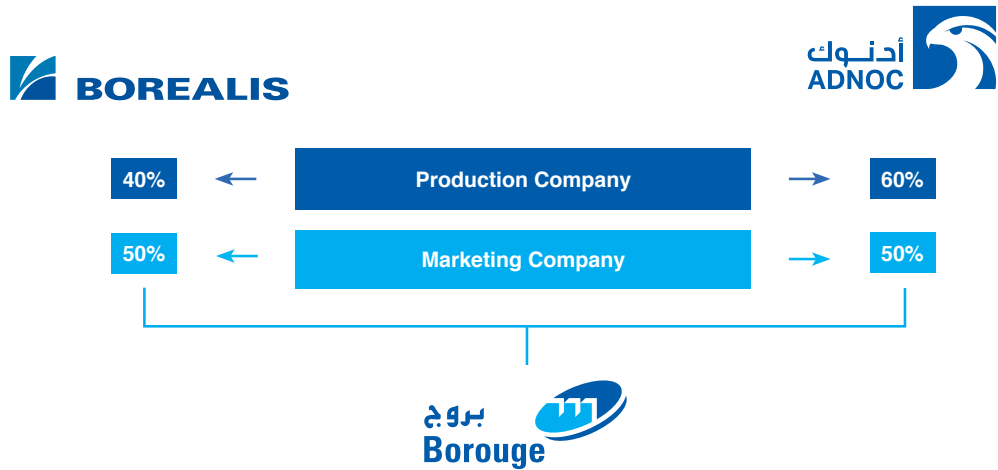
Borouge is a leading petrochemicals company that provides creative plastics solutions for a wide range of industries. Established in 1998, we are a joint venture between the Abu Dhabi National Oil Company (ADNOC) and Austria-based Borealis.

We employ more than 3,000 people with 51 nationalities, serving customers in 50 countries across the Middle East, Asia and Africa. Borouge is made up of two entities:

- Abu Dhabi Polymers Company (Borouge) is a production company based in Abu Dhabi and primarily responsible for petrochemicals production, commonly referred to as “Borouge ADP”
- Borouge Pte is headquartered in Singapore and primarily responsible for the marketing, sales and delivery of products to the customers of Borouge around the globe

From hereafter, the entire company and all its entities are referred to as “Borouge”, thereby representing them all as one company sharing the same vision, mission, brand, values and strategy.

Ownership



Our Vision

The recognised leader in creative plastics solutions that have a positive impact on society today and tomorrow

Our Mission

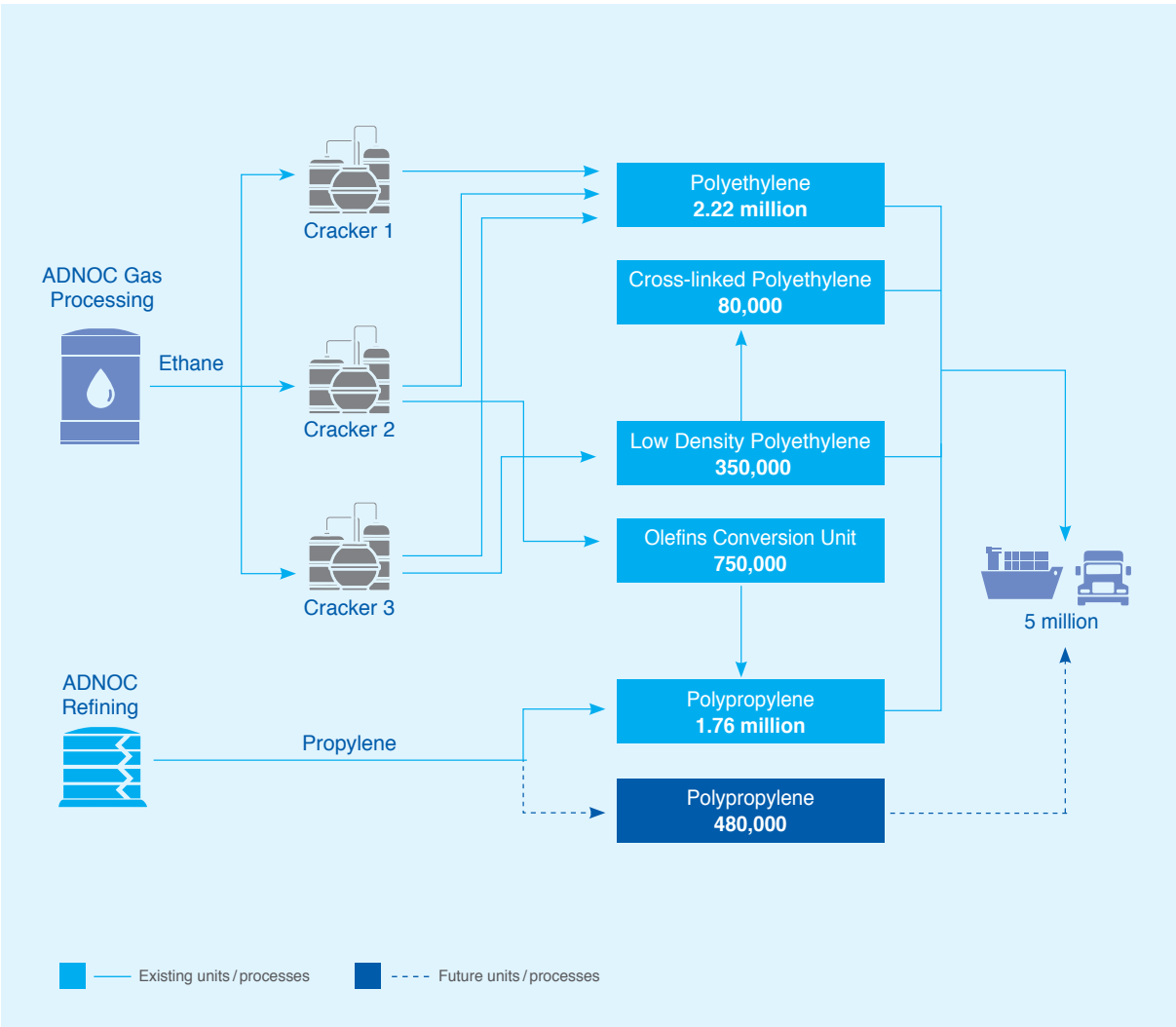
Value creation through people and innovation

OUR OPERATIONS

Our petrochemicals and plastics manufacturing plant is located in Ruwais at a distance of about 250 km west of Abu Dhabi City. The facility is now one of the largest fully integrated single-site polyolefins complex in the world, with an annual capacity to produce 4.5 million tonnes of polyethylene (PE) and polypropylene (PP). The complex is also the largest Borstar® process technology-based plant in the world, providing enhanced innovative bimodal polymers for a broad range of plastic applications.

In 2020, we remained on track to increase our production capacity at Ruwais by making good progress on the Front-End Engineering and Design (FEED) for Borouge 4, the next mega-project expansion that will significantly increase our production capacity by 2025. Meanwhile, we are progressing steadily in our plan to build a new polypropylene plant (PP5) and are in the process of Engineering, Procurement and Construction (EPC) phase with its targeted start-up in 2021.

Annual manufacturing capacities of the Ruwais operations (tonnes)



In addition to our production site in Abu Dhabi, we have a Compounding Manufacturing Plant (CMP) in Shanghai, which compounds resins from the Ruwais plant specifically for the Asian automotive industry. The plant commenced operation in 2010 with an annual capacity of 50,000 tonnes, which was then expanded to reach 90,000 tonnes in 2015.

We have various logistics hubs in different locations, such as China, in addition to the UAE gateways at Khalifa Port and Jebel Ali Port, and our Regional Distribution Centre in Ruwais. We maintain a well-spread and efficient Sales and Marketing network to meet the needs of our customers around the world, including in Abu Dhabi, Singapore, Beijing, New Delhi, Shanghai, Tokyo and Cairo. This is further supported by our network of agents and distributors in other locations.

Our global presence



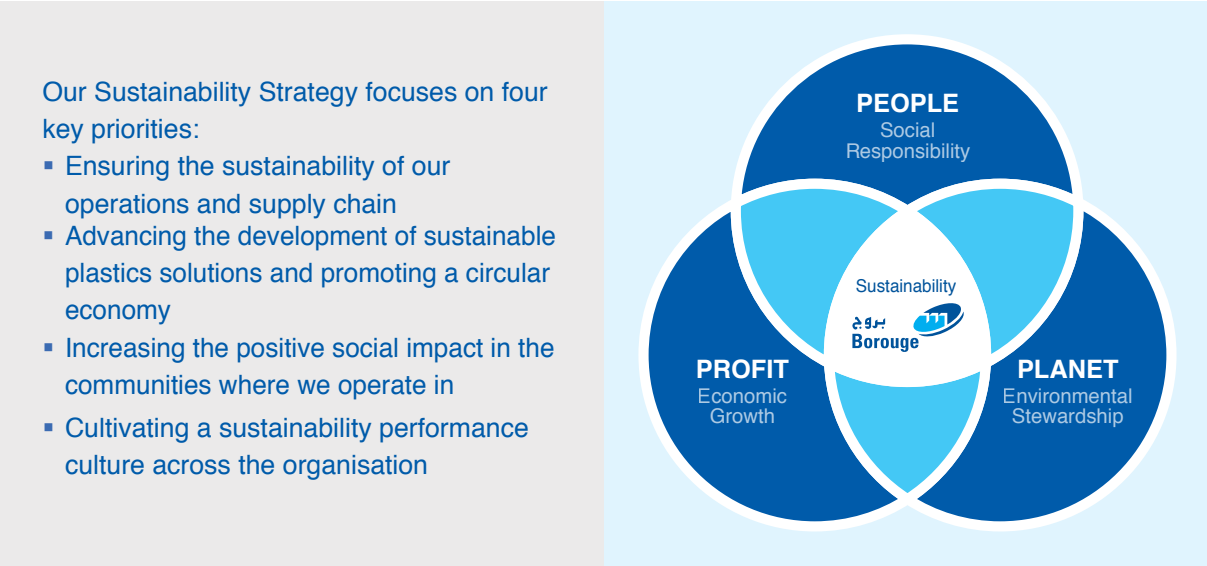
COMMITTED TO SUSTAINABILITY

At Borouge, we are committed to explore and drive opportunities towards a circular economy, wellbeing of society and preservation of the environment, while addressing the economic expectations of our shareholders. We conduct our business within the framework of our vision, mission and values, and in accordance with applicable laws, regulations and industry standards.

As a signatory of the chemical industry’s Responsible Care® Global Charter, we apply best practices and pursue continual improvement. Also, as members of the Gulf Petrochemicals and Chemicals Association (GPCA) and the Singapore Chemical Industry Council (SCIC), we continuously work with our peers to regularly improve industry standards.

Guided by our sustainability policy and framework, we are integrating sustainability into our daily operations and are relentlessly driving efficiency through resources’ optimisation.

Borouge Sustainability Framework



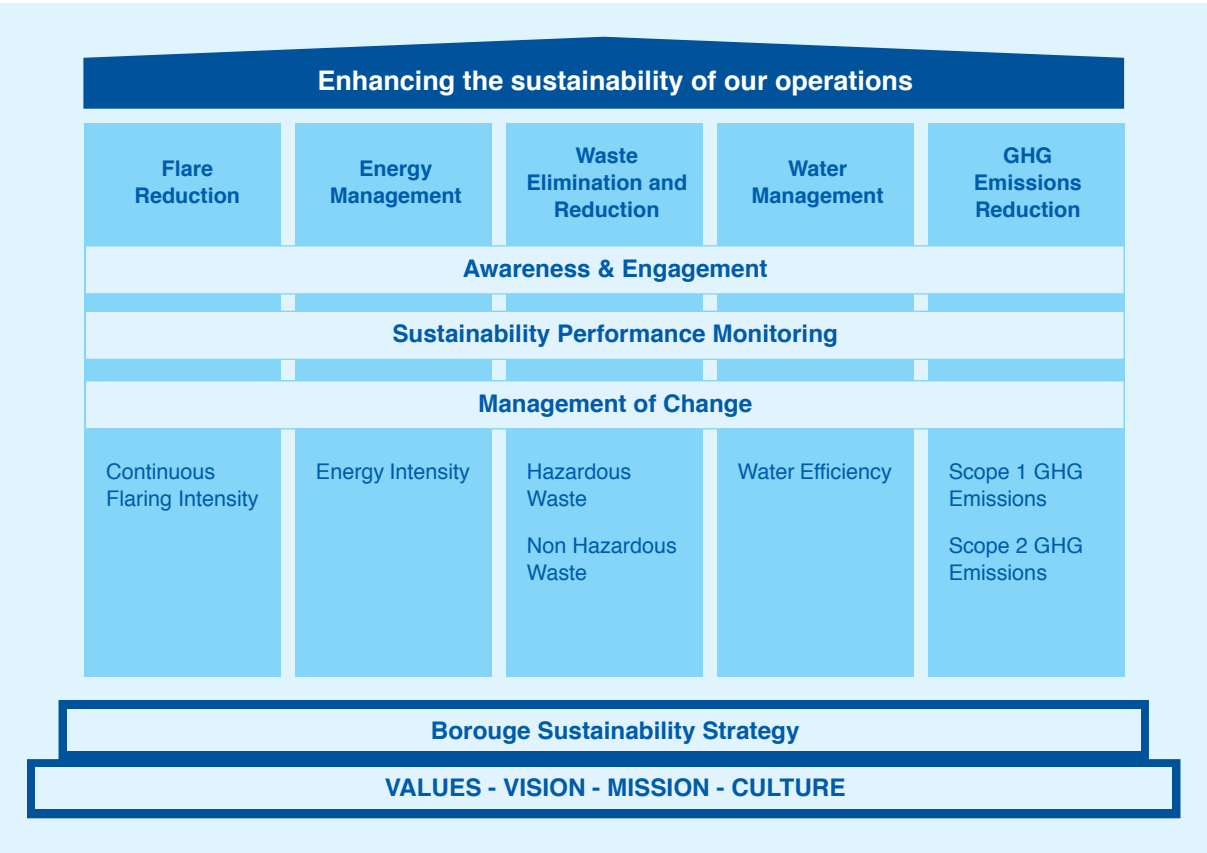
We remain committed to demonstrating continuous leadership in responsible operations through our Sustainability function, which oversees the sustainability performance across our company and aims to decouple our ongoing economic and operational growth from any potential negative environmental and social impacts while maintaining the positive impact of our products.

Ruwais Environmental Sustainability Programme

Signalling our commitment to mitigating our environmental impact, in 2020 we launched our 2025 Ruwais Environmental Sustainability Programme (RESP) that yielded positive results during the year. Through the implementation of RESP, we are able to achieve significant optimisation, particularly through our zero flaring and energy efficiency projects and in parallel improve the livelihood of the people living in the Ruwais region.

Compared to the 2018 baseline we managed to:

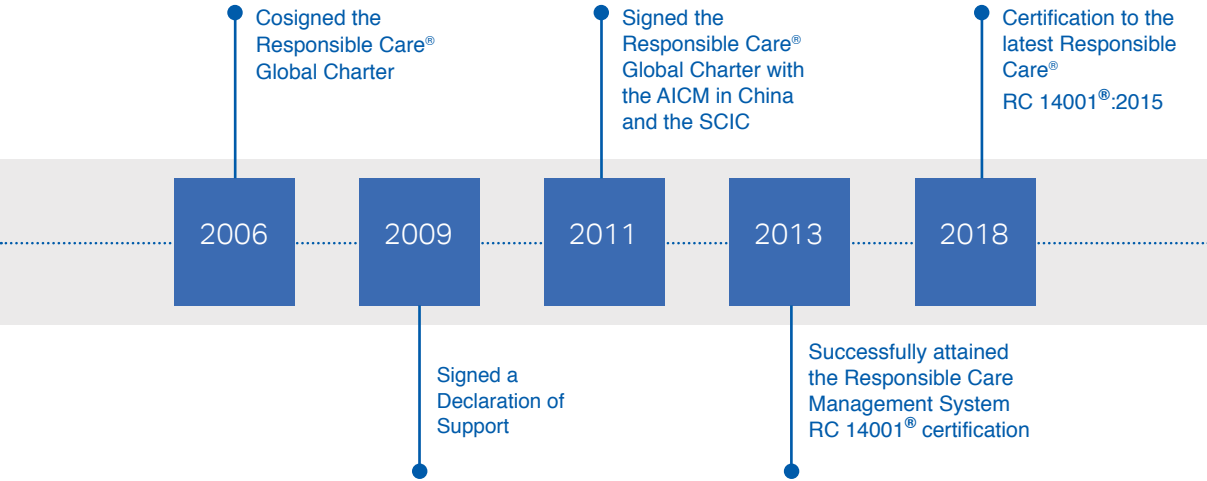
- Reduce continuous flaring by 66 %
- Increase water efficiency by approximately 17 %
- Reduce energy intensity by about 17 %
- Reduce non-hazardous waste by about 50 % and hazardous waste by about 87%
- Reduce Scope 1 and Scope 2 GHGs emissions by about 19 % and 9 % respectively



RESPONSIBLE CARE®

Guided by the International Council of Chemical Associations (ICCA), the Responsible Care® Global Charter was launched in 1985 in Canada as the chemical industry’s global voluntary initiative under which companies, through their national associations, work effectively to continuously improve Health, Safety and Environmental (HSE) performance across the entire value chain. Borouge co-signed the Responsible Care® Global Charter with Borealis in 2006, being the first Gulf-based company to do so. This commitment continues to evolve along the years.

Our Responsible Care® Journey



Borouge is certified for RC 14001®:2015, demonstrating our commitment towards keeping pace with changes in the petrochemicals industry standards in process safety, HSE and security management systems and their integration in our core business processes. The latest RC 14001®:2015 broadens the scope of the Environmental Management System standard (ISO 14001:2015), the Occupational Health and Safety standard (OHSAS 18001:2007) and the Energy Management System standard (ISO 50001:2018), covering the following key codes:

- Community awareness and emergency response
- Distribution
- Product stewardship
- Security
- Health and safety
- Process safety
- Environmental protection

Borouge is in the process of upgrading the OHSAS 18001:2007 standard to ISO 45001:2018 standard. An external audit was conducted in 2020 by an external consultant to identify the gaps and systematically address these to align to the expectations of the revised standard. The actions for identified gaps are in progress and planned to be completed within 2021.

STAKEHOLDER ENGAGEMENT

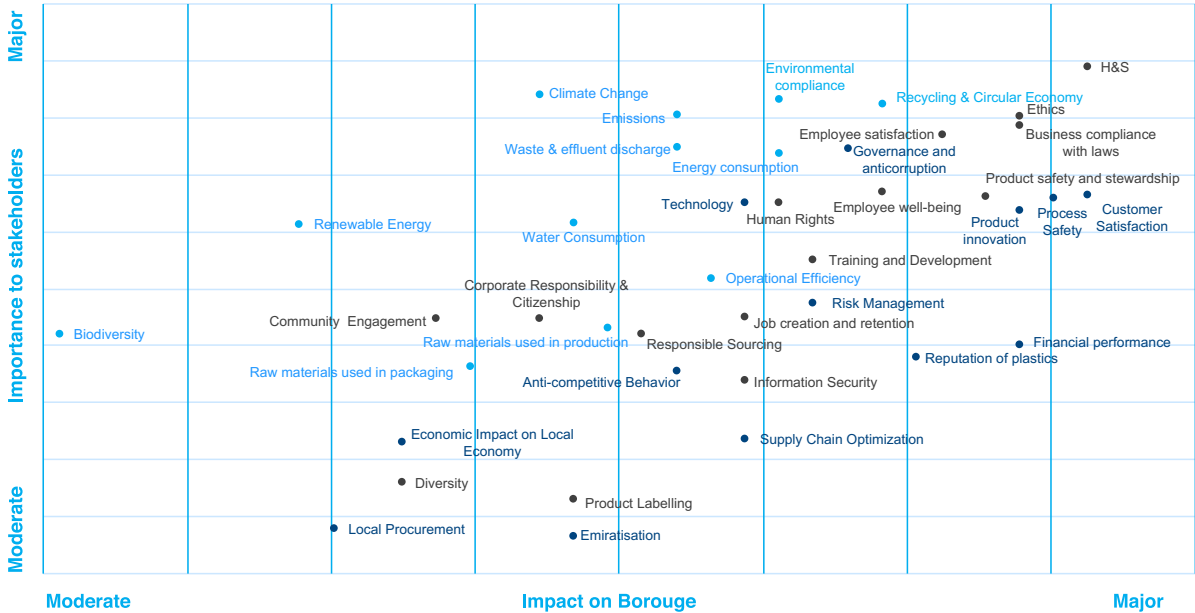
Throughout Borouge, we continuously consider our stakeholders and their concerns, expectations and requirements in all our business processes, activities, decision-making process and long-term sustainability approach. Our key stakeholders include our shareholders, customers, employees, suppliers and contractors, government institutions, environmental NGOs, industry associations and brand owners, academic institutions, and media as well as the communities where we operate in and especially the societies affected by the products and projects we deliver.

In line with our commitment to regularly reach out and listen to the concerns of our stakeholders, we completed in 2019 a comprehensive Stakeholder Engagement and Materiality Review across a broad range of internal and external stakeholders. The review was based on industry’s specific topics and closely linked to the United Nations Sustainable Development Goals to identify key areas of focus.

The most important priorities identified were:

- ethics
 - occupational health and safety
 - employee wellbeing and satisfaction
 - product safety and stewardship
 - environmental and legal compliance
 - waste and effluent discharge
 - operational efficiency
- process safety
 - product innovation
 - product advocacy
 - customer satisfaction
 - technology
 - recycling and circular Economy

Stakeholder Materiality Matrix



The identified priorities were rated as the highest by the stakeholders, both in terms of concern to them and impact on Borouge and were then validated and mapped versus the existing sustainability risks, key performance indicators and trends. The Stakeholder Engagement and Materiality Review was discussed within the company’s Executive Teams and the identified priorities are a basis for further development of the company and functional strategies and objectives.

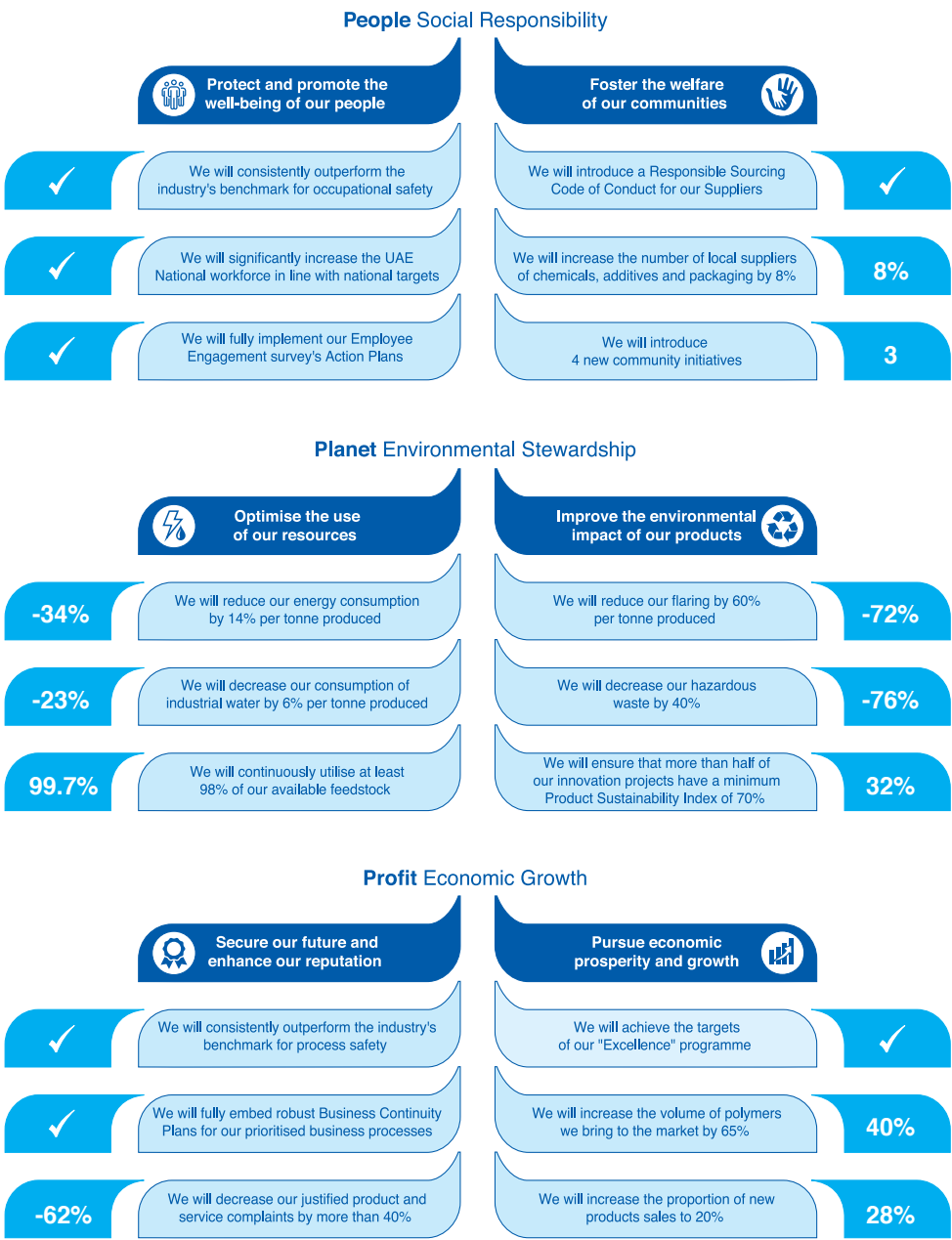
The Stakeholder Engagement and Materiality mapping was also used to align the priorities in the Sustainability Roadmap and our 2021 Sustainability Goals. The next Stakeholder Engagement and Materiality Review will be completed in 2021 to assess the effectiveness of our efforts to address our stakeholders’ concerns, capture changing risks and opportunities and continuously incorporate sustainability in our strategy. The outcome will also be used as an important source to enhance our long-term strategic objectives.

SUSTAINABILITY GOALS 2021

In 2015, we developed a set of Sustainability Goals to enhance the long-term sustainable development of Borouge. There are six goals based on People, Planet and Profit, and each has quantifiable targets covering a broad spectrum of the operations and activities of Borouge. The targets were rolled out in 2016 and are designed to optimise the social, environmental and economic impact of our operations.

Our Sustainability Goals were developed through in-depth collaboration and engagement with the organisation and the Borouge Sustainability Committee. As they are company-wide goals, everyone can contribute to their achievement.

The graphic below reflects the targets and the progress made to achieving them by 2020.



CIRCULAR ECONOMY AND PLASTICS ADVOCACY

Borouge has committed itself to explore and drive opportunities towards a circular economy. Reducing our impact on the environment and the accumulation of land and marine litter due to the irresponsible behaviour of some members of society and the arbitrary disposal of plastic waste, requires concerted efforts in collaboration with governments, regulatory authorities and industry partners.

As a responsible petrochemicals company, Borouge believes that achieving a zero waste plastics circular economy requires strong and concerted actions by governments, industry, consumers and society.

We strongly advocate the reuse of plastic products and the recycling of post-consumer plastics waste into second generation products and therefore in 2020, we continued our efforts as part of our ongoing commitment to sustainability and towards a circular economy. These efforts are aligned with the recent updates to our corporate strategy that have strengthened our focus to drive and explore opportunities that a circular economy provides.

At Borouge we continue to provide and further develop solutions that are fully recyclable and we have ambitions to add recyclates as part of our product portfolio. Therefore, we are developing new ways to reduce material use, extend the durability of products, promote new designs that enhance reuse and recycling, and encourage the use of recyclates where possible across our value chain. Borouge is also investing in a Packaging Centre of Excellence in Abu Dhabi to develop and commercialise circular packaging solutions and has a dedicated Packaging Circular Economy Team to drive sustainable circular economy business models.

Recyclable liquid food packaging solutions

Thanks to the superior performance of Borstar® FB1350, our customers are able to produce liquid food packages that are fully recyclable, while reducing their material usage and production cost without compromising performance and functionality

In 2020 we concluded our polymers off-spec reprocessing study, taking us one step closer in achieving our ambition of having recyclates in our product portfolio.

We are also working closely with our customers and value chain partners to support them in achieving their own circular economy commitments – to increase recycled content and design their products for recyclability.

With Purpose campaign launch

As part of our ongoing efforts to shift behaviours and enhance a circular mindset across society, we launched our With Purpose campaign to highlight the value plastics bring to modern living and promote responsible behaviour



International Sustainability and Carbon Certification (ISCC) PLUS

In 2020, Borouge received the ISCC Plus certification for Borneowables™, our portfolio of bio-based polyolefin products. This achievement further showcases our commitment to sustainability

Taking an initial step to address one of the major sources of marine litter in the Pacific Ocean, Borouge is collaborating with Borealis, SYSTEMIQ and several industry partners in Project STOP to develop sustainable waste management models in cities in South East Asia. The project aims at creating low-cost, circular waste management systems in cities with high leakage rates.

In 2018, Borouge introduced the Borouge Plastics Icebreaker, an online educational course for its employees. This course aims to enhance the understanding of plastics, how they are manufactured and how they address major global challenges, such as climate change and food protection. In 2019, we launched the course to our external stakeholders so that everybody can learn about the benefits of plastics, their responsible consumption and disposal and be an ambassador for sustainable plastics solutions. We plan to launch an improved Borouge Plastics Icebreaker 2.0 course in 2021.

This year we developed the Borouge Plastics Ambassadors Programme to increase the internal capacity amongst our own employees and also support us in our drive to reach the maximum number of people that advocate the benefits of our solutions, their contribution to addressing global challenges and support in shifting the irresponsible behaviour of some members of society.

ENHANCING INNOVATION

Innovation is a major contributor to the sustainable development of Borouge and the plastics industry. To fulfil our mission of “value creation through people and innovation”, we strive to be one of the most innovative companies in the petrochemicals industry. Borouge Innovation operates at two sites, the Innovation Centre in Abu Dhabi and the Application Centre in Shanghai.



The Borouge Innovation Centre is located in Abu Dhabi, UAE

By driving innovation in all corners of the organisation, we strengthen our competitive advantage and improve the quality and sustainability of our products. We strive to develop an innovative mindset; one that embraces new technologies and ideas and is open minded on how to leverage them.

Our Innovation Centre in Abu Dhabi serves as a focal point of innovation in the field of polymer development and application technology. It includes extensive laboratory and application development resources, supporting the unique capability of Borouge in providing expertise in polymer analysis, processing and application testing. With over 106 researchers, scientists and technicians, including 47 UAE Nationals, the Borouge Innovation Centre focuses on developing new innovative plastics solutions in cooperation and partnership with our customers throughout the value chain across the globe.

The Borouge Innovation Centre is an important landmark for Abu Dhabi’s economy and a key contributor to the development of a knowledge-based economy in the UAE. It works closely with the European Innovation Centres within Borealis, as well as international and local educational bodies, such as Khalifa University, to further develop the competence of polymer science in the UAE.

Innovation Infrastructure
15 plastics research labs
240+ advanced testing equipment
120+ people worldwide
23,000 m ² dedicated space

The Borouge patent portfolio consists of more than 800 cases including over 400 granted patents. The patent portfolio covers the plastics solutions and grades developed by the Borouge Innovation Centre and account for about more than 25% of Borouge sales volume



Borouge established the Packaging Centre of Excellence to drive a circular economy and encourage cross value chain collaboration

Borouge has another Application Research and Development Centre based in Shanghai that collaborates with the Innovation Centre in Abu Dhabi and the local value chain partners to develop innovative applications for plastics in the region. Stemming from our commitment to integrating sustainability in all our operations, we developed the Product Sustainability Index (PSI) to assess our new products. The PSI takes into consideration the three pillars of sustainability, namely the economic, environmental and social aspects of the product. A low PSI score for any new product innovation proposal triggers the need for a strong justification prior to proceeding with further development. The percentage of our products with a PSI of 75% or above reaches 32%.



Anbiq™
Anbiq™ is our newest family of enhanced flexible packaging solutions produced using Borstar® bimodal technology. It offers outstanding benefits-to-cost ratios while enabling circularity and sustainability

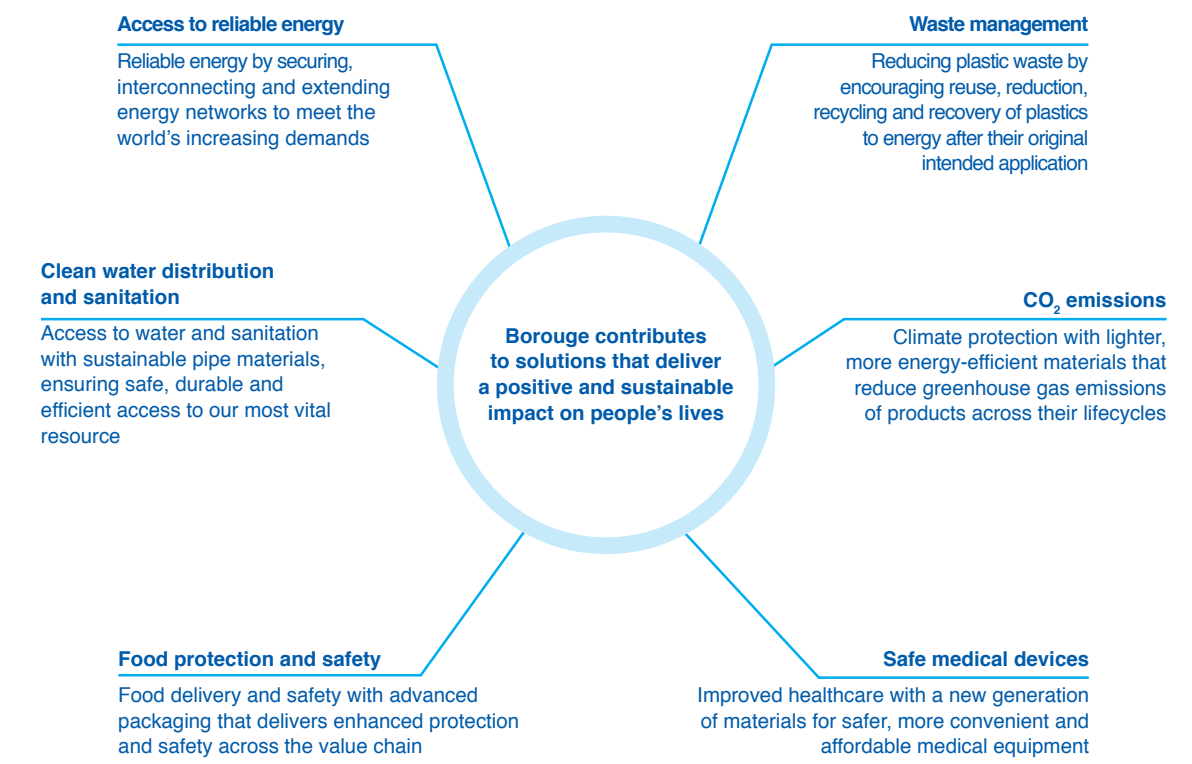
ISO 14001:2015 surveillance audit passed successfully

This year, the Borouge Innovation Centre has successfully completed the surveillance audit against ISO 9001:2015, ISO 14001:2015, RC 14001®:2015 standards. This achievement reflects the continuous efforts to strengthen our internal processes

ADDRESSING GLOBAL CHALLENGES

At Borouge we aim to be at the forefront of addressing global challenges with innovative plastics solutions. Amongst many other innovative solutions, we help our customers reduce carbon emissions from road vehicles, design water distribution pipes that serve remote communities in hard-to-reach areas and design greenhouse films that boost crop yields.

While most of our developments focus on reducing carbon footprint, either by reducing product weight or improving cycle times to reduce energy consumption associated with manufacturing and transportation, all of our product innovations optimise the intrinsic benefits of polymers, and in particular, leverage the value of our unique Borstar® technology.



Our BorSafe™ PE material is used in water pipes in Guangrao City to secure safe drinking water for over 60,000 city households as well as communities in 63 surrounding villages



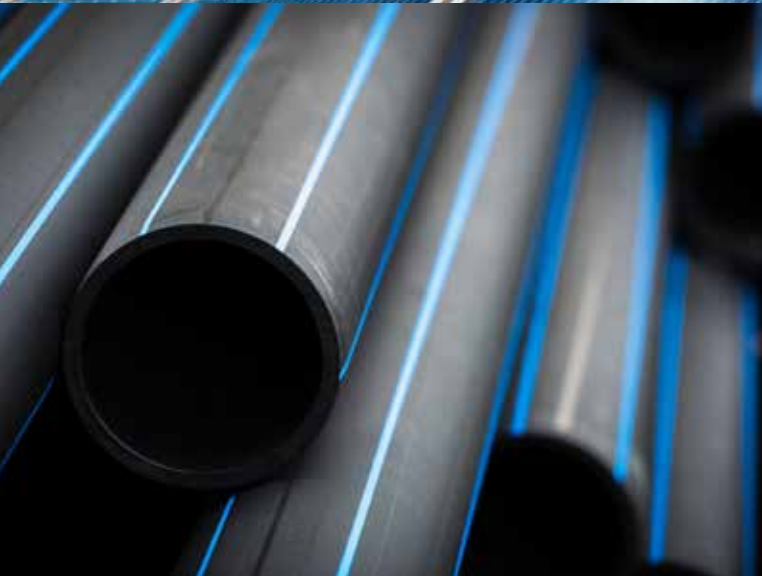
Our high-quality wire and cable coatings and insulation materials, ensure energy is delivered safely, reliably and efficiently into our homes. We provide high quality polyolefin compounds to the wire and cable industry across the world.

OUR SOLUTIONS



ENERGY

There’s tremendous potential in the energy sector. We think beyond cables and voltage, to the lives and economies that thrive on this precious energy.



INFRASTRUCTURE

Our water and gas pipe solutions deliver to the last mile because this infrastructure provides vital function to society, and enables modern living.



MOBILITY

Our mobility innovations make vehicles lighter and more efficient. Beyond materials, our true focus is moving people, and the industry, forward.

PACKAGING

Consistency and material advantages are proven benefits of our packaging solution portfolio. We also work to ensure that produce arrives fresh and tasty, without compromising on sustainability.



AGRICULTURE

When we deliver an agriculture solution, we think about more than a greenhouse. We solve challenges for farmers and their growing businesses, and the communities they feed.



HEALTHCARE

Our healthcare solutions meet the strictest global regulations, and continually earn the trust of the healthcare professionals who use our solutions daily.



PEOPLE

SOCIAL RESPONSIBILITY



- Borouge is committed to its people, the communities where it operates and society as a whole by:
- 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

Description	Metric	2016	2017	2018	2019	2020
Employees	No.	3,436	3,149	3,013	3,106	3,110
Gender balance	Female %	13	14	14	15	15
UAE Nationals	No.	1,236	1,241	1,250	1,331	1,364
Training	Hours (000)	443	412	525	326	205
Safety	(TRI) Frequency	0.22	0.21	0.11	0.28	0.17
Community investments	USD (000)	1,943	2,106	1,586	1,429	541



Borouge was awarded the “HR Asia Best Companies to Work for in Asia” in both Singapore and China, which marks the first award on the first attempt in China and the third consecutive award in Singapore

The continued growth and expansion of Borouge supports our strategy to increase opportunities for our human capital capabilities, particularly the national workforce of the UAE, and to enhance the communities where we operate in.

Borouge has always been a pioneering and progressive employer. Recognising that our people are the primary source of our competitiveness, we drive people to maximise and excel in their performance by creating an environment where collaboration, responsibility and progressiveness are encouraged. The core principles of our human resources policy are equality of opportunity, continuous personal development, fairness, mutual trust and teamwork. We believe in staying focused on partnering with the business to empower our people to reach their full potential and deliver world-class value.

At Borouge we believe in acquiring talent, developing skills, engaging individuals in multiple projects, and providing them with world-class experience and exposure. We are always developing and applying the latest technologies to foster a culture where innovation and inclusion are embraced, and a collaborative e-learning environment maximises everyone's potential, while keeping our core values at the centre of these activities.

Youth Committee Activities

At Borouge, engaging and empowering our dedicated and passionate youth is a priority. The objective of the Borouge Youth Committee is to enforce the link and collaboration between Borouge youth and leadership to increase youth engagement and empowerment. The pandemic didn't stop us in delivering our objectives, as we have conducted 14 virtual youth workshops engaging with the CEO within 2020, and we launched a virtual youth space to elevate the youth profile in the organisation



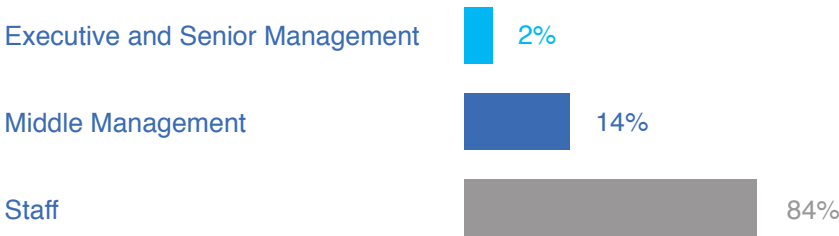
In line with our vision of being a SMART organisation, we have launched updated mobility applications to support our employees to work efficiently remotely. We are moving towards digitalisation with our “One Enterprise Resource Planning (ERP)” programme, to keep quality performance improvement and customer satisfaction at the forefront of all levels of the organisation. We will continue to modernise our processes by implementing leading-edge digital solutions in recruitment, and e-learning and development. Our goal is to take another step on our journey to continue being an attractive and effective learning organisation, to support our sustainable growth.

Borouge has prepared itself for 2021, by developing Human Capital & Administration 2025 plans as well as the Borouge 4 People Strategy. Borouge will continue working on the key priorities by driving engagement, optimising costs, living our values and sharing constructive feedback to become a truly agile company that is fit for the future.

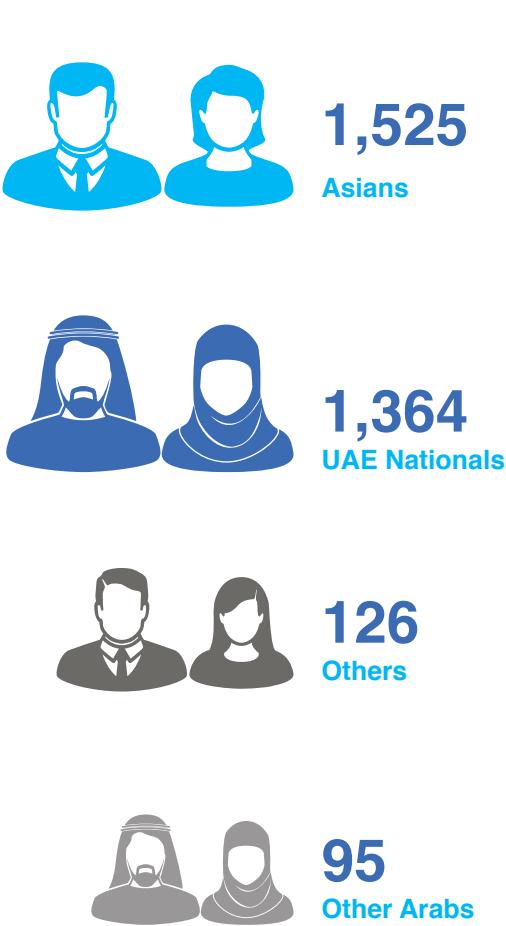
DIVERSITY AND INCLUSION

At Borouge we recognise that creating an engaged, diverse and capable organisation is critical to our ongoing success. Embracing diversity within Borouge, enables us to attract skilled and talented people from widely varied backgrounds. The range of background, experience and viewpoint of our people is critical to support innovation in the company and to enable us to operate successfully, grow and compete in an international environment.

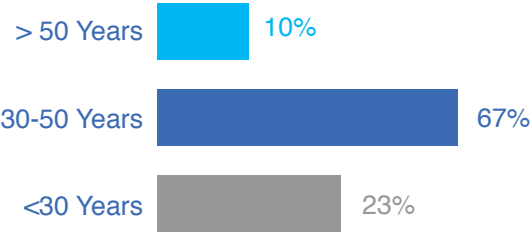
Employees by Job Category



Employees by Nationality



Employees by Age



Borouge is a company of diversity and inclusion where we employ 51 nationalities across our global operations. We are convinced that diversity and inclusion bring value to our business through effective innovation, attractiveness, engagement and agility.

At Borouge we are committed to comply with the applicable employment laws across our different locations while recruiting the best talent. We strive towards creating an inclusive culture, diversify our workforce and provide equal opportunities for career development and advancement, regardless of gender, ethnicity, age and culture.

In line with the UAE and global momentum towards gender equality, we continue our drive and commitment to create new opportunities and increase the number of female employees and enhance their contribution to the sustainable development of Borouge. Out of our 3,110 employees, 462 are females; furthermore, the percentage of women in senior leadership and managerial positions is about 21.5%. This reflects our commitment towards enabling our talented women to contribute to the successful journey of Borouge.

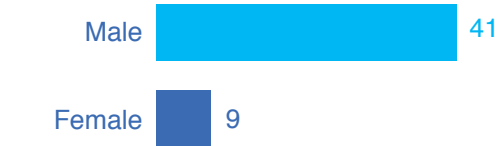
Caring Employer Award

Borouge received the “Caring Employer Award” in Singapore for our programmes to support our employees throughout the COVID-19 pandemic

Gender balance in managerial positions (female)

	2016	2017	2018	2019	2020
Executive & Senior Management	7	8	8	8	9
Middle Management	81	88	87	97	101
Total	88	96	95	105	110

Governance Bodies by Gender



Regardless of gender, high contributors to the company’s success are fairly and appropriately rewarded for their contributions and we offer competitive pay and benefits in the countries where we operate in. We constantly benchmark our remuneration approach to confirm our competitiveness.

Governance bodies by Nationality



Gender balance total earnings (female to male %)

	2016	2017	2018	2019	2020
Executive & Senior Management	98	126	93	86	89
Middle Management	107	117	115	98	99
Staff	129	104	127	119	117

Celebrating Women in Borouge

Embracing diversity and inclusion, and empowering our people to do their best to help build success at Borouge, is of great importance to us. In line with our pillars of attracting high potential female employees at Borouge, and developing and promoting our thriving leaders, we held a number of interactive panels during 2020 celebrating our female heroes on Emirati Women’s Day and appreciating the men who support Borouge in its drive towards Gender Balance on International Men’s Day. Building on our success in 2019, we further increased the number of our female engineers at our Ruwais operations with 10 engineers joining the Borouge family in 2020

As an organisation that provides its people with equal opportunities, Borouge does not tolerate any form of discrimination and offers fair opportunities for all qualified individuals to work, improve and add value to the company’s success. As part of our commitment towards society and our nation, we are striving to enhance our recruitment strategies to encourage people with determination being part of our Borouge family to develop their full potential.

Number of employees of determination

	2016	2017	2018	2019	2020
Male	2	2	2	2	2
Female	2	2	2	2	2

EMIRATISATION

Our vision in line with our foreseen growth is to consistently expand our UAE National workforce to support our Emiratisation goals and invest in the development of our people across the organisation. Supporting the local national human capital capabilities in the UAE is our strategic priority and social responsibility. As such, we focus on recruiting an increasing number of UAE Nationals and developing an attractive working environment where they can continuously improve their competencies and skills and advance their careers.

Emiratisation Award

Two Borouge employees were recognised for their talent and dedication during the Emiratisation Awards for the Best Emirati in a Supervisory Role Award. The Emiratisation Award is granted annually by the Ministry of Human Resources and Emiratisation to honour the pioneers who support the 2021 UAE vision

Borouge is consistently working towards increasing and developing our UAE National workforce in line with national targets



Local communities benefit directly from our growth and expansion and our operations in Ruwais, which create excellent employment opportunities for UAE Nationals in the Al Dhafra region. As a testament to our commitment to create growth and development opportunities for UAE talent, currently about 58% of our total senior management positions globally are held by UAE Nationals, thus reflecting advanced Emiratisation in leadership roles.

TALENT MANAGEMENT

Our talent management process is designed to equip high potential leaders with the right skills and knowledge to drive performance and inspire change – which are all key to driving success for Borouge.

Talent and succession planning processes are also in place to continuously monitor the development of talented people towards all line managerial key positions at Borouge. Having this in place ensures that Borouge sustains its people risk profile within the required parameters. Additionally, talent mobility options are available for all employees to assess their own career aspirations and develop a process of coaching and mentoring in their desired careers where opportunities arise.

We have a standardised competency framework that is based on the future business requirements of Borouge. It supports ideal job profiles that will sustain the competence and performance levels of individuals and Borouge in general. We have an integrated system in place to align our different processes in Human Capital. Our employees are empowered to drive planning, competence and performance and they are encouraged to seek feedback to achieve targets on time.

Our employees are engaged through the performance review process to clarify expectations, understand aspirations, align goals and acknowledge contribution.

Performance appraisals by gender

	2016	2017	2018	2019	2020
Male	2,458	2,357	2,527	2,373	2,522
Female	392	397	409	434	441
% of employees who received a formal performance appraisal and review	83%	87%	97%	90%	97%



The Borouge Technical Academy (BTA) provides a strong platform for employees towards acquiring a robust technical understanding of our business

Performance is an integral pillar at Borouge and one of the enablers to drive the high-performance culture in the organisation. Borouge uses the Employee Performance Management system to appraise and help employees improve their performance and increase engagement through meaningful dialogue. This tool is a powerful engine of Borouge to translate business plans into action and develop a high-performance driven culture that is necessary to realise the company’s business strategy. It is also aimed to achieve a balance between the company’s business needs and the needs of employees relating to job satisfaction, rewards, personal and career development, and training.



Coaching program for Supervisors

This year, we launched the 100% Reliable learning Journey. Aiming on engaging Borouge employees during the pandemic and to ensure the continuous learning based on the utilization of e-learnings, Blended learning and Instructor-led Virtual Classrooms, this program touched base on 4 focus areas including “Compliance, Engagement, learning Agility & 100% Reliability.

The program delivered over a 244 hour engaging sessions and received an excellent participant feedback.

UAE NATIONALS INTEGRATION



We have introduced several programmes and initiatives to develop the existing and newly recruited UAE Nationals at Borouge. Starting from 2018, all employees under development, known as EPE (Entry Point Employees) are placed within the ADNOC-based Youth Development Programme (YDP) upon joining our company.

YDP briefing sessions and workshops are conducted frequently to introduce the YDP programme to newly hired EPEs as well as to the promoted line supervisors and managers.

EPEs are supported in their on-the-job trainings (OJT) by individually assigned coaches, and in addition, mentors are also allocated to provide career guidance. Borouge has also trained a pool of assessors and verifiers across a spectrum of disciplines to assure the high quality of people’s development. One of the successful programmes under the UAE Nationals’ integration is the Tajheez Attachment programme, which supports the qualitative development of UAE National employees across the organisation.

The employees start their journey as our products do, at our Ruwais production facilities, where they gain an understanding of our manufacturing processes and our full supply chain. They also visit the Innovation Centre in Abu Dhabi as well as customers and shipping lines of Borouge. This first phase of the programme is called local Tajheez.

Once local Tajheez is completed, the participants qualify to participate in the next phase, which is the overseas attachment. The exposure and involvement of the UAE Nationals with the regional mentors and experts in our Asia Pacific locations, the Borealis plants and vendors’ premises, all add value to their competencies.

Since the programme started in 2013, a total of 252 individual attachments have been completed across the company. During 2020 and given the COVID-19 restrictions, we implemented a hybrid local Tajheez programme where the first batch was completed in early March 2020 and fully completed through the virtual Tajheez programme. A total of 28 EPEs participated in the programme which focused on HSE, an overview of our major processes and products, as well as the roles of the different support functions.

Talent Exchange Programme

To encourage our high-potential UAE talent to acquire a global professional experience, a secondment programme has been established between Borouge and Borealis with a minimum duration of two years. In 2020, two employees have successfully completed the programme and returned back at Borouge with a motivation to bring added value to our business

LEARNING AND DEVELOPMENT

Our aim is to build the right teams by giving our employees at all levels the opportunity to fully develop their potential to contribute to our future success. This includes extensive hours of training on management, HSE (Health, Safety & Environment), leadership, technical, job related and interpersonal skills, reflecting our commitment to developing the competencies of our people across a wide variety of disciplines.

By leveraging the ADNOC e-learning Management System (LMS), we have been able to empower our people to select learning opportunities based on their individual needs and interest.

Number of hours and cost of training delivered to employees

Description		2016	2017	2018	2019	2020
Hours by gender	Male	426,400	400,744	508,718	310,069	192,020
	Female	16,319	11,432	16,904	16,141	13,229
Hours by job level	Executive & Senior Management	1,011	7,038	1,231	1,331	831
	Middle Management	17,423	31,488	32,511	24,852	23,751
	Staff	424,285	373,650	491,880	300,027	180,667
Total number of training hours		442,719	412,176	525,622	326,210	205,249
Cost by gender (USD)	Male	1,877,467	395,866	1,140,817	2,644,935	1,147,270
	Female	519,839	98,967	472,547	508,235	373,994
Cost by job level (USD)	Executive & Senior Management	38,453	47,009	49,917	60,875	25,126
	Middle Management	437,122	210,304	1,066,661	793,661	552,878
	Staff	1,921,731	237,520	496,786	2,298,634	943,260
Total cost of training (USD)		2,397,306	494,833	1,613,364	3,153,170	1,521,264

We provide a combination of e-learning opportunities, OJT, classroom trainings, learning from others (coaching and mentoring) and specialised bespoke development initiatives. The majority of the learning in Borouge is by on-the-job training and mentoring (10-20-70 development model approach). We invest in contractor employees, in addition to our own employees, to build a cohesive and effective team. In 2020 the total hours of training delivered to contractors stood at 12,027 hours in total.

This year, the total number of training hours has lessened due to the optimisation of the number of EPEs admitted to the Technical Training Centre (TTC). Switching the face-to-face classroom trainings to virtual instructors’ led trainings with shorter duration ensured the increased focus and attention of the participants.

Borouge inspires the talents of tomorrow

Over the last few years, Borouge has been working closely with universities to offer students valuable internship opportunities to learn and gain industry exposure. Despite the COVID-19 pandemic situation, our commitment to the internship programme remains a priority. The 44 internship opportunities that occurred in 2020 have been adapted to a work-from-home (WFH) operation mode supported by IT infrastructure

EMPLOYEE ENGAGEMENT

Employee engagement is one of the top priorities at Borouge. We use a variety of tools to engage with employees, managers and third parties, including face-to-face and townhall meetings, e-learning modules, dedicated intranet, articles, posters, targeted emails and short videos. Employee engagement is a critical driver of our performance as we seek to achieve our business objectives. We regularly carry out employee surveys to monitor individual engagement, goals’ alignment and the agility of our organisation.

Keeping our employees engaged in light of the COVID-19 pandemic, and following the implementation of working remotely across our different locations, has been a challenge. The People Live Talk initiative was introduced in 2020 to strengthen communication between employees and Human Capital during this challenging time when information is vital to all.

A total of 22 People Live Talk sessions were conducted in 2020, attended by more than 1,000 employees and managers virtually in both Abu Dhabi and Ruwais. The topics that were covered were related to attendance policy, annual leave balance utilisation, Ask HC, educational assistance allowance, talent acquisition and the 2020 year-end performance review.

Employee Assistance Programme (EAP)

The mental health of our employees is at the top of our priorities. A dedicated platform for them and their families who may feel anxious and stressed for different reasons has been introduced in 2020, with professional counsellors available to listen and help



We value our employees’ feedback as it helps us identify additional focus areas to further improve. Following our survey cycle, our Employee Engagement Survey was conducted in 2020 to enable our colleagues to share their expectations and concerns. 73% of employees participated in the survey indicating that they want to make a positive contribution to the future of Borouge. We have improved employees’ engagement from the last engagement survey, consistent with the strategic investments we have made in leadership skills, quality and talent recognition. The results were analysed, and areas of improvement were identified. A series of virtual awareness and brainstorming sessions on the results were held sharing employees’ feedback. With the newly launched Engagement, Happiness and Wellbeing Committee, we are committed to further increase the already high level of employee engagement.

Wellness Connection Committee

The Wellness Connection Committee was formed in 2020 to bring the Borouge employees closer as one family during these uncertain times. The committee organised a series of interactive team events called Mission Marathon to encourage employee engagement. From mid-week live-stream events to fitness on Fridays, employees welcomed and participated in many of the initiatives

The Ramadan Virtual Event

In the observance of the Holy Month of Ramadan 2020, Borouge held Ramadan Virtual Tent, a month-long online event. The event featured various activities to which employees actively participated with their families as well, including yoga sessions, an online competition called Borouge Got Talent, quiz night, poetry night and an educational Polymers on the Move session

Corporate Onboarding Programme

To ensure our new hires are integrated and aware of our culture and business updates, we organised our first Corporate Onboarding session in 2020. Through the one-day session, subject matter experts from various departments presented their expertise and shared information on what each department does



UAE National Day kids’ drawing competition

Out of 90 entries in total, 10 employees’ kids were the winners of our kids’ drawing competition in celebration of the UAE’s 49th National Day

Achieving business sustainability is impossible without the support of the right team members. In 2020 Borouge carried on securing the required workforce for our future expansion. Compared to last year’s records, the number of employees joining Borouge decreased in view of COVID-19 when external hiring was limited. However, we will resume our efforts to attract the right talent to join our teams in the near future and coming years.

Number of employees joining and leaving Borouge

Description			2016	2017	2018	2019	2020
Employees joining	By gender	Male	222	97	177	178	113
		Female	24	32	37	54	34
	By age group	<30 years	199	70	129	130	52
		30-50 years	42	54	80	94	88
		>50 years	5	5	5	8	7
	By job level	Executive & Senior Management	3	7	7	2	3
		Middle Management	7	15	12	39	23
		Staff	236	107	195	191	121
	Total		246	129	214	232	147
Employees leaving	By gender	Male	306	358	308	118	113
		Female	73	58	42	21	30
	By age group	<30 years	28	42	62	37	7
		30-50 years	278	288	243	83	93
		>50 years	73	86	45	19	43
	By job level	Executive & Senior Management	5	10	13	3	10
		Middle Management	49	53	51	29	35
		Staff	325	353	286	107	98
	Total		379	416	350	139	143

UAE Flag Day Celebrations

Borouge proudly celebrated the UAE Flag Day on 3 November 2020 across different Borouge locations while strictly following and adhering to the safety precautions in place



Creating an engaging and supportive work environment with career advancement opportunities and good quality benefits is a priority for Borouge. Our benefits include medical cover, housing, life insurance, disability and invalidity coverage, parental leave, health club membership and pension schemes for UAE Nationals. We also provide additional benefits for retiring employees, including retraining opportunities for those intending to continue working, severance pay based on years of service and assistance (e.g. training, counselling) when transitioning to not working.

Borouge encourages our employees to balance their careers with family life and provides parental leave in compliance with local regulations in each of our areas of operation. In 2020, a total of 59 staff (32 males and 27 females) took parental leaves and 100% of them returned to work. The return-to-work rate observed this year demonstrates that Borouge is providing our employees with career opportunities, while still allowing them to maintain a healthy work-life balance.

HEALTH AND SAFETY

The health and safety of our people and the communities where we operate in, is a top priority for Borouge. The main commitment in both the Sustainability and the Health, Safety and Environment (HSE) Policies of Borouge is pursuing a goal of no harm to people and society.

We operate with the strong belief that HSE is everyone’s responsibility. We have focal points and committees throughout the organisation and regular forums for communicating on HSE matters, from facility and location levels all the way up to the top management. We delivered more than 500 HSE engagement sessions in 2020 to reinforce our 100% HSE culture across the company. Furthermore, and in response to the COVID-19 pandemic restrictions, we launched the Virtual Observation Tours (VOT) to connect the leadership to frontline teams, and we conducted 397 VOTs in 2020 which is well above the set target for the year.

We actively promote a strong HSE culture across the organisation and amongst our contractors, which is supported by numerous initiatives, including HSE and Process Safety (PS) Assurance, Contractor Performance Management, engagement with contractors, the Borouge Worker Protection standard and the mandatory Computer Based Training (CBT) programme.

To further strengthen the responsibility of each member of Borouge towards 100% HSE, we released our HSE Policy complementing the already existing Sustainability Policy, which emphasises that every employee is empowered to be a Safety Leader by intervening whenever there is a risk.

Behavioural Based Safety (BBS) Programme

In 2020, we launched the Behavioural Based Safety (BBS) programme as part of our commitment to create a 100% HSE culture. The programme is intended to provide employees and contractors with competence and practical tools to enhance safety behaviour

COVID-19 control measures

In response to the COVID-19 outbreak, we implemented comprehensive control and precautionary measures to protect our employees while maintaining the continuity of the business. The measures included holding weekly follow-up meetings, developing detailed response plans and inspection checklists. Over 77,000 PCR tests were done for our employees and contractors

In 2020, we completed major key milestones in adapting and revising our procedures for the ongoing and upcoming projects in accordance to the new effective Management System Standard. We also launched the HSE Sunshine Campaign with a variety of activities, such as Live Talks and HSE moment of the day and we organised the safety week with the theme of “leadership during unprecedented times”.



Record 2020 HSE performance achievement

This year, we continued our outstanding process safety tier 1 event rate of (0.0). We completed 15 million man-hours in the PP5 project without any incidents. We also consistently maintained our performance well within the planned targets

Health and safety performance data

		2016	2017	2018	2019	2020
Hours worked	Company	8,852,639	8,112,260	7,595,996	5,968,748	7,738,599
	Contractor	9,675,061	10,521,691	10,818,576	15,604,501	21,088,337
	Total	18,527,700	18,633,951	18,415,572	21,573,249	28,826,936
Illness cases	Company	0	0	0	0	0
	Contractor	0	0	0	0	0
	Total	0	0	0	0	0
Fatalities	Company	0	0	0	0	0
	Contractor	0	0	0	0	0
	Total	0	0	0	0	0
LTI frequency		0.16	0	0.05	0.09	0.04
TRI frequency		0.22	0.21	0.11	0.28	0.17

A key requirement to achieve our zero-accident goal is to improve the employees’ awareness of HSE related matters. We reviewed and updated our mandatory training matrix. This year, OneERP focused CBT sessions were released to further increase HSE awareness among employees. We also launched the Hand Safety and Road Safety campaigns.

LED initiative

In 2020, Borouge launched the LED initiative, a state-of-the-art plan to enhance the emergency system capabilities. It focuses on lessons learnt by analysing HSE performance and incident/ loss data to identify weaknesses and opportunities for improvement. The targets of this plan include the development of emergency capability through training, crisis management booklet and joint mass evacuation plans

HUMAN RIGHTS

As a company with a global reach working in countries with a broad array of laws and regulations, we are extremely mindful of respecting human rights, regardless of where we operate in. Our approach is aimed at making sure we do not violate any human rights and that we are not complicit with any abuse of these rights.

Our anonymous reporting system, Takallam, allows for confidential, non-retaliatory reporting of grievances including those related to unethical practices, which could include reporting of violations of human rights. In 2020, there were zero grievance reports related to human rights.

	2018	2019	2020
Total number of hours	1,067	1,553	1,555
Number of Employees Trained	2,135	3,106	3,110

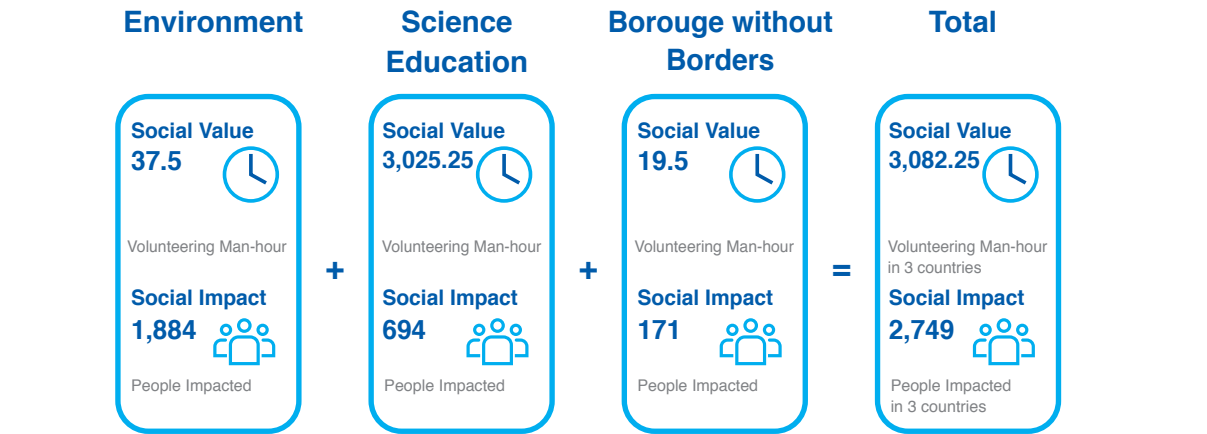
COMMUNITY ENGAGEMENT

As a company with a global reach working in countries with a broad array of laws and regulations, we are extremely mindful of respecting human rights, regardless of where we operate in. Our approach is aimed at making sure we do not violate any human rights and that we are not complicit with any abuse of these rights.

Our anonymous reporting system, Takallam, allows for confidential, non-retaliatory reporting of grievances including those related to unethical practices, which could include reporting of violations of human rights. In 2020, there were zero grievance reports related to human rights.



Borouge in collaboration with the Environment Agency Abu Dhabi held a physical youth circle titled “our marine, our responsibility” on the UAE National Environment day. We showcased our commitment to circular economy and the steps we take to protect the marine environment



Measuring our social impact and social value

As part of our commitment to continuously improve our social engagement and investment in the communities where we operate in, we measure the social impact and social value delivered through our initiatives. The social impact is measured by the number of people who have directly benefitted and the social value is the total number of man-hours volunteered by our employees. In 2020 despite the physical engagements’ restrictions we continued our CSR initiatives and activities virtually.

In 2020, we continued to develop and expand our existing programmes, such as Polymers on the Move and Borouge without Borders. Our employees spent over 3,000 volunteering hours serving local communities in UAE, Singapore and India, impacting almost 2,750 people. This indicates the positive impact of our social efforts despite the restrictions in place due to the COVID19- pandemic, a trend we aim to continue. Also, in 2020, our strategic community investments and sponsorships amounted to over USD 0.5 million.



Water for the World

For billions of people globally, water and sanitation are the most pressing and immediate vital challenges. The Water for the World programme focuses on improving access to water and sanitation, promoting sustainable water management practices to preserve water resources and raising awareness in communities and across the value chain.

Together with Borealis, we proactively contribute to addressing this global challenge through the Water for the World initiative by providing advanced solutions, expertise and know-how, addressing the global water challenges in local communities as well as internationally. The Water for the World initiative aims to:

- Foster knowledge
- Provide innovative plastics solutions
- Build partnerships

In 2021, we plan to continue our engagement with stakeholders across the regions we operate in to deliver access to water and sanitation across impoverished communities.

For further information on the programme and our projects, visit <https://www.waterfortheworld.net/>

Environmental awareness initiatives

In 2020, despite restrictions in place due to the ongoing global pandemic, our environmental awareness initiatives spanned a wide area with campaigns initiated in multiple countries to:

- Encourage the responsible disposal of waste
- Educate the public to reduce, reuse and recycle waste
- Promote the value and benefits of plastics

During 2020 we elevated our position within communities by engaging with youth through organising youth circles and conducting roadshows across schools and universities in the UAE. These activities aim to inspire the future generation to understand the principles of sustainability and understand the value of plastics. Borouge also engaged with the public to raise awareness around waste disposal and segregation through its Environmental Awareness programmes.

Borouge is proud to have successfully launched a worldwide virtual engagement campaign across schools and universities. Throughout the campaign, we engaged with the public and students about how plastics are essential to our daily lives and add value to society. We encouraged the community to recycle to do their part today for a better tomorrow. The campaign was an important opportunity to underline our continuous commitment and advocacy of a plastics circular economy and promote the importance of recycling and reusing plastics amongst today's youth.



Borouge without Borders

Employee volunteering is one of the cornerstones of a successful Corporate Social Responsibility strategy. The Borouge without Borders programme provides our employees with a unique opportunity to volunteer their time towards a worthy cause and support charitable organisations.

Since launching the initiative in 2016, Borouge without Borders visits have been organised in Abu Dhabi, Ruwais, Shanghai, Indonesia and Singapore. This year, due to the COVID19- pandemic, Borouge was not able to organise any physical visits, however we were still able to reach different segments of society through our virtual Borouge without Borders initiative. We organised volunteering opportunities through online platforms and our employees were able to participate in various campaigns including a call to Seniors' Happiness Centre in Dubai to check on their physical and mental health during the lockdown and a virtual call with people of determination from Zayed higher organisation. During the event, during which our colleagues engaged with students of determination from the Agricultural Centre in Abu Dhabi and were introduced to the centre's agricultural and vocational rehabilitation services. Every volunteer interacted with the students, who conducted a live workshop showcasing their skills in pottery and tailoring, confirming that their productivity has increased during the recent challenging times.



Sustainable Campus Initiative

The Sustainable Campus Initiative (SCI) was launched by Borouge in 2013 to enhance sustainability practices across campuses in the UAE and encourage young people to contribute to the development of sustainable communities. The initiative, implemented by the Environment Agency Abu Dhabi (EAD) on behalf of Borouge and supported by the Ministry of Higher Education and Scientific Research, provides students with a platform to network and share ideas with their international counterparts on topics such as water scarcity, waste, energy, climate change and biodiversity and to engage with local communities.

In 2020, Borouge and the EAD hosted a virtual ceremony to honour the universities that participated in the initiative giving students the opportunity to showcase their audits and projects to the Borouge management. A total of 22 universities from Abu Dhabi, Dubai, Sharjah and Ras Al Khaimah participated in the SCI, and conducted green audits and sustainability action projects in their campuses, showcasing students' understanding and integration in their campuses' resource usage including water, energy, land, climate change and waste.

In 2020 the SCI also received the Best Sustainability Communications Programme by the Abu Dhabi Sustainability Group for the third time.

For further information, visit www.sustainablecampus.ae

Borouge expands Polymers on the Move in Asia

As part of our commitment to encourage the youth to make a positive change for our environment, we expanded our Polymers on the Move programme to Asia (India and Singapore) in 2020 impacting 411 students in the region

Polymers on the Move

In 2016, we initiated Polymers on the Move, a tailor-made curriculum for students. The programme targets school students between the ages of 14-11 with the aim of encouraging them to pursue science education and respond to the nation's demand for science talent. The Polymers on the Move programme involves the students in a number of presentations, workshops, scientific experiments and a tour at the Borouge Innovation Centre in Abu Dhabi to learn about the polymer innovations of Borouge and experience a creative work environment.

In 2020, despite the restrictions in place due to the ongoing global pandemic, Borouge continued its outreach to students and adapted its Polymers on the Move programme to be delivered virtually. In 2020, a total of 204 students participated in the programme, in addition to the 35 university students who went through a similar programme adjusted specifically for them.

International Trading Programme – Singapore

In 2015, Borouge became one of five founding partners of International Enterprise (IE), Singapore’s newly launched International Trading programme (ITP). A collaborative effort of IE Singapore, Singapore’s Nanyang Technological University (NTU) and five industry partners, the ITP aims to develop a pipeline of talent for the trading industries including energy, chemicals and commodities.

This initiative contributes to the focus on developing the youth in the communities where we operate in and leverages upon the expertise and capabilities of our marketing and sales organisation. In 2019, ADNOC and Borouge renewed their support for NTU Singapore by way of a new endowment to nurture talent for Singapore’s international trading sector.

For further information, visit www.nbs.ntu.edu.sg

Borouge Scholarship Programme

We recognise that investing in education is critical to building a sustainable industry, especially one that has a strong focus on innovation. Beyond our strategic commitments to the ADNOC Scholarship Programme in the UAE, we partner with leading universities in China providing annual scholarships to high performing postgraduate and undergraduate students in polymer science and engineering. Our aim is to contribute to welcoming motivated and highly-skilled people to Borouge and the global plastics industry. This year, we have provided educational sponsorship to one student from Nanyang Technological University, Singapore.

Strong partnership with local universities

In line with our efforts to foster good relations and strong partnership with local universities, we offered 88 internship opportunities to university students in Singapore, China and UAE



Project STOP – Indonesia

Project STOP is an initiative, co-founded by Borealis and SYSTEMIQ, that partners with cities and governments to build effective and circular waste management systems to eliminate the leakage of plastics into the environment and ocean, thereby helping to improve resource efficiencies and public health.

The project's key objectives are to prevent leakage of all waste into the environment, create circular waste systems to increase value generated from waste, and provide socio-economic benefits for local communities by creating new jobs in the waste management system and reducing the impacts of mismanaged waste on public health, tourism and fisheries.

Milestones Achieved by 31 December 2020



PLANET

ENVIRONMENTAL STEWARDSHIP



- Borouge is committed to the protection and enhancement of the environment by:
- 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

Description	Metric	2016	2017	2018	2019	2020
Energy intensity	GJ/ Output Tonne	22.86	25.02	24.34	21.61	20.13
Greenhouse gas emissions	Tonnes CO ₂ equivalent (000)	5,972	5,628	5,490	5,394	5,865
Waste generated	Tonnes	5,675	4,603	5,443	6,034	4,965
Water withdrawn	m ³ (000,000)	1,669	1,689	1,664	1,650	1,744
Hydrocarbon flaring	m ³ (000)	112,453	102,300	81,612	82,718	50,770
Environmental expenditure	USD (000)	10,407	10,336	9,840	10,022	10,394

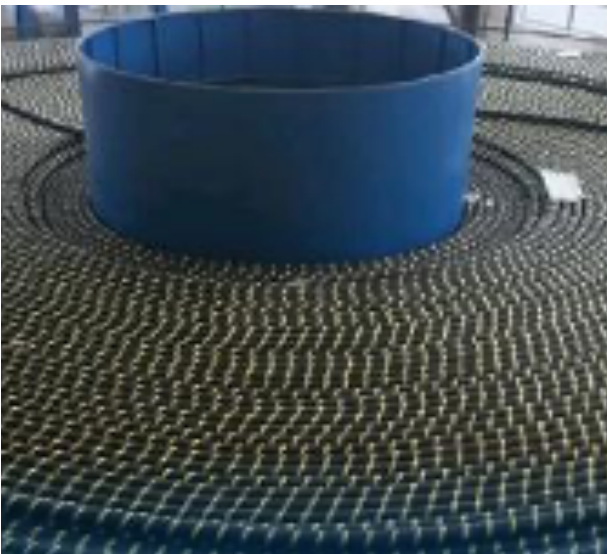
As a leading petrochemicals and plastics producer, we consider Environmental Stewardship as one of the pillars of our operations. We continue to invest in operational improvements and environmental initiatives to reduce our carbon footprint and we not only focus on the environmental impact of our operations and supply chain, but we also invest considerable effort in producing innovative plastics solutions that deliver environmental benefits associated with manufacturing, transport and end-use.



ENERGY

Reducing energy usage within our operations is a key aspect of our environmental stewardship and economic growth. Consequently, we seek to invest in innovation and improve our energy efficiency while monitoring our performance. To achieve continual improvement in energy efficiency we follow the structured approach of our ISO 50001 certified Energy Management System. We actively seek improvement potential from our assets and operations by reviewing our procedures against the best practices in the petrochemicals sector and by participating global benchmarking.

In 2020 major improvements were achieved from an energy efficiency point of view that also had a significant impact to GHG emissions. Compared to 2019, the energy intensity of our operations decreased by 7.2%. We significantly surpassed our 2021 sustainability target of reducing our total energy consumption by 14% per tonne produced from the 2015 baseline by achieving a 34.0% reduction. Our energy savings during 2020 are great indicators of the commitment of Borouge to efficiently reduce the use of non-renewable natural resources.



Providing clean energy in Asia

Our innovative plastic solutions are used in the world’s longest joint-free 220kV submarine cable providing clean energy to over 140,000 households in Jiangsu, China

During 2020 we finalised a comprehensive energy study for our assets to develop a long-time energy roadmap to ensure we continue to utilise the best practices, tools and technology, now and in the future. As an outcome of the study we created a detailed energy and GHG reduction roadmap until 2030 with a strategic ambition to reduce our energy consumption by 30% from the 2017 baseline.

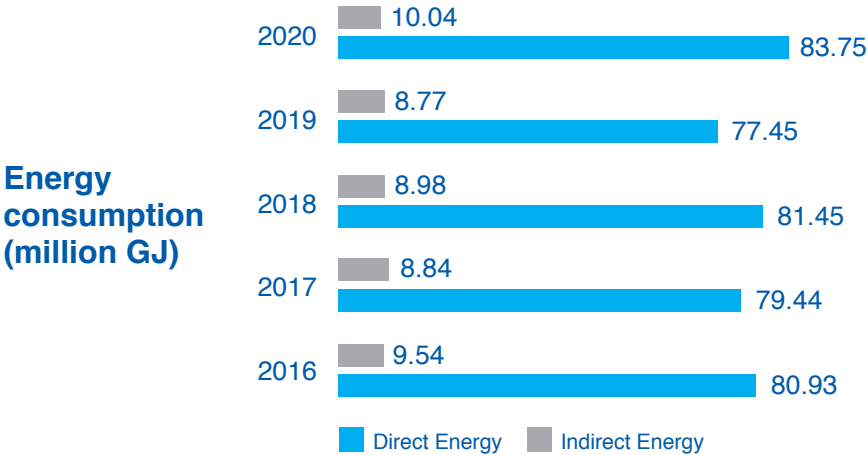
Energy management plays significant role in our digitalisation journey. We took our first steps by implementing a state-of-the art Energy Management Information System and real-time energy optimisation for our steam system that aim to reduce GHG emissions by more than 150,000 tonnes. In 2020 we have been actively seeking new opportunities for real-time energy optimisation and in 2021 new digitalisation projects will be implemented in the polyolefins plants and olefins conversion plant.

In 2020, the ISO 50001 certified energy management system has been upgraded to the new ISO 50001:2018 version that allows us to manage our energy performance even more effectively and achieve a higher level of continual improvement.

During 2020, we implemented several energy efficiency initiatives across different processes and operations, of which a snapshot is shown below.

Examples of energy saving initiatives and associated savings

Initiative	Energy saved (GJ)	Tonnes CO ₂ equivalent saved
Continuous operational improvement efforts utilising ISO 50001 certified EnMS	1,138,630	64,333
Implementation of olefins plants energy roadmap	405,396	22,905
Polyolefins plants extrusion optimisation programme	233,163	13,174
Steam system optimisation and digitalisation	705,881	39,882



Emissions

Borouge is equally committed to reducing emissions from our direct emission sources covered in Scope 1 (fuel use, fugitive losses and flaring), as well as indirect emissions from operations like Scope 2 (purchased electricity) and Scope 3 (transport and logistics related emissions).



Fugitive emissions monitoring

In line with our goal to improve our environmental performance, we continued monitoring our fugitive emissions for a second year in a row. In 2020, we completed the monitoring of the Borouge 3 plants while some of our personnel was trained to extend the capabilities of in-house fugitive emission monitoring

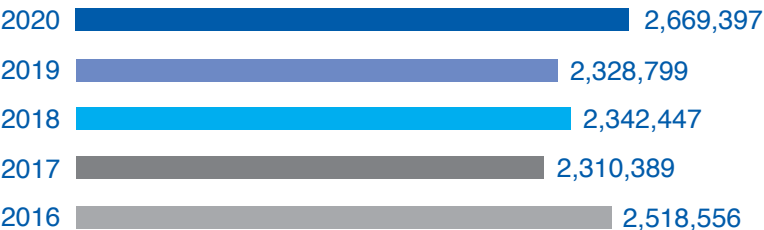
GHG intensity record

The GHG intensity record in 2020 is the lowest over the past five years and less than last year’s value by about 3.7%. The approach of Borouge to managing and reducing GHG emissions lead to a significant reduction from our operations through initiatives and strategies, such as flare recovery functioning

Scope 1 GHG emissions (tonnes CO₂ equivalent)



Scope 2 GHG emissions (tonnes CO₂ equivalent)



GHG intensity (tonnes CO₂ equivalent/tonne of throughput)



Emissions species (tonnes CO₂ equivalent)

Emission species / tonnes CO ₂	2016	2017	2018	2019	2020
Carbon Dioxide (CO ₂)	3,350,467	3,203,475	3,045,002	2,965,384	3,117,796
Methane (CH ₄)	85,288	79,993	67,908	69,038	48,821
Nitrous Oxide (N ₂ O)	14,401	23,210	25,915	23,492	25,238
Hydrofluorocarbons	3,134	10,996	8,505	7,586	4,521
Total	3,453,290	3,317,674	3,147,330	3,065,501	3,196,376

In 2020, we continued to engage with our suppliers and partners to gain a better understanding of the environmental impact associated with our supply chain across the world, and to obtain more accurate data around our Scope 3 emissions. As a result of our continuous efforts, we were able to more accurately calculate the emissions associated with the transport of people and products



Our cable jacketing solutions are used on the solar farm of A 'Namaa Poultry in Oman contributed to an annual reduction of 340,000 MT of GHG emissions

The travel restrictions due to the COVID-19 outbreak presented an opportunity to further lower our business travel GHG emissions as we used alternative communication facilities, like video conferencing. This year, our estimated Scope 3 emissions is 193,344 tonnes CO₂ equivalent. Borouge had some non-GHG emissions associated with our operations such as Ozone Depleting Substances (ODS) in 2020. Due to our efforts in the past two years, our ODS emissions resulting from routine maintenance of air conditioning systems were reduced significantly compared to the previous years.

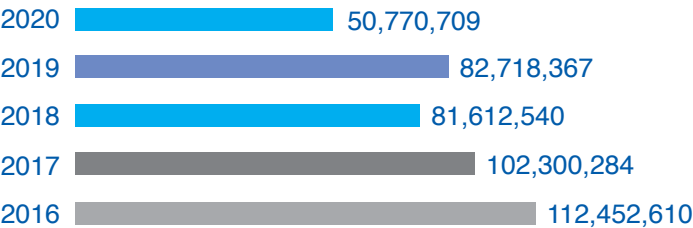
Other air emissions (tonnes)

Other air emissions (tonnes)	2016	2017	2018	2019	2020
NO _x	5,692	4,133	4,225	3,991	4,360
SO _x	402	436	389	382	403
VOC	610	547	505	496	427
PM	432	393	463	412	464
ODS (kg of CFC-11 equivalent)	302	55	50	19.5	21.7

FLARING

Gas flaring is a multi-million dollars waste, and a global energy and environmental problem. It is a challenge for any hydrocarbon industry to develop systems to measure, monitor and minimise hydrocarbon flaring. The continuous improvement in flare reduction means an increase in product yield, more efficient conversion of feedstock and less CO₂ emissions to the atmosphere, thereby reducing the environmental impact of plant operations and improved performance.

Total volume of flared hydrocarbon (m³)



Flare reduction record

In 2020 we overachieved our 2021 Sustainability Goal to reduce flaring by 60% per tonne produced as we had the lowest annual record in our history of approximately 60 kt. This value is significantly less than the previous record in 2018 of about 95.3 kt, which reflects the successful implementation of our flaring reduction initiatives

WATER AND EFFLUENTS

Water is an integral part of our operations and facilities as it is used for the cooling and manufacturing processes. Committed to minimising our water consumption and promoting water conservation, we recognise the value of access to water from the Arabian Gulf and the need to effectively manage water discharges sustainably. Our aim is to maximise the return of water back into the Gulf with minimal adverse environmental impact.

At our Ruwais plant, we do not use any groundwater, collect rainwater or use wastewater from other companies. We obtain our process water and potable water from a centralised network in the industrial complex.

Similar to previous years, seawater represented 99.7% of the total water used in 2020. Seawater is used as cooling water only and is handled in a closed loop system, so that almost all the seawater withdrawn for cooling purposes is returned to the sea.



Achieving the 2021 Sustainability Goal

In 2020 and ahead of our plan, we managed to overachieve our 2021 Sustainability Goal and reduce our industrial water consumption by 23% per tonne produced

Total volume of water withdrawn (m³)

Total volume of water withdrawn (m³)	2016	2017	2018	2019	2020
Seawater	1,663,526,793	1,683,291,101	1,659,017,134	1,644,854,855	1,738,884,446
Municipal Water	5,249,678	5,776,864	5,756,825	5,605,376	5,419,415

Our industrial water stream is treated on-site in our three Effluent Treatment Plants (ETP), designed to handle wastewater and sanitary effluent produced by our facility. Our treatment processes include, but not limited to, oil recovery and removal, biological treatment, tertiary treatment and filtration. Upon treatment, we ensure that the discharges meet the ADNOC standards before being released into the Arabian Gulf.

A portion of the treated wastewater from the ETP is used for irrigation inside the plant premises for developing landscaping, lawns, trees, etc. Samples of the ETP water are constantly analysed in the laboratories of Borouge to ensure compliance with discharge standards. This year, 181,656 m³ of water (about 3% of potable water withdrawal) was reused for irrigation purposes.

MATERIALS

The efficient use of our raw materials is a key driver to our overall environmental footprint and cost improvements. We carefully consider the effects of the materials used in the manufacturing of our products and packaging.

Our raw materials’ overall consumption slightly increased by about 10% when compared to our record in 2019. This is due to the increased demand on our hygiene products in response to the COVID-19 outbreak. While some material losses from production are very difficult to avoid, we aim to minimise these losses in order to reduce the environmental impact (emissions and waste) from our system and thus improve the environmental footprint of our products. This year, we managed to overachieve our 2021 Sustainability Goal of 98% ethane consumption with a record of 99.7%.

In 2020, we increased the number of local suppliers of chemicals, additives and packaging by 8%. We believe that sourcing materials locally reduces the embedded energy and carbon footprint of our raw materials, and the consumption of fuel associated with shipping and long-distance road transport of products. In some cases, it also reduces the packaging required to transport raw materials to our production site.

Type and quantity of materials consumed (tonnes)

Type and quantity of materials consumed	2016	2017	2018	2019	2020
Ethane	4,570,243	4,119,212	4,349,811	3,993,453	4,382,008
Propane	183,263	100,469	106,836	151,492	221,774
Chemical, additive and catalysts	74,813	76,213	79,215	81,239	80,787
Packaging	634,800	59,456	64,040	63,308	84,892
Fuel gas	632,579	701,166	601,394	589,012	663,576
Nitrogen	435,087	426,150	476,586	562,099	559,794
Total	6,530,785	5,482,666	5,677,882	5,440,603	5,992,831

PACKAGING

The efficient use of our raw materials is a key driver to our overall environmental footprint and cost In 2020, collaboration between the Supply Chain, Innovation and Sales & Marketing functions continued to optimise our packaging solutions. These solutions, were kick-started in 2016 and included a revolutionary design for stretch hood applications, wooden pallets that reduced amount of wood and thinner FFS films that contributed to significant weight reduction of packaging material whilst improving quality.



Food packaging innovative solutions

Recognising the fact that the right packaging is critical to ensure food safety during transportation, we offer our customers the Borstar® FB2230 solution with the required mechanical strength to maintain package integrity

In 2020, further developments were made in our FFS packaging and stretch hood films. We shifted to using compressed wood pallets in the Asia North market and further relied on recycled materials for packaging and transporting our products. We are currently investigating using plastic pallets to replace wooden ones, thus eliminating and reducing the use of our natural resources.

Packaging materials related initiatives

Packaging material	Initiative
FFS packaging	The developed FFS film, focused on enhanced tear and puncture resistance, has entered production in 2019. The film also decreases packaging material weight by 20%, resulting in less carbon emissions
Stretch hood film	A high performance stretch hood film, with ground breaking holding forces and minimised thickness, was developed and tested. Further tests will be conducted during the coming year
Compressed wood pallet	The use of compressed wood pallets/blocks for big bag packages was implemented in Asia North. The pallets and blocks are made of saw dust, recycled and wood leftovers
Plastic pallets	A technical study for plastic pallets was conducted, in order to promote the reuse of more durable resources, like plastic and its recycled components, thus reducing the usage of wooden pallets
Pallet-less	25 kg bag packages without the use of wooden pallets has started production, thus reducing the use of natural resources



INDUSTRIAL AND MUNICIPAL WASTE

We continuously make improvements to the way we manage our waste. We seek to minimise potential impact and ensure that all our waste management practices are in line with national and international best practices. Borouge applies the principles of Reduce, Reuse and Recycle to minimise the amount of waste generated or wasted.

The industrial waste generated at Ruwais is managed through BeAAT, a dedicated industrial waste management facility, whereas, municipal waste is managed at the TADWEER landfill facilities. We also send our paper waste and empty toners and cartridges for recycling.

A decrease in waste disposal is achieved through a combination of initiatives, including:

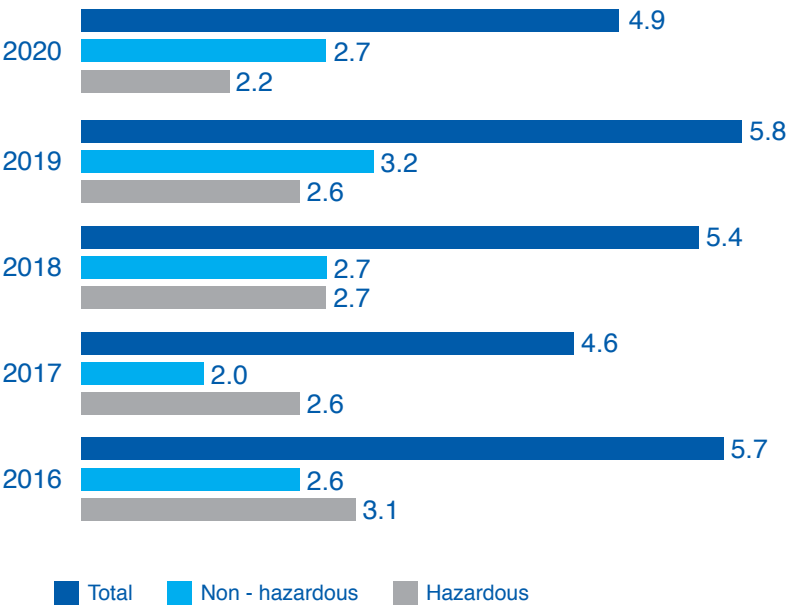
- Identifying reduce and recovery options for waste streams
- Increasing awareness and changing mindsets on responsible waste management and its minimisation
- Identifying industrial waste for recycling



Recycling activities

Since we launched our recycling evolution, we have contributed in collecting for recycling over 20 tonnes of materials throughout our offices. In 2020, we increased the recycling of waste oil (from our Ruwais site) by 13% compared to the previous year

Waste generated quantities (thousand tonnes)



The values for 2019 shown above exclude the generated waste during Borouge 3 Turnaround activities

BIODIVERSITY

As a responsible global organisation, we recognise the importance of conserving biodiversity in the communities we operate in and the environment around our operations. All our operations comply with local environmental laws and we are constantly working to reduce our environmental footprint.

Our production facility in Ruwais is located on the beautiful shores of the Arabian Gulf and close to the eight Desert Islands of the Al Dhafra Region of Abu Dhabi. The Gulf and the islands are home to an incredible range of fauna and marine life, and we acknowledge our responsibility to respect and contribute positively to this environment.

We also extend this commitment to our contractors and to the ways we transport our products around the world. The biodiversity impact of our activities is evaluated through the Environmental Impact Assessment (EIA) process for new projects, modifications and retrofitting.

PRODUCT RESPONSIBILITY

A key component of our product responsibility programme is our tailor-made Product Sustainability Index (PSI). The PSI is an enhanced new product assessment tool that gives equal weighting to economic, environmental and social impacts of new products.



Better harvest with our products

Borouge produced an innovative plastic greenhouse film that is made of our Borstar® FB2230 grade of polyethylene. It successfully meets our customers’ needs to cultivate high-quality vegetables in our local desert environment in the UAE and contributes to addressing the food deficit challenge

In 2016, 10% of our products had a PSI of 70% or above and we further improved our performance to achieve a value of 32% in 2020 thanks to our continuous commitment in product innovation.

SUPPLY CHAIN ENVIRONMENTAL STEWARDSHIP

As part of our 2021 Sustainability Goals and Supply Chain Strategy, we focus on limiting the environmental impact of our end-to-end supply chain. Over the past years, Borouge has introduced several initiatives designed to have a positive social and environmental impact while achieving our efficiency and cost objectives.



Reducing emissions and maximising efficiency of shipping and land transport continues to be a major area of focus for Borouge. Four years ago, we began collaborating with shipping lines to receive accurate data on transport and handling related emissions through our Carbon Pact agreements with Maersk Line and others, to reduce carbon emissions in transporting plastics.

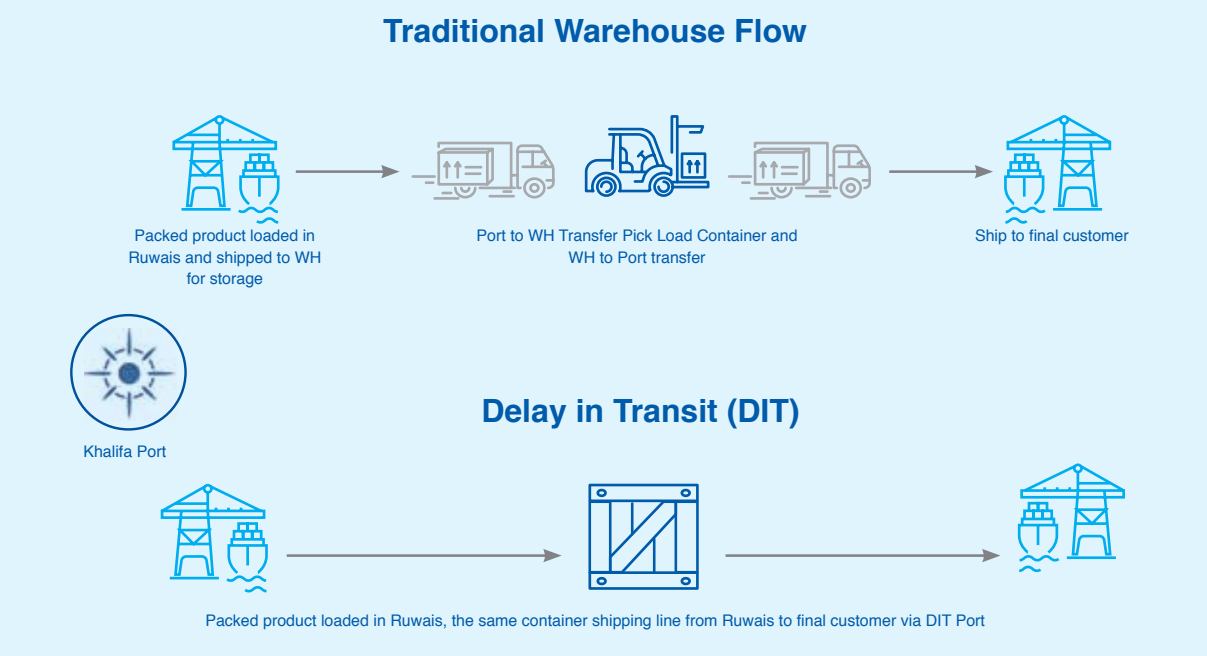
The Carbon Pact agreements enable Borouge to enhance GHG emissions’ reporting and set an objective to reduce its CO2 emissions. As a result, we enhanced our shipping companies’ estimated contribution to Scope 3 emissions (approximately 153,000 tonnes CO2 equivalent) as seven of them submitted their environmental data related to Borouge.

An approach was also developed to monitor the carbon emissions from the extended Borouge supply chain. This approach is aimed at accurately monitoring and reporting Scope 2 and Scope 3 emissions throughout our supply chain. It involves identifying all key sources of emissions, including electricity consumption in warehouses, emissions from ships, trucks, forklifts, etc. and establishing monitoring and reporting systems with the relevant service providers. This initiative helped us better tracking and reporting our GHG emissions in 2020. Furthermore, during 2020 some of our hub locations replaced the diesel forklifts to battery operated ones, which contributes to further reducing our GHG emissions.

Zero Pellet Loss programme

Inspired by our 2021 Sustainability Goals and commitment to waste minimisation, we continued to implement our Zero Pellet Loss programme to prevent plastic pellets from leaking into waterways. This year we focused on material handling operations in Ruwais and our other warehouses in the UAE and overseas

Delay in Transit (DIT) initiative





Our Delay in Transit (DIT) initiative, introduced in 2015, has continued to deliver significant benefits during 2020, both from environmental and financial points of view. The objective of this initiative is to improve the velocity through the supply chain, reduce handling and optimise material transport, resulting in a sizeable reduction of emissions. We increased the DIT volumes to around 24% of global sales volume in 2020 and we plan on further increasing the value to reach 30% by 2023. In addition to DIT, Borouge continues to implement Sales on Water (SOW) to double handling of products.

Supply chain digitalisation

Borouge continued its digital transformation journey in our supply chain to further support achieving our ambitious strategic goals. A number of initiatives were implemented, such as online invoice verifications and blockchain solutions to track live all shipping lines

Logistics network optimisation tool

We launched a tool to optimise our logistics network by running and testing extensive business scenarios on the distribution network and automating existing manual processes within our supply chain network

PROFIT

ECONOMIC GROWTH



- Borouge is committed to the growth of the Company and the industry by:
- 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

Description	Metric	2016	2017	2018	2019	2020
Production capacity	Million Tonnes per Year	4.5	4.5	4.5	4.5	4.5
Revenue	% Increase	10	-1	8.7	-2.4	1.4
New Product Sales	% of Total Sales	16	19	23	30	28
Complaints	Per (000) Tonnes Sold	0.056	0.060	0.030	0.029	0.022
Process Safety Incidents	Rate Tier 1 & Tier 2	0.045	0.015	0	0.018	0
Volume of Polymers Brought to the Market	% Increase	21	14	12	26	40

GROWTH

In 2020, the Borouge 4 FEED phase is progressing well with its completion of FEED planned within 2021. This expansion project includes a world-scale cracker and we see it as central to achieving our growth aspiration of significantly increasing our current polymer production, which in turn complements the Abu Dhabi 2030 Strategy to create future industrial development and diversification of the local economy.

The PP5 EPC is progressing well and is on track despite a challenging year in 2020. This project is an outstanding milestone that opens the door to a new era of growth at Borouge and supports our In-Country Value programme through the use of local goods and availability of employment opportunities. Upon operation, PP5 will increase our PP capacity by more than 25% and will further expand the product portfolio of Borouge.



2020 has been a challenging year due to the COVID-19 pandemic and has made us look at new ways to operate the business. Many office-based employees have worked virtually throughout the year and our front-line employees performed their best to secure our assets and produce in a reliable manner. Our Profit Improvement Programme enabled us to strengthen our margin performance this year, despite the global uncertainties and challenges.

Record-breaking sales volume achieved

This year, we achieved impressive sales figures that well exceeded our target. While the COVID-19 pandemic has impacted many businesses, Borouge has proved its resilience and ability to prevail despite the challenging economic climate and continues to expand its business



The world’s longest sea tow of pipes

The durability of BorSafe™ PE material in rough conditions has been demonstrated in the world’s longest sea tow of long length large diameter solid wall pipes over 177 days, covering a distance of 24,704 km from Norway to Malaysia

In 2021, we see more opportunities ahead of us, an improved market due to the vaccination roll-out, Borouge 4 FEED completion, PP5 start-up and OneERP going live during the same year. We believe that the challenges we overcome and the opportunities we seize will bring us closer to our ultimate target to be recognised for our innovative plastics solutions with high-end products by 2030, and strengthen our market position with a portfolio of differentiated products.

Since the introduction of the Borouge 2030 Strategy, there has been a consistent focus on stepping up our efforts to optimise our efficiencies and drive a cost-conscious mindset. By driving excellence, Borouge improves its competitiveness, earns the right to grow and achieves our vision of being the recognised leader in creative plastics solutions that have a positive impact on society today and tomorrow.

Our growth and expansion have been enabled by enhancements to our world-class supply chain network and our innovation initiatives to develop more products, enabling us to reach new markets and ensure successful customers. Based on our increased production, and marketing and sales capabilities, and supported by a strong focus on innovation and circularity, we aim to increase the volume of polymers we bring to the market.

Our global presence in the market has expanded over the years and we have further grown in emerging markets across the Middle East and Asia, with marketing, sales and representative offices in 13 locations across the globe. We spare no effort to cooperate with the governments where we operate in to support our growth and global trade. Borouge participates in several high-level trade bodies relating to petrochemical operations, plastics advocacy, local and international trade.

Borouge expands in Egypt

In 2020, Borouge established its new marketing office in Cairo, Egypt to ensure a better understanding of our customers’ needs and facilitation of a regular dialogue on how we can better help them improve their business

MARKETING STRUCTURE

The world today faces huge global challenges around carbon emissions, food, drinking water and sanitation and the role of Borouge is to provide specialised solutions that play a positive role in addressing these challenges. We do this through strong collaboration and deep engagement with the value chain partners through the following Marketing structure:

- **Packaging:** As part of our commitment to sustainability and to driving opportunities towards a circular economy, we provide and develop solutions that are fully recyclable. Our value-added packaging solutions ensure the quality and safety of the end products, while at the same time they fulfil demand for functionality, convenience and carbon footprint reduction
- **Infrastructure:** Our pipe solutions support the safe and reliable operation of municipal utilities such as gas, water and sewerage, ensuring a healthy population and clean, safe cities
- **Energy:** The sector continues to benefit from our extensive experience in wire, cable and capacitor film solutions’ development at the heart of renewable energy and power transmission
- **Mobility:** Our portfolio of customised solutions for lightweight exterior and interior components, and under-the-bonnet applications continue to make vehicles lighter and more environmentally friendly, leading industry trends and fulfilling the strictest international and domestic regulations
- **New business development:** We develop innovative solutions for agriculture and healthcare and seek new applications that add value to society. For example, in agriculture, we focus on products that can deliver precision farming whereby crop yields are maximised through the efficient use of light, water and fertilisers

Our marketing structure reflects our focus on innovation and industry segments, so that we can better address social, environmental and economic needs across the value chain.

Participation at major industry exhibitions



Our BorSafe™ PE material was used to produce a first-of-its-kind 1,600 mm diameter PE pipe for a hydroelectric power project in Alaska

SUPPLY CHAIN NETWORK

The global supply chain management of Borouge coordinates the planning and inventory distribution processes, supports the global customer service, designs the strategy for the logistics network and executes the packing and distribution of materials.

We always seek to expand our commercial and logistics network in the Middle East, Africa and Asia to be closer to our customers. Borouge has a tailored network designed to reduce delivery lead-time to our customers and to better serve the needs of our growing customers’ base in the Asia North and Asia South regions.

All logistics providers of transportation services via trucks of Borouge in the GCC region are obliged to register and comply with the Gulf Sustainability and Quality Assessment System (SQAS). SQAS is a system that evaluates the quality, safety, security and environmental performance of logistics service providers in a unified manner of single standardised assessments. The aim of the system is to provide assurance to petrochemical companies that logistics operations are carried out in safe and high-quality ways while protecting the employees, public and environment.

Borouge's global supply chain network



Our supply chain is impacted by several potential scenarios, including:

- Market volatility
- Political and economic instability in target markets
- Natural disasters
- Service providers' landscape
- Changing customs regulations
- Compliance requirements

Borouge proactively identifies, evaluates, and assesses business risks and develops mitigation plans with the objective of reducing vulnerabilities and ensuring the successful continuation of our global business. This is captured and maintained in a formal Risk Register and Business Continuity platform.

Change the Future Today programme

As part of our vision to further develop our human capabilities, various training sessions were held as part of this programme, such as APICS for over 100 employees in 2020, and we will continue our engagement in 2021

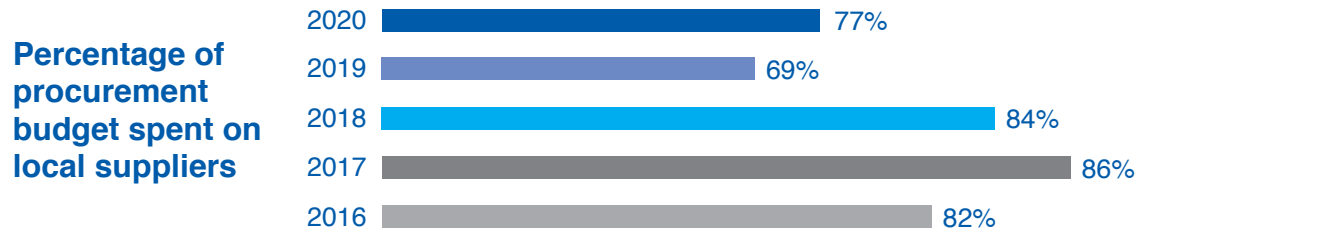
PROCUREMENT

Borouge recognises the importance of our business partners and we are focused on improving the participation of local suppliers in our value chain through our simplified procurement processes and contract formalities. We achieved our goal of increasing the number of our chemicals, additives and packaging UAE based suppliers by 8%, ahead of our 2021 Sustainability Goals schedule. We continued working on implementing the In-Country Value (ICV) strategy. In addition, we have a robust improvement action plan for 2021 to ensure that we continue achieving our targets.

PP5 project contribution to ICV strategy

The PP5 project overachieved its planned ICV target for 2020. The project also contributed to boosting the local UAE economy, as 100% of its steel structure is made in UAE

In terms of developing the capacity of local suppliers, Borouge supports GPCA's Gulf Sustainability and Quality Assessment System and mandates its suppliers to adopt the system that aims at improving performance. In addition, the Borouge Workers Protection Standard aims to protect workers throughout the supply chain and make suppliers comply with international standards related to the workers' welfare.



Responsible Sourcing and Borouge Workers Protection Standard

As we expand our global operations and markets' presence, we continue to do business in a way that protects and enhances the lives of the workers engaged throughout our supply chain. As a result, Borouge is now closely collaborating with all our suppliers to ensure that they too conduct their business responsibly.

The responsible sourcing of our products and services is a priority for us. We delivered upon our 2021 Sustainability Goals to introduce our Responsible Sourcing Commitment comprising of three pillars, namely: HSE, Ethics and a world-class Workers Protection Standard.

The suppliers and sub-suppliers of Borouge are expected to conduct their business ethically and to protect the rights and wellbeing of their workers by complying firstly with local and national laws and then with the requirements of this new standard. The requirements of the Workers Protection Standard are based on international best practices, standards and conventions, and specifically relate to:

- Forced labour
- Child labour
- Discrimination
- Working hours
- Remuneration
- Freedom of association
- Harassment
- Ethics
- Communication
- Conflict minerals and indigenous people

In addition to the existing requirements, in 2017 we incorporated our Workers Protection Standard requirements in all our manpower-related contracts to protect the rights and wellbeing of the employees of our suppliers and sub-suppliers. They are evaluated from the beginning of the tendering process, right through the contract award and provision of services. We are committed to communicate the standard to the workers and we provide training to our Borouge contract administrators to ensure compliance, as well as performing audits on our suppliers to provide recommendations where necessary.

To ensure adherence to the Borouge Worker Protection Standard, three awareness sessions were conducted in 2020 while a dedicated contractors’ welfare hotline programme was rolled out to hear of and improve any welfare issues they may have.

CORPORATE GOVERNANCE

Borouge embraces sustainability as a strategic path to increase integrity and accountability across the company. We ensure an effective governance framework across our global operations, and we are committed to improving our operational efficiency through transparent and responsive governance.

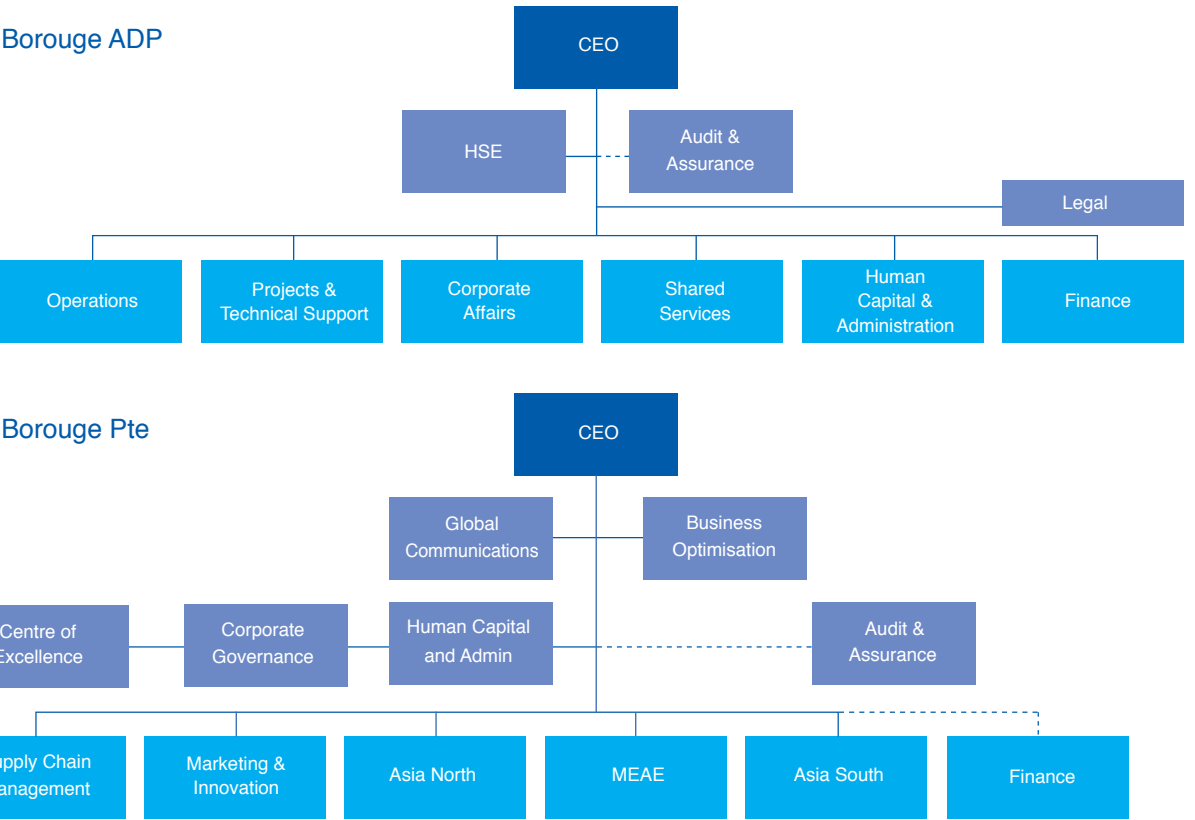
Driven by our core values, we have established a Corporate Governance Policy that provides a clear understanding of our governance structure, the interface with shareholders and authorities, and decision-making mechanisms within the organisation resulting in our ability to maintain good relationships with our stakeholders, support our long-term success and enhance our leadership across the industry.

The Corporate Governance function is dedicated to further improve our operational efficiency by providing the necessary governance framework and governing principles through which the objectives of Borouge are set. It presents a means of attaining these objectives and monitoring performance in the best interest of Borouge and its shareholders.

Borouge ADP and Borouge Pte operate under the direction of two separate Boards of Directors (ADP Board and Pte Board). The two Boards represent our shareholders and operate in accordance with the governance contained in our Articles of Association and Memorandum of Association.

We have Board Charters and Terms of Reference in place to address the structure and operations of the Boards and key committees. The two legal entities of Borouge are managed by separate executive teams. Borouge ADP focuses primarily on production and shared services, while Borouge Pte is responsible for Marketing and Sales, Supply Chain and the Compounding Manufacturing Plant in China. There are a few committees and joint committees established to support the governance and implementation of the Corporate Strategy.

Executive Teams

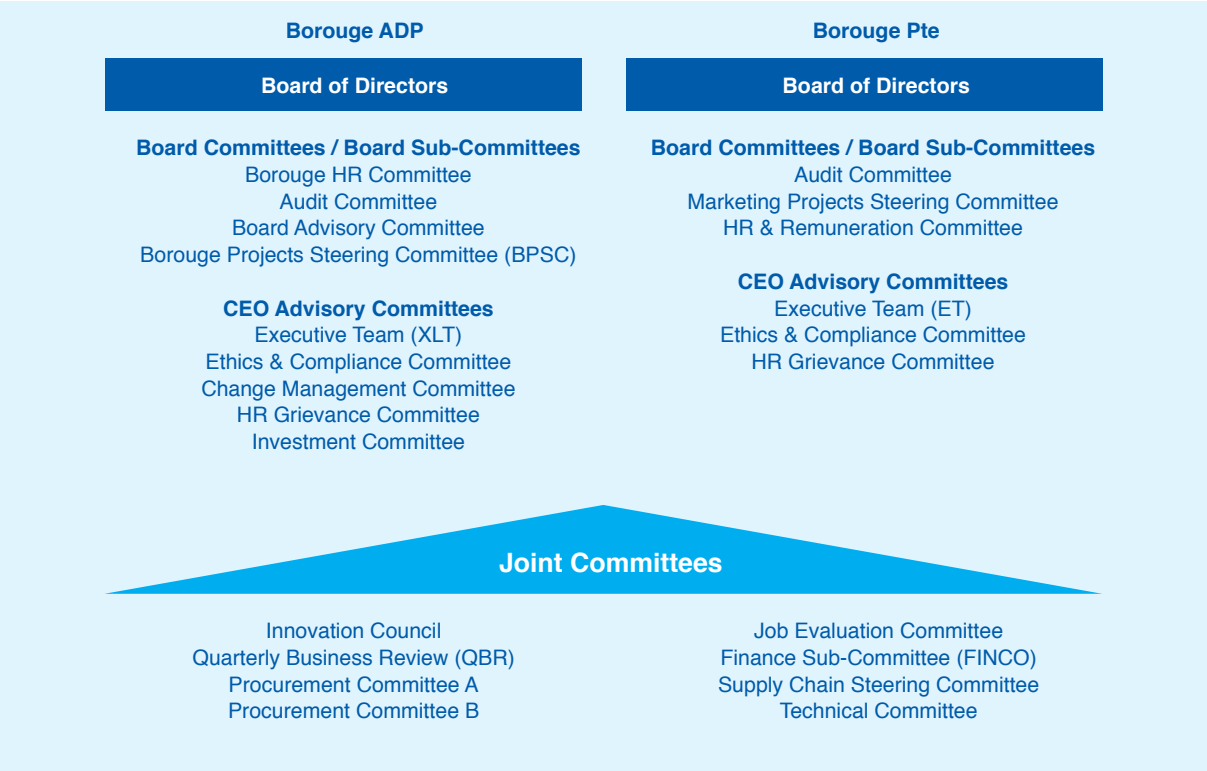


Our Boards meet on a regular basis to ensure our governance focus in business sustainability. During 2020, Borouge had three Board Advisory Committee (BAC) meetings annually, which occurred around three weeks before each of the three ADP Board meetings.

Successful contribution to the AFL programme

The bespoke ADNOC Future Leaders (AFL) programme is designed for the company’s top performers, both men and women, and is intended to prepare young professionals in the group to tackle the challenges that lie ahead. It is designed to address the group’s business needs and includes development programmes that will provide greater hands-on experience and structured training for new talents. The second cohort completed the AFL programme in 2020, and currently there are two of our talented employees in the third cohort

Key Governance Committees



We recognise the fact that our youth has potentials and skills that can contribute to the achievement of our long-term goals. We take concrete measures to build on the capabilities of our promising young men and women.

ETHICS

Since our inception in 1998, Borouge has been committed to operating its business to the highest ethical standards and practices. Ethics is a key part of our values and kneaded tightly into the principles by which we operate. Our Code of Conduct guides our business, requiring ethical behaviour and integrity in everything we do, and our Code of Conduct is updated regularly to ensure it reflects the changing risk environment that Borouge operates in. The expectations defined in our Code of Conduct contain:

- Requires our people to act ethically and responsibly with integrity
- Establishes a culture of openness, trust and integrity in our business practices
- Defines roles, responsibilities and accountabilities
- Maintains the expectations of adherence to business ethics in all Company’s practices



Our values promote a progressive and respectful work environment

At Borouge, we recognise that the world we operate in is growing evermore complex, and we may be faced with ethical dilemmas in our daily course of business. This led us to update our Code of Conduct to reflect the changing risk environment that we operate in. We also have an online Business Courtesy Registry for our employees to record gifts or entertainment given to, or received from, an external party. Reporting each gift or business courtesy is mandatory at Borouge. As such, to ensure that our employees are guided on their ethical conduct, we have mandatory Ethics & Compliance e-learning across all functions at Borouge. Face-to-face workshops and awareness communications were also held across all regions covering topics like anti-bribery and corruption, data privacy, conflict of interest, whistleblowing, and gift and entertainment. Our efforts to reinforce our ethical business standards and culture will continue in 2021 by enhancing our e-learning modules on the Borouge Code of Conduct, as well as, ongoing Ethics and Compliance e-learning modules in emerging risk areas.

Borouge also maintains robust policies and procedures related to high risk areas such as anti-bribery and corruption, sanctions and exports, insider trading, anti-money laundering, conflicts of interest and other key risk areas. Borouge takes a zero-tolerance approach to bribery and corruption, setting high standards of impartiality, integrity and objectivity in relation to all our activities. In 2020, there were zero corruption cases reported.

Personal Data Protection and Privacy Enhancement initiative

We embarked on a Personal Data Protection and Privacy Enhancement initiative to ensure that the personal data that our employees entrust with us remains secure. As part of this initiative, our Personal Data Protection Procedure was updated, we launched the Borouge Data Privacy Notice on our website, and we established Data Transfer Agreements across our entities and with our parent companies. These enhancements ensure that Borouge is in compliance with the evolving data privacy regulations

Speaking up or asking for help

We expect and encourage all employees to directly report any suspected violations of the Borouge Code of Conduct. Some examples of ethical violations that could be reported in Takallam include: alleged or suspected violations of laws, regulations and policies of Borouge such as theft, fraud, conflict of interest and disclosure of information. Takallam platform is available to both internal employees and external partners. Employees with concerns about suspected business violations are encouraged to:

- Talk to their line manager and/or members of the leadership team
- Report the issue to Ethics & Compliance
- Raise concerns about business conduct in Takallam

Maintaining the highest possible ethical standard is of supreme importance to Borouge and paramount to living our values and adhering to our Sustainability Policy. We ask all our employees to complete Code of Conduct undertaking and Conflict of Interest certification online on an annual basis.

QUALITY MANAGEMENT

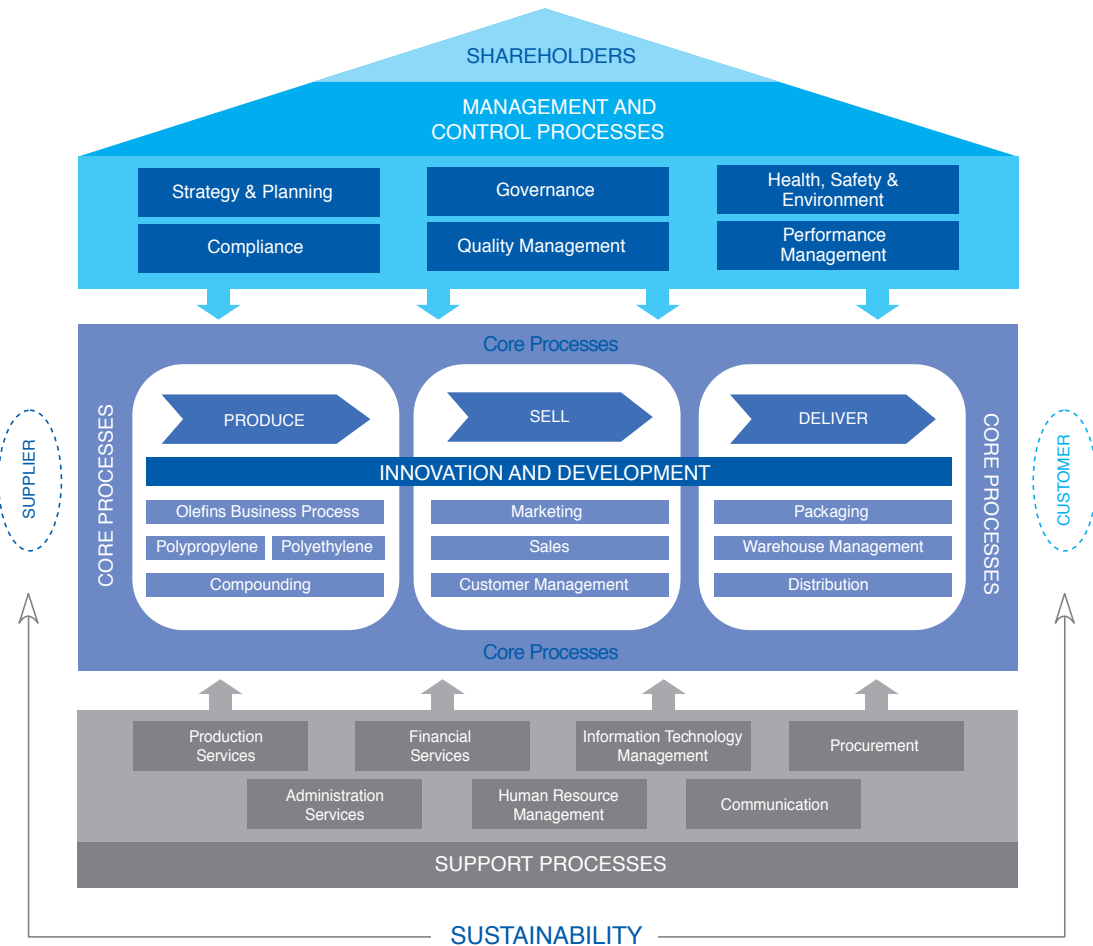
Our Borouge process house (as is known at Borouge) highlights the ownership, responsibilities and accountabilities as well as the inter-connectivity of key business elements in the organisation, underpinned by our commitment to sustainability. In 2020, various process models in the Borouge process house were updated to align with the organisational changes. In order to further strengthen the quality mindset and culture, we improved the homepage of the Approved Document Management System (ADMS) to include extra features, such as a dashboard and overdue reports. We also launched two campaigns focused on our Approved Document Management System (ADMS) and Record-Archiving training. In addition, the first ever LEAN Management workshop for value stream mapping was conducted to improve the project management process.



Quality audits are vital contributors to our continuous improvement culture, which is achieved through process knowledge and management monitoring to ensure that risks and control measures are effectively managed. In 2020, we completed 15 quality audits where areas for improvements were identified, documented and followed up for effective resolution. Going forward in 2021, changes are going to be implemented in the second line of defence audits (planning, reporting and closure).



Borouge Corporate Business Process Model



The dedication and focus of Borouge on continuous improvement and excellence were rewarded in 2019 when Borouge won the highly acclaimed Gold category during the 17th cycle of the Sheikh Khalifa Excellence Awards (SKEA) ceremony for the second time. The award recognises our outstanding performance and commitment to excellence throughout our operations. In 2020, we developed a detailed action plan to further enhance our performance.

Continuous Improvement

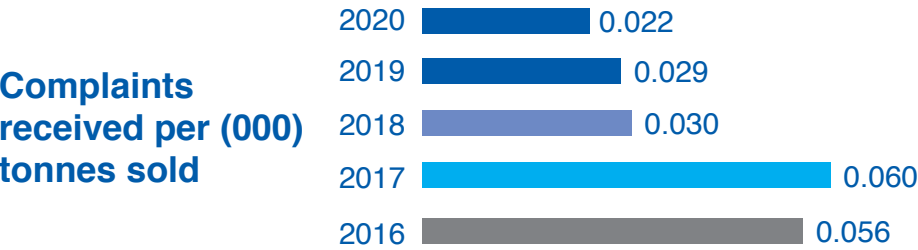
We recognise that continuous improvement is imperative to remain one of the leading petrochemicals company. Borouge developed our specially designed approach for problem solving and project management excellence, i5 Approach. This approach helps us to deliver our projects on time, on budget and at the same time meet our clients' expectations in terms of quality. We apply i5 Approach for all projects exceeding an external cost of USD 50,000 or 40 man-days.

Customer Satisfaction

Keeping our customers satisfied is fundamental to the resilience of our business in the dynamic and fast changing markets. Listening to the needs and concerns of our customers is a key driver to our successful journey. This is reflected in overachieving our 2021 Sustainability Goal of reducing customer complaints by 40% in 2020.

One important tool that we utilise to measure our customer satisfaction and identify potential areas of improvement is our specifically designed Customer Feedback Closure Questionnaires (CFCQ) that we regularly send out upon resolution of customer complaints.

The 2020 customer satisfaction relating to the customer feedback handling, achieved a target scoring of over 4.30 out of 5.0. Overall, the justified complaint frequency of 0.022 met the target of 0.030. Furthermore, this is the lowest justified complaints in the last five years.



Our Borstar® PP-R material has been used in hot and cold plumbing systems in more than 40 countries worldwide. Its benefits include reliable performance, long service life and optimal quality

Zero Defect Quality programme

The Zero Defect Quality programme aspires to reach 100% Quality of our products and services. This year, we evaluated our Quality Assurance and Quality Control process maturity and started implementing a roadmap to reach our goals as part of this ambitious programme

i5 Project Management Approach

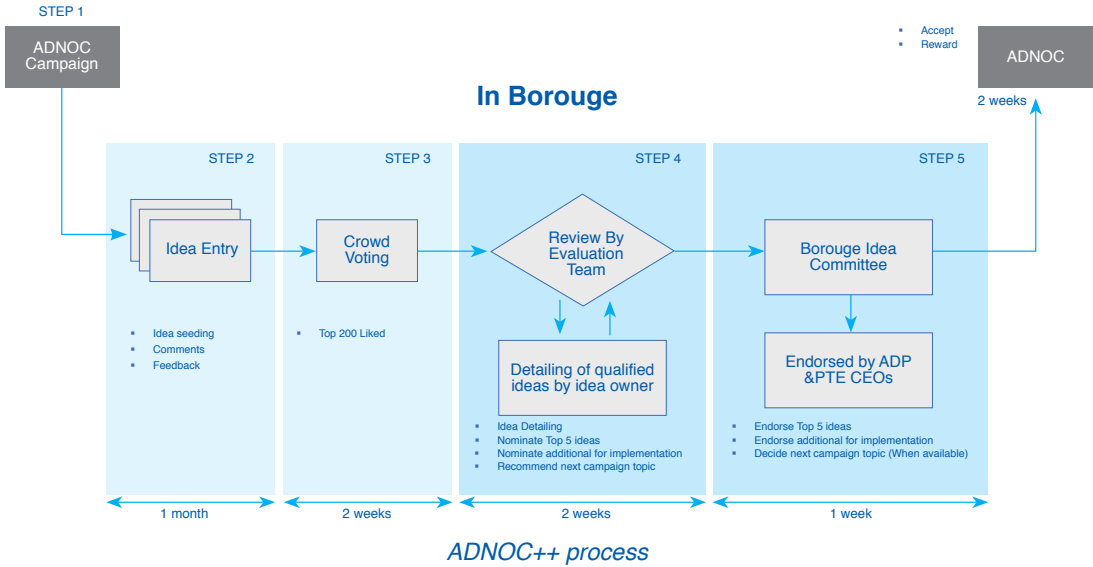


ADNOC++

Fostering innovation is a fundamental concept at Borouge that positively contributes to our business sustainability and viability. We see innovation as a strategic and human centred lever for developing and maintaining an agile and accountable business.

In 2020, My Idea has been replaced with ADNOC++, a centralised tool where brilliant ideas across all ADNOC Group companies are collected. We encourage our employees to unleash their creative capabilities and submit their valuable ideas through the newly launched ADNOC++. In 2020, 77 ideas were submitted from Borouge employees, of which 36 qualified as part of the Post COVID-19 Idea campaign.

ADNOC ++
IDEA REVIEW PROCESS (INTERNAL)



ASSET INTEGRITY

We are committed to preventing major process safety incidents and we closely adhere to the principles of Asset Integrity Management and devote the necessary resources to implement these principles throughout the organisation.

The Borouge Asset Integrity Management System is a systematic approach to identifying, evaluating and controlling major process hazards and risks, primarily to prevent loss of primary containment of hazardous substances and the release of stored energy which could result in fires, explosions or other serious consequences. The management system also contributes to optimising business processes with respect to HSE requirements, operational environment and business sustainability.



As part of our 2021 Sustainability Goals we have committed to consistently outperforming the industry’s benchmark for process safety, and this year we have achieved a record zero process safety Tier I / II incident rate. The Process Safety Network platform between Borouge and its peers, including Borealis, provides the venue for exchanging best practices.

Borouge has also successfully implemented a Tier-I, Tier-II and Tier-III Emergency Response System comprising of facility response plans and office emergency plans for each facility supported by coordinated crisis management plans. This year, we have implemented a new incident categorisation system that is based on the level of response.

Borouge regularly performs risk assessments based on the established Qualitative and Quantitative Risk Assessment Methodology. The identified high risk activities are brought to an acceptable level (ALARP) through the implementation of practical controls and mitigation measures.

HSE Critical Equipment and Systems (HSECES) are the installations (equipment, structures and systems) that prevent major accidents or mitigate any consequences. The following steps are used systematically for the effective management and monitoring of these elements:

- Identification of Major Hazards (MAH) through Process Hazard Analysis (PHA) with reference to company’s tolerable risk guidelines
- Application of bow-tie methodology in the identification of HSECES, HSE critical integrity activities and HSE critical activities for each identified MAH
- Development of performance standards for all identified HSECES
- Establish HSECES assurance tasks and verification processes
- Implementation of HSECES assurance tasks and verifications based on the established maintenance strategy and plan
- Performance monitoring of HSECES compliance through an interactive dashboard
- Conduct risk assessment and identify mitigation for non-compliant situations in HSE critical equipment management


HSE and Process Safety Assurance programme

In 2020, we continued to manage and monitor the HSE and Process Safety Assurance programme, which consists of proactive measures to ensure safe operations and prevention of incidents. The key focus areas for 2020 included leadership engagement in HSE, preparedness for emergency response and occupational health

INFORMATION TECHNOLOGY

Information Technology (IT) is one of the key enablers towards delivering our integrated business strategic objectives. Borouge focuses on creating fit-for-purpose solutions and quality services to support the growth of the company. A major focus of our IT strategy is to enable appropriate platforms to support collaboration across our extensive global network of operations.

We recognise the vitality to secure and protect the data received, transmitted, stored and retrieved. There is a significant necessity to have information security controls in place to ensure confidentiality, integrity and availability of these services for our robust business continuity. We strictly follow our Corporate Information Security Policy that outlines the mandatory minimum requirements for developing both business and individual information security management systems amongst others.



I-Connect campaign

To ensure business continuity with no interruptions due to the COVID-19 pandemic, we launched our I-Connect campaign, which promotes working remotely efficiently and adopting a modern workplace environment. Extensive virtual awareness sessions were provided to all Borouge employees

To ensure the information security, reliability and confidentiality, we consolidated all our applications into one secure online environment. The Electronic Information Classification and Two-Factor Authentication tools enable secure access and storage of our enterprise content in an efficient and more protected way.

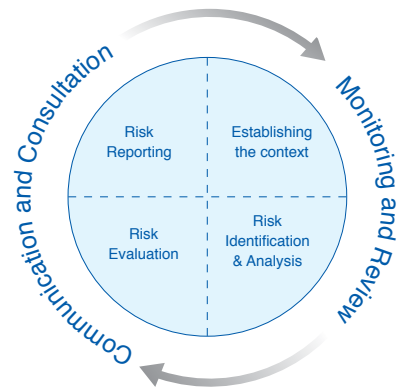
RISK MANAGEMENT AND BUSINESS CONTINUITY

In order to deliver value to customers, employees and key stakeholders, Borouge must manage the risks across the entire organisation. Our risk management framework provides a methodology to conduct effective risk assessments and categorisation that will allow the management to decide on appropriate mitigation plans.

It aims to reduce our risks to an acceptable level across the company and ensure:

- Identification, assessment, evaluation, mitigation, management and monitoring of risks
- Achievement of company’s objectives and efficient business operations at all levels
- A clear process flow, reporting and communication with the Borouge management

Business continuity planning and preparation activities played a fundamental role during 2020 proving our resilience in response to the COVID-19 challenges. We activated the Borouge business continuity committee and ensured our readiness to the rapidly changing economic environment.



COMPLIANCE

Compliance risk has become one of the most significant ongoing concerns for corporations today, given the ever changing regulations across the world. With the substantial growth that Borouge has experienced in recent years, our business has become more complex. In particular, the expansion of our geographical footprint requires Borouge to ensure compliance with laws and regulations in the countries where we operate in.

The Compliance Framework was established at Borouge in 2016 with the key compliance risk and controls being identified and formalised based on COSO (Committee of Sponsoring Organisations of the Treadway Commission), a widely accepted methodology that focuses on achieving objectives in operations, reporting and/ or compliance. Each year, a risk assessment and review on key internal controls is conducted throughout the organisation.

In addition, in accordance with the Abu Dhabi Accountability Authority (ADAA) Resolution 1 – Internal Controls Framework, Borouge conducts a yearly self-assessment review of key controls across the organisation.

Each year, the Internal Controls Framework is further enhanced with expansions into other emerging risk areas, such as data privacy and protection, sanctions and export controls and anti-money laundering with the development of new procedures and risk assessment reviews conducted.

Going forward, Borouge will continue to develop and strengthen the Compliance Framework and Internal Controls Framework to ensure assurance can be provided for key risk and control areas across the enterprise and ensure the strong culture of compliance is the foundation of Borouge operations.

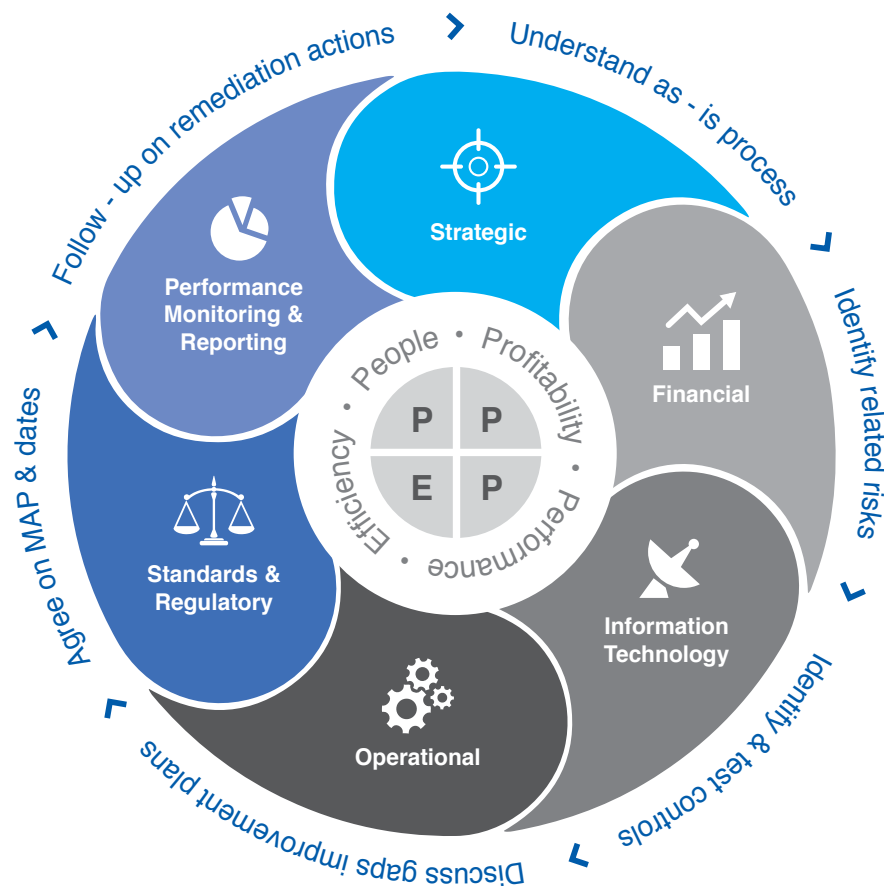
AUDIT AND ASSURANCE

The Audit and Assurance Function (A&AF) at Borouge is an independent group within the company that adds value through objective assurance and advisory services. Assurance on the effectiveness of risk management, internal control and governance processes are provided to the management and stakeholders under the auspices of the Audit Committee. The mandate provided to A&AF ensures unrestricted scope coverage for internal audits. Our integrated auditing approach has been aligned to various national and international best practices and standards, such as

- Abu Dhabi Accountability Authority (ADAA)
- International Financial Reporting Standards (IFRS)
- Control Objectives for Information and related Technology (COBIT)
- Institute of Internal Auditors (IIA) Standards and Practice Advisories
- Committee of Sponsoring Organisations of the Treadway Commission (COSO)
- ADNOC Codes of Practice
- ISO 9001 & IATF 16949 – Quality Management Systems
- ISO 50001 – Energy Management System
- Signals Intelligence Agency / ISO 27001 – Information Security Management System
- ISO 14001 – Environmental Management System
- RC 14001® – Responsible Care Technical Specifications
- Social Accountability Standards, including customer specific requirements
- ISO 45001 – Occupational Health and Safety Management System
- National Emergency and Crisis and Disasters Management Authority requirements (NCEMA)
- Information Systems Audit and Control Association (ISACA)

Extended Assurance Model

The Extended Assurance Model of Internal Audit aims to derive maximum efficiency during the audit while providing holistic assurance to key stakeholders. The Extended Assurance Model integrates risk based internal audits with the requirements of Integrated Management System (IMS) and IT. This model provides an extended assurance across six main pillars – Strategic, Financial, Operational, IT, Standards and Regulatory, and Performance Monitoring and Reporting.



The model has proven to be scalable and has been able to accommodate the growing expectations of our stakeholders. Additional requirements, such as ISO 50001, IATF 16949, customer requirements, industry specific requirements and shareholder expectations have been effectively integrated into our extended assurance model during our ongoing annual reviews.

The model lays significant focus on sustainability as it addresses key aspects like human rights, working and living conditions, ethics, environment, product stewardship, energy, security of assets and people, and governance, as well as focusing on recommendations to enhance profitability.

The Audit and Assurance Function also facilitates external ISO/ RC® audits, performs specialised audits like the Borouge Workers Protection Standard audit, energy audit and gap assessments, upon request from the management.

Our internal audits are designed to provide reasonable assurance on the conformity of Borouge to specific sustainability requirements by:

- Incorporating verification of social accountability requirements
- Citing improvement opportunities, as relevant, geared towards sustainable operations (life cycle assessment, product stewardship) in our recommendations
- Performing specific audits addressing requirements of international standards such as:
- Energy Management System (ISO 50001)
- Quality Management System for Automotive Industries (IATF 16949)
- Gap assessment reviews in view of applicable management system standards
- Customer audits against responsible sourcing requirements
- Performing supply chain audits, contract audits and project audits
- Facilitating external ISO 9001 / ISO 45001 / RC 14001® / IATF 16949 certification
- Use of Audit Management Systems (AMS) for internal audit, follow-up
- Conducting reviews arising from unethical acts and behaviour as requested by the management from time to time

CURRENT CERTIFICATIONS

The Integrated Management System at Borouge is certified to ISO 9001:2015, ISO 14001:2015, OHSAS 18001:2007 and RC 14001®:2015 for its global locations. In addition, Borouge is certified to the Quality Management System standard the for automotive industry – IATF 16949 for its Compound Manufacturing Plant at Shanghai. The Energy Management System of Borouge is certified against the international standard of ISO 50001:2011 for its production facility at Ruwais. The OHSAS 18001 standard has been upgraded to ISO 45001:2018 and the ISO 50001:2011 has been upgraded to ISO 50001:2018 during the external IMS audit in Q4 2020.



Authorised Economic Operator (AEO) certificate

This year, Borouge obtained the Authorised Economic Operator (AEO) certification by the Dubai Customs Authority in pursuit to be recognised as a trusted operator and facilitate our products’ shipment from the UAE

Borouge and the United Nations Sustainable Development Goals



As leaders in creative plastic solutions that have a positive impact on society, today and tomorrow, we actively contribute to the United Nations Sustainable Development Goals (SDGs). Our key areas of focus for 2020 are:

HOW WE CONTRIBUTE

3

GOOD HEALTH AND WELL-BEING

- We provide innovative plastics solutions for light, unbreakable and safe medical devices.
- 77,000+ PCR tests for our employees and contractors
- “ADNOC Excellence Award” under the Responsible category for our commitment to the UAE’s fight against COVID-19 with polypropylene (PP) solution.
- 15 million man-hours in the PP5 project without any incidents.

8

DECENT WORK AND ECONOMIC GROWTH

We are a major contributor to global GDP growth

- “HR Asia Best Companies to Work for in Asia” in both Singapore and China
- “Caring Employer Award” in Singapore for our programmes to support our employees throughout the COVID-19 pandemic
- Responsible Sourcing and Borouge Workers Protection Standard implementation

12

RESPONSIBLE CONSUMPTION AND PRODUCTION

We are committed to maintaining resource efficiency in the production and application of plastics

- Polymers off-spec reprocessing study
- Obtaining International Sustainability and Carbon Certification (ISCC) PLUS
- Anbiq™ enhanced flexible packaging solutions produced using Borstar® bimodal technology
- Successfully launched a worldwide virtual environmental awareness campaign
- Overachieving our 2021 Sustainability Goal for reducing our industrial water consumption
- Overachieving our 2021 Sustainability Goal of ethane consumption
- Increasing the recycling of waste oil by 13% compared to the previous year
- Zero Pellet Loss programme implementation

13

CLIMATE ACTION

We provide lightweight innovative plastics solutions that make a major contribution to climate protection

- Ruwais Environmental Sustainability Programme (RESP) successful implementation
- Obtaining International Sustainability and Carbon Certification (ISCC) PLUS
- The GHG intensity record in 2020 is the lowest over the past five years
- Overachieved our 2021 Sustainability Goal to reduce flaring
- The lowest annual record of flaring in our history
- Carbon Pact agreements implementation to track our Scope 3

AWARDS AND RECOGNITION



ADNOC Excellence Award under the Responsible category for polypropylene (PP) solution for face masks

2020 AWARDS AND RECOGNITIONS

#	Title	Category	Awarded for
1	“Best Emirati” Awards at the Emiratisation Awards	Emiratisation	Best Emirati
2	Abu Dhabi Sustainable Business Leadership Award	Sustainability	Best Sustainability Communications Programme
3	Employer of Choice award by HRD Asia	HR	Employer of choice
4	HR Asia Best Companies to work for in Asia, China Award	HR	Best Companies to work for
5	HR Asia Best Companies to work for in Asia, Singapore Award	HR	Best Companies to work for
6	HR Asia Most Caring Companies, Singapore Award	HR	Most Caring Companies
7	2020 Best Supplier Award by Changchun Engley Automobile Industry Co. Ltd. (Engley)	Automotive	Best Supplier
8	ADNOC Excellence Award	Responsible Category	Commitment to the nation’s fight against COVID-19 with polypropylene (PP) solution for face masks

ABOUT THIS REPORT

The 2020 Sustainability Report has been prepared in accordance with the Global Reporting Initiative Standards and the Borouge values. The boundary of this report covers the Borouge organisation as a whole. Data has been gathered by our sustainability team supported by sustainability focal points in all functions across the company. For particular material aspects, figures from suppliers are also included.

In 2019, Borouge completed a stakeholder materiality mapping exercise across a broad range of internal and external stakeholders, based on the aspects classified in our sustainability performance reporting and identified key areas of focus. Ethics, occupational health and safety, business compliance with laws as well as employees’ wellbeing and satisfaction, among other areas, were rated as the highest priority by the stakeholders both in terms of concern to them and their impact on Borouge. In 2020 we focused our efforts to address the high priority areas, as identified and described in the report. We aim to conduct a new stakeholder engagement and materiality exercise in 2021 Following internal verification and alignment, the performance data of energy intensity has been refined and updated.

DISCLAIMER: It should be noted that the photos presented in this report are generally expressive images. Borouge confirms to have adhered to all COVID-19 health and safety precautions and restrictions that relate to social distancing and face-to-face interactions throughout the year.

For more information about sustainability at Borouge, or for any comments, suggestions and questions regarding this report, please email us on sustainability@borouge.com

GRI CONTENT INDEX

Disclosure No.	Disclosure Title	Comments	Page
General Disclosures			
102-1	Name of the organisation	Covered	10
102-2	Activities, brands, products and services	Covered (banned products or services - zero)	11,12,24,25
102-3	Location of headquarters	Covered	12
102-4	Location of operations	Covered	11,12
102-5	Ownership and legal form	Covered	10
102-6	Markets served	Covered	10,12
102-7	Scale of the organisation	Covered	10-12 & 68
102-8	Information on employees and other workers	Covered	26-31
102-9	Supply chain	Covered	67&68
102-10	Significant changes to the organisation and its supply chain	Covered	71
102-11	Precautionary principle or approach	Not used. (Borouge does not follow precautionary principles as we use proven practices, etc. and have a risk management plan)	-
102-12	External initiatives	Covered (Environment Agency of Abu Dhabi, Responsible Care Global Charter, GPCA, SCOR, WTO, World Plastics Council)	-
102-13	Membership of associations	Covered	13-15
102-14	Statement from a senior decision-maker	Covered	5
102-15	Key impacts, risks and opportunities	Covered	15&16
102-16	Values, principles, standards and norms of behaviour	Covered	10,14&15,17 72&73, 81-83
102-17	Mechanisms for advice and concerns about ethics	Covered	72&73
102-18	Governance structure	Covered	71&72
102-19	Delegating authority	Covered	71
102-20	Executive-level responsibility for economic, environmental and social topics	Covered	71&72
102-21	Consulting stakeholders on economic, environmental and social topics	Covered	15&16
102-22	Composition of the highest governance body and its committees	Partially covered	30, 71&72
102-23	Chair of the highest governance body	Covered	71
102-24	Nominating and selecting the highest governance body	Partially covered	28-31
102-25	Conflicts of interest	Covered	72&73
102-26	Role of highest governance body in setting purpose, values and strategy	Covered	71&72
102-27	Collective knowledge of highest governance body	Covered	13, 71&72

Disclosure No.	Disclosure Title	Comments	Page
102-28	Evaluating the highest governance body's performance	Not covered	
102-29	Identifying and managing economic, environmental and social impacts	Covered	14-16, 71&72
102-30	Effectiveness of risk management processes	Covered	71&72, 80
102-31	Review of economic, environmental, and social topics	Covered	71&72
102-32	Highest governance body's role in sustainability reporting	Covered (The sustainability report is reviewed and approved by Borouge management. Sustainability VP is responsible for ensuring that all material topics are covered)	
102-33	Communicating critical concerns	Covered	70-73
102-34	Nature and total number of critical concerns	Covered	73
102-35	Remuneration policies	Not covered	-
102-36	Process for determining remuneration	Covered (On an annual basis ADNOC - Borouge is engaging an external consultant to conduct a benchmark study with Gulf Oil & Gas Companies. The outcome of the study is shared with management for further necessary actions.)	-
102-37	Stakeholders' involvement in remuneration	Covered (Please refer to Disclosure 102-36)	-
102-38	Annual total compensation ratio	Partially covered (It follows the Company's compensation scheme)	-
102-39	Percentage increase in annual total compensation ratio	Partially covered (It follows the Company's compensation scheme)	-
102-40	List of stakeholder groups	Covered	15&16
102-41	Percentage of employees covered by collective bargaining agreements	Covered (0%)	-
102-42	Identifying and selecting stakeholders	Covered	15&16
102-43	Approach to stakeholder engagement	Covered	15&16
102-44	Key topics and concerns raised	Covered	15&16
102-45	Entities included in the consolidated financial statements	Covered	10
102-46	Defining report content and topic boundaries	Covered (Sustainability Strategy/ Roadmap and Stakeholder Engagement, GRI Standards, ADNOC CoP and external assurance inputs)	-
102-47	List of material topics	Covered	15&16
102-48	Restatements of information	Covered (None)	-
102-49	Changes in reporting (Any significant changes from previous reporting period in terms of scope and boundary)	Covered (None)	-
102-50	Reporting period	Covered (1 st January to 31 st December 2020)	-
102-51	Date of most recent report	Covered (2019)	-
102-52	Reporting cycle	Covered (annual)	-

Disclosure No.	Disclosure Title	Comments	Page
102-53	Contact point for questions regarding the report	Covered	86
102-54	Claims of reporting in accordance with the GRI Standards	Covered (Core)	86
102-55	GRI content index	Covered	87-92
102-56	External assurance	Covered (No external assurance was conducted in 2019)	-
Management Approach			
103-1	Explanation of the material topic and its boundary	Covered	15&16
103-2	The management approach and its components	Covered	17, 26, 42, 48, 63 72&73, 80-84
103-3	Evaluation of the management approach	Covered	17, 26, 48, 63
Economic Performance			
201-1	Direct economic value generated and distributed	Partially covered	63
201-2	Financial implications and other risks and opportunities due to climate change	Covered	14&15, 17, 20-25 48-53, 59
201-3	Defined benefit plan obligations and other retirement plans	Partially covered	39
201-4	Financial assistance received from government	Covered (zero)	-
Market Presence			
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	Partially covered (On an annual basis ADNOC - Borouge conducts a benchmark study with Gulf Oil & Gas Companies. The outcome of the study is shared with management for further necessary actions. There is no gender difference in terms of salary range formulation. More details are provided under Disclosure 36-102)	-
202-2	Proportion of senior management hired from the local community	Covered (We follow the regulations related to hiring employees from the local community where we operate, if any)	30
Indirect Economic Impacts			
203-1	Infrastructure investments and services supported	Covered	42-47
203-2	Significant indirect economic impacts	Not covered	-
Procurement Practices			
204-1	Proportion of spending on local suppliers	Covered	69
Anti-corruption			
205-1	Operations assessed for risks related to corruption	Covered (100%)	-
205-2	Communication and training about anti-corruption policies and procedures	Covered	72&73
205-3	Confirmed incidents of corruption and actions taken	Covered	73
Anti-competitive Behaviour			
206-1	Legal actions for anti-competitive behaviour, anti-trust and monopoly practices	Covered (None)	-

Disclosure No.	Disclosure Title	Comments	Page
Materials			
301-1	Materials used by weight or volume	Covered	55&56
301-2	Recycled input materials used	Covered (Borouge does not use recycled input materials)	-
301-3	Reclaimed products and their packaging materials	Covered (None)	-
Energy			
302-1	Energy consumption within the organisation	Covered	49-51
302-2	Energy consumption outside of the organisation	Partially covered	49-51
302-3	Energy intensity	Covered	49-51
302-4	Reduction of energy consumption	Covered	50
302-5	Reductions in energy requirements of products and services	Covered	49-51
Water			
303-1	Water withdrawal by source	Covered	54&55
303-2	Water sources significantly affected by withdrawal of water	Covered (zero)	-
303-3	Water recycled and reused	Covered	54&55
Biodiversity			
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Covered (zero)	-
304-2	Significant impacts of activities, products and services on biodiversity	Covered (zero)	-
304-3	Habitats protected or restored	Covered	59
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	Covered (zero)	-
Emissions			
305-1	Direct (Scope 1) GHG emissions	Covered	51-53
305-2	Energy indirect (Scope 2) GHG emissions	Covered	51-53
305-3	Other indirect (Scope 3) GHG emissions	Covered	51-53
305-4	GHG emissions intensity	Covered	51-53
305-5	Reduction of GHG emissions	Covered	50
305-6	Emissions of ozone-depleting substances (ODS)	Covered	53
305-7	Nitrogen oxides (NO _x), sulphur oxides (SO _x), and other significant air emissions	Covered	53
Effluents and Waste			
306-1	Water discharge by quality and destination	Covered	54&55
306-2	Waste by type and disposal method	Covered	58
306-3	Significant spills	Covered (zero)	-
306-4	Transport of hazardous waste	Covered	58
306-5	Water bodies affected by water discharges and/or runoff	Covered (None)	-

Disclosure No.	Disclosure Title	Comments	Page
Environmental Compliance			
307-1	Non-compliance with environmental laws and regulations (Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations)	Covered (zero)	-
Supplier Environmental Assessment			
308-1	New suppliers that were screened using environmental criteria	Covered (100%)	-
308-2	Negative environmental impacts in the supply chain and actions taken	Covered	60-62
Employment			
401-1	New employee hires and employee turnover	Covered	38
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Not applicable (no part time positions within Borouge)	-
401-3	Parental leave	Covered	39
Labour/Management Relations			
402-1	Minimum notice periods regarding operational changes	Covered (30 days minimum)	-
Occupational Health and Safety			
403-1	Workers representation in formal joint management–worker health and safety committees	Covered (100%)	-
403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	Covered	41
403-3	Workers with high incidence or high risk of diseases related to their occupation	Covered (None)	-
403-4	Health and safety topics covered in formal agreements with trade unions	Not applicable	-
Training and Education			
404-1	Average hours of training per year per employee	Covered (104.95 training hour/employee)	-
404-2	Programmes for upgrading employees' skills and transition assistance programmes	Covered	32-36
404-3	Percentage of employees receiving regular performance and career development reviews	Covered	32
Diversity and Equal Opportunity			
405-1	Diversity of governance bodies and employees	Covered	28-31
405-2	Ratio of basic salary and remuneration of women to men	Covered	30
Non-discrimination			
406-1	Incidents of discrimination and corrective actions taken	Covered (zero)	-
Child Labor			
408-1	Operations and suppliers at significant risk for incidents of child labour	Covered (zero)	-
Forced or Compulsory Labour			
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	Covered (zero)	-

Disclosure No.	Disclosure Title	Comments	Page
Security Practices			
410-1	Security personnel trained in human rights policies or procedures	Covered (100%)	-
Rights of Indigenous Peoples			
411-1	Incidents of violations involving rights of indigenous peoples	Not Applicable	-
Human Rights Assessment			
412-1	Operations that have been subject to human rights reviews or impact assessments	Covered (100%)	-
412-2	Employee training on human rights policies or procedures	Covered (Policies and procedures concerning aspects of human rights are covered under the Borouge Business Ethics, Ethics Compliance Refresher and induction programmes)	42
412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	Covered (100%)	-
Local Communities			
413-1	Operations with local community engagement, impact assessments, and development programmes	Covered	42-47, 59
413-2	Operations with significant actual and potential negative impacts on local communities	Covered (zero)	-
Supplier Social Assessment			
414-1	New suppliers that were screened using social criteria	Covered (100%)	-
414-2	Negative social impacts in the supply chain and actions taken	Covered (zero)	-
Public Policy			
415-1	Political Contributions	Not applicable	-
Customer Health and Safety			
416-1	Assessment of the health and safety impacts of product and service categories	Covered (100%)	-
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Covered (zero)	-
Marketing and Labelling			
417-1	Requirements for product and service information and labelling	Covered (Borouge applies its standard requirements for labelling the different products and providing relevant information)	-
417-2	Incidents of non-compliance concerning product and service information and labelling	Covered (zero)	-
417-3	Incidents of non-compliance concerning marketing communications	Covered (zero)	-
Customer Privacy			
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Covered (zero)	-
Socioeconomic Compliance			
419-1	Non-compliance with laws and regulations in the social and economic area	Covered (zero)	-