



المتقدمة
Advanced

**EXCELLENCE
THROUGH
IMPACTFUL
GROWTH**



المتقدمة
Advanced
CULTURE OF
EXCELLENCE

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ



My primary goal is to be an exemplary and leading nation in all aspects, and I will work with you in achieving this endeavour.

Custodian of the Two Holy Mosques
King Salman bin Abdulaziz Al Saud
King of Saudi Arabia



Our ambition is for the long term. It goes beyond replenishing sources of income that have weakened or preserving what we have already achieved. We are determined to build a thriving country in which all citizens can fulfill their dreams.

HRH Prince
Mohammed bin Salman bin Abdulaziz Al Saud
Crown Prince and Prime Minister

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We are Driving sustainable growth with purpose and innovation

Mr. Khalifa bin Abdullatif Al Mulhem

Chairman of the Board

MESSAGE FROM THE CHAIRMAN

It is with great pride that I witness the strides Advanced Petrochemical has made in shaping a more resilient and innovative future. Long-term value at Advanced Petrochemical Company is not pursued in isolation, it is grounded in purpose and shaped by an awareness of the Company's contribution to broader regional and international sustainability efforts. In a dynamic industrial landscape, the Company continues to evolve in ways that increase its contribution to sustainable industrial growth and economic prosperity.

This year brought a range of sustainability opportunities across the industrial and petrochemical landscape, shaped by regional momentum, regulatory evolution, and growing stakeholder expectations. Advanced Petrochemical embraced these opportunities through the effective implementation of its strategy, open dialogue with stakeholders, a diverse portfolio of products and innovations, and a robust risk management framework. These elements combined to position the Company at the forefront of sustainability initiatives, driving long-term value through responsible growth, talent development, and environmental responsibility.

Advanced Petrochemical alignment with Saudi Vision 2030 remains a defining compass. As the Kingdom transitions toward a more sustainable and diversified economy, Advanced Petrochemical continues to play a catalytic role in industrial transformation, supporting downstream integration, knowledge-based development, and sustainable resource management.

The Company has previously addressed stakeholder ESG priorities by embedding them into its business model in a structured and practical manner. This year's report builds on that foundation by outlining how impact is measured and monitored across key areas, demonstrating the effectiveness of this integration and the progress made toward long-term ESG objectives.

I would like to express my appreciation to the leadership team, employees, and all stakeholders who contribute to this path forward. The future holds enormous potential, and Advanced Petrochemical remains steadfast in its commitment to leadership, pioneering progress, and delivering on ESG priorities that drive economic prosperity and create long-term social value.

MESSAGE FROM THE PRESIDENT & CEO

As we reflect on the continuous progress Advanced Petrochemical Company has achieved, resilience and a focus on long-term value that have guided the Company through another transformative year. The path forward continues to be shaped by our guiding vision that sustainable success requires balanced advancement, financially, operationally, and across ESG priorities.

In 2024, Advanced Petrochemical made further strides, framed by the structure of its Sustainability Strategy, translating ambition into measurable outcomes. This report offers a clear view of how the Company tracks its ESG performance, reflecting a deepening culture of accountability, Growth, innovation, and ongoing enhancement.

The governance structure has been Enhanced to keep pace with this progress. ESG oversight is now deeply integrated across leadership and operational layers, while the Enterprise Risk Management (ERM) system has grown more robust in addressing emerging risks, including climate-related and social factors. These Improvements have positioned the Company to respond more effectively to emerging risks and opportunities.

Significant progress has been made across material topics, including advancing climate and energy performance and strengthening human capital development, and fostering more sustainable and resilient supply chain practices. These gains reflect a strategic shift from maintaining compliance to actively driving a positive impact. This evolution is underpinned by a culture of transparency, stakeholder engagement, and a clear commitment to long-term value creation through responsible and inclusive growth.

Looking forward, Advanced Petrochemical Company is in a solid position to drive this momentum forward. The sustainability roadmap will guide the next phase of growth, with continued alignment to Saudi Vision 2030. Focus will remain on integrating ESG across the value chain, expanding transparency, and amplifying Advanced's role as a responsible leader in the petrochemical industry. Appreciation is extended to all Advanced members and stakeholders whose engagement and support continue to drive this journey forward.

We invite you to explore the progress and potential outlined in this report. As we continue to progress on our sustainability journey, we remain focused on creating lasting value and enabling positive changes across all areas of our business through the culture of excellence.



Driving measurable progress through strategic execution and ESG integration.

Mamdouh Al-Amri

President and CEO

ABOUT THIS REPORT

This is the Company's annual ESG Report focusing on the 2024 fiscal year. The report provides a detailed summary of Advanced Petrochemical's significant ESG and sustainability matters, opportunities and risks, and performance data.

REPORT CONTENT AND TOPIC BOUNDARIES

The report is written in accordance with the GRI Standards:

GRI 2: General Disclosures 2021

GRI 3: Material Topics 2021

Topic-specific Standards related to the Company's key material issues, such as:

GRI 302: Energy (2016)

GRI 305: Emissions (2016)

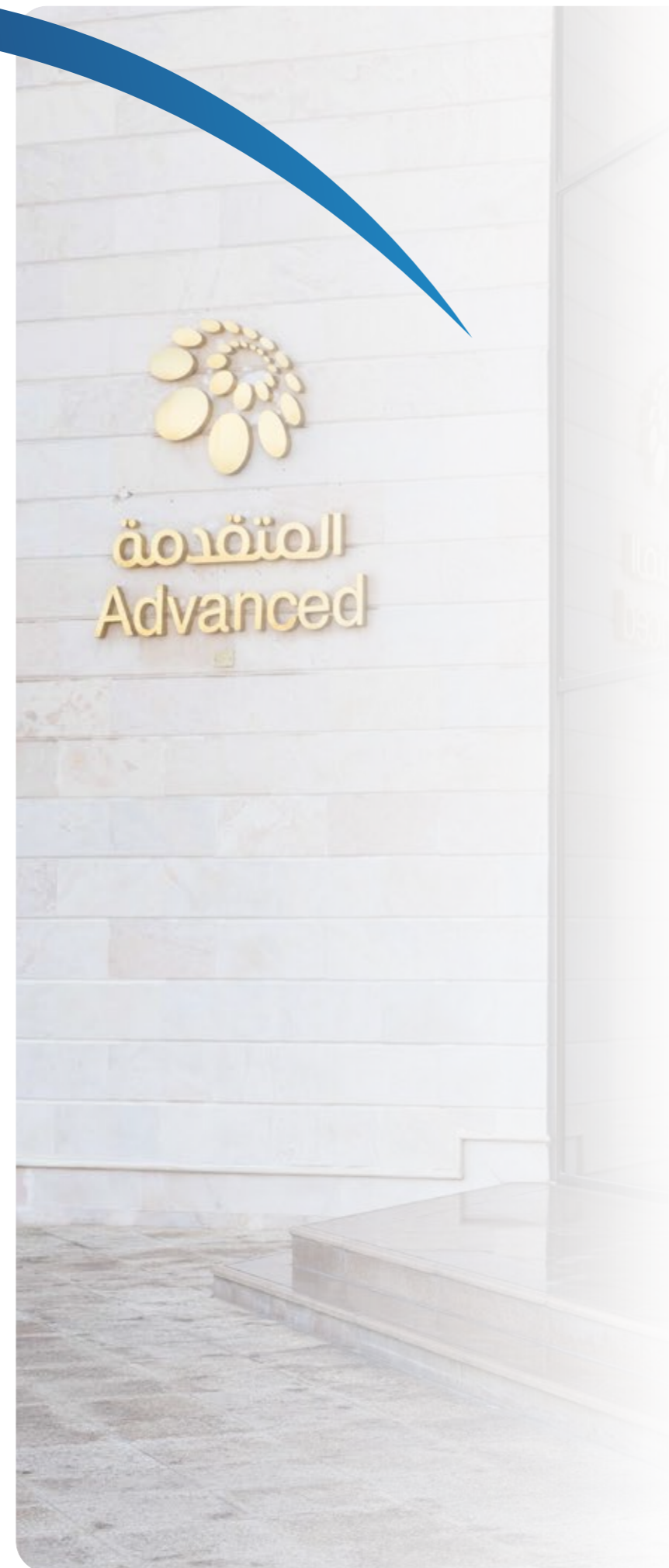
GRI 401: Employment (2016)

GRI 403: Occupational Health and Safety (2018)

GRI 404: Training and Education (2016)

GRI 405: Diversity and Equal Opportunity (2016)

GRI 413: Local Communities (2016)



The report covers all Advanced Petrochemical Company's manufacturing sites located in the Kingdom of Saudi Arabia. This includes Advanced Petrochemical's main business units and shared services, except for data from external contractors, suppliers, and clients, which are not included in this report unless stated otherwise.

The reporting approach aligns with the United Nations Sustainable Development Goals (UNSDGs), and United Nations Global Compact (UNGC), reflecting the Company's efforts to support global sustainability priorities through responsible business practices and strategic initiatives.

In reporting our performance, Advanced has also been guided by other recognized sectoral, local, regional, or global best practice standards and frameworks where these have been relevant and useful. These include: EHSS and process safety, PSI (API754): OSHA; SASB; IPECA; NSS; and Saudi Tadawul Common ESG Metrics; and others.

STAKEHOLDER ENGAGEMENT

Engagement with stakeholders remains a key element in ensuring transparent and meaningful reporting. Throughout 2024, Advanced Petrochemical maintained open dialogue with employees, customers, business partners, investors, and community stakeholders to better understand their priorities and reflect them in its sustainability approach.

FEEDBACK

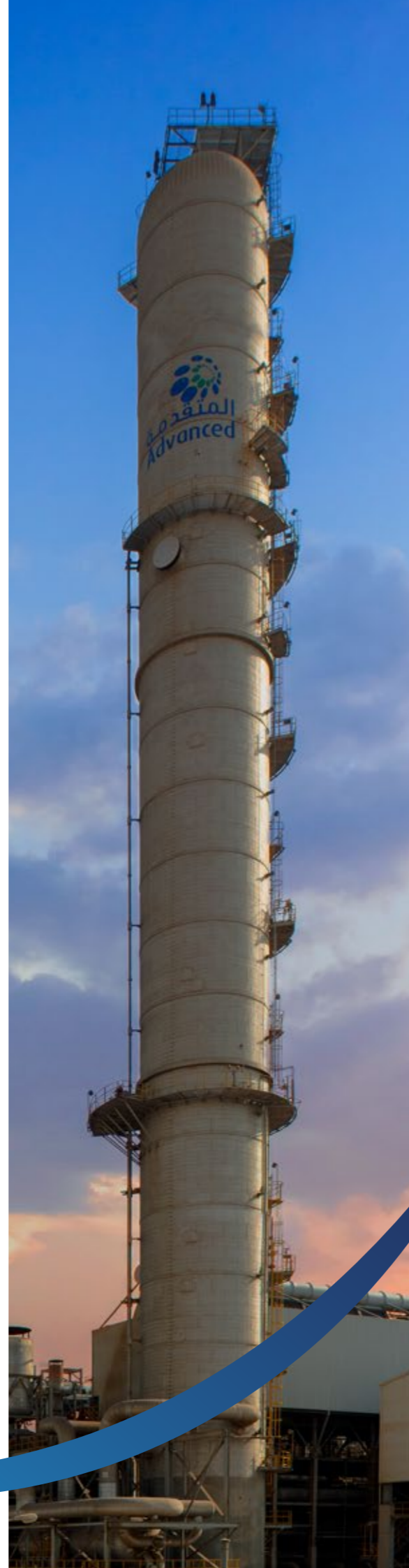
We welcome feedback on this report and dialogue on our sustainability performance. Please address all feedback to:

Sustainability@Advancedpetrochem.com

EMPOWERING GROWTH WITH ESG EXCELLENCE

Advanced Petrochemical Company is a Saudi joint stock Company established in October 2005, with a current paid-up capital of SAR 2.6 billion. The Company has been publicly listed on the Saudi Stock Exchange (Tadawul) since 2007.

Headquartered in Jubail Industrial City on the eastern coast of the Kingdom of Saudi Arabia, Advanced commenced plant construction in May 2005 and began commercial production of polypropylene on 3 March 2008. The existing production facility has an annual capacity of 455,000 tons of propylene and 450,000 tons of polypropylene.



Advanced utilizes CATOFIN® technology, licensed by Lummus, to produce propylene and Novolen® technology to produce polypropylene. The Company is currently in the final stages of constructing and operating a major expansion project in Jubail Industrial City 2, including a new Propane Dehydrogenation (PDH) and Polypropylene (PP) Complex.

This new facility is designed to produce 843,000 tons per annum (KTA) of propylene and 800 KTA of polypropylene. The PDH unit will continue to use CATOFIN® technology, while the PP units will incorporate LyondellBasell's Spheripol® and Spherizone® technologies, each contributing 400 KTA of polypropylene production. Commissioning of the new complex is expected in 2025.

OUR VISION

Growing chemical Company acting responsibly towards all stakeholders.

OUR MISSION

Provide quality products through a professional work environment to maximize profit in a socially responsible and sustainable manner.

OUR CORE VALUES

TRANSPARENCY:

Operating with honesty, openness, and accountability to build trust with stakeholders.



TEAM SPIRIT:

Promoting collaboration, mutual respect, and shared success across all levels of the organization.



CONTINUOUS IMPROVEMENTS:

Embracing innovation and ongoing development to enhance processes, products, and outcomes.



CUSTOMER CARE:

Placing customer satisfaction at the center of all decisions and fostering long-term relationships through.



EXCELLENCE:

Striving for the highest standards in every aspect of operations to deliver superior performance and value.



PRODUCT RANGE

HIGH CRYSTALLINE POLYPROPYLENE (HCPP)

High Crystalline Polypropylene (HcPP) is a specialized grade of polypropylene distinguished by a very high isotactic index, resulting in enhanced crystallinity. Compared to standard homopolymer polypropylene, HcPP offers superior stiffness, as well as excellent chemical and thermal resistance.

These enhanced mechanical properties enable significant down-gauging opportunities, allowing for material reduction without compromising performance. HcPP is compatible with conventional extrusion and injection molding processes, making it a versatile option for a wide range of industrial and consumer applications.

RANDOM COPOLYMERS (RACO)

Random copolymers (RACO) are produced by incorporating small amounts of comonomers—typically ethylene—into the polypropylene chain. This molecular modification enhances several key properties compared to standard homopolymer polypropylene (HOMO PP).

RACO resins exhibit significantly improved optical properties, including reduced haze and higher gloss, making them ideal for transparent or aesthetically demanding applications. Additionally, they offer superior hot sealing performance and enhanced impact resistance. These resins also maintain strong chemical resistance to most inorganic acids, alkalis, and salts, as well as robust resistance to environmental stress cracking, supporting their use in packaging, medical, and consumer goods applications.

HOMOPOLYMERS (HOMO)

Polypropylene homopolymers (HOMO) are composed entirely of propylene monomers and are characterized by a high isotactic index, resulting in a high melting point. This structure imparts excellent stiffness, superior scratch resistance, and strong chemical resistance to most inorganic acids, alkalis, and salts.

HOMO resins also exhibit notable resistance to environmental stress cracking when exposed to alcohol, esters, detergents, or polar hydrocarbons. Their elevated melting point makes them particularly suitable for applications requiring heat resistance, such as hot filling, autoclaving, or steam sterilization. These properties position HOMO PP as a reliable choice for rigid packaging, automotive parts, and industrial applications.

BLOCK COPOLYMERS (HECO)

Block copolymers are produced by incorporating a rubber phase within the polypropylene matrix, combining the rigidity of the base polymer with enhanced toughness. This composition results in materials that offer excellent low-temperature impact resistance while maintaining a good level of stiffness.

Due to their robust mechanical properties, HECO resins are well-suited for applications that demand durability across a wide temperature range—from sub-zero environments to microwave conditions. Typical applications include automotive components such as bumpers, heavy-duty packaging like pails and crates, and infrastructure uses such as sewage and drainage pipe systems.

AFFILIATES



ADVANCED GLOBAL INVESTMENT COMPANY (AGIC)

Advanced Global Investment Company (AGIC), established in August 2012, is a Saudi limited liability company wholly owned by Advanced Petrochemical. AGIC focuses on investing in industrial projects, particularly in the petrochemical, chemical, and basic conversion industries. It establishes, operates, and owns industrial projects both within Saudi Arabia and internationally. AGIC holds significant industrial investments, including a 30% equity stake in SK Advanced Ltd. in Ulsan, South Korea, an 85% ownership in Advanced Polyolefins Industry Company, and full ownership of Advanced Global Holdings Ltd. in Luxembourg.

ADVANCED POLYOLEFINS INDUSTRY COMPANY (APOC)

Advanced Polyolefins Industry Company is developing a major Greenfield project in Jubail Industrial City, Saudi Arabia. This new complex includes a propane dehydrogenation (PDH) plant, polypropylene (PP) units, and an isopropanol (IPA) facility. The PDH plant, utilizing CATOFIN Technology, will have a production capacity of 843,000 tons per year of propylene. Two PP plants, employing LyondellBasell's Spheripol and Spherizone technologies, will each produce 400,000 tons per year. Additionally, the IPA plant will have a capacity of 70,000 tons per year. The project is slated for commissioning in Q2 2025 and is currently under construction with significant progress in the execution phase.

ADVANCED GLOBAL MARKETING COMPANY (AGMC)

Advanced Global Marketing Company (AGMC) is a Saudi limited liability company owned by Advanced Petrochemical. AGMC is responsible for the marketing of petrochemical, chemical, and downstream products produced by Advanced Petrochemical, Advanced Polyolefins Industry Company, and other future growth projects of Advanced. It facilitates marketing operations both within Saudi Arabia and internationally, contributing to the growth and global reach of Advanced's products.



JOINT VENTURES

SK ADVANCED

Established in 2014, SK Advanced is a joint venture between SK Gas, Advanced Petrochemical Company, and Petrochemical Industries Company (PIC). Located in Ulsan, South Korea, the company operates a PDH plant with a 600 KTA propylene production capacity. Advanced contributes technical know-how to ensure stable operations and high efficiency. SK Advanced supports value chain integration through the supply of propylene and co-products to regional and international markets.

ULSAN PP

Ulsan PP Co., Ltd., a joint venture between SK Advanced and PolyMirae, was established in 2018 in Ulsan, South Korea. The facility operates one of Asia's largest polypropylene plants with a 400 KTA capacity, utilizing LyondellBasell's Spheripol technology. The plant benefits from an integrated value chain, enhancing raw material efficiency and operational reliability.

IMPACT IN NUMBERS

686

Full-time Employees

76.6 %

Saudization

SAR 2,193

Million in Revenues

76,000 +

Beneficiaries from CSR Programs

DELIVERING MARKET VALUE

KEY ACHIEVEMENTS

ENVIRONMENT

GHG Intensity
1.39 tons CO₂e per ton of product

Energy Intensity
24.96 GJ per tone of Product

Water Withdrawal Intensity
1.40 m³ per ton of product

Water Consumption Intensity
1.15 m³ per tone of product

NOx Intensity
0.269 kg NOx per ton of product

Total Waste Recycled
1,441.5 MT

0 Recorded Spills

Commissioned carbon recycling project in collaboration with a SABIC affiliate

SOCIAL

Zero Fatalities and Lost Workday Injuries (Employees and Contractors)

26 million Safe Manhours (Accumulated Since 2008)

11,667 Hours of EHS Training (17 hours per employee)

76.6 % Saudization

Zero Occupational Illness Rate (Employees and Contractors)

100% Health Surveillance Program Achievement

SAR 4.19 million invested in CSR programs (benefiting over 76,000 people)

Zero Incidents Related to Human Rights

ROSPA Gold Award for the 9th Consecutive Year

GOVERNANCE

SAR 2.19 Billion Total Revenue

74% Spending on Goods and Services from Local Suppliers

100% Supplier Acknowledgment of Supplier Code of Conduct (2030 Target Achieved Early)

Zero Corruption Incidents

Zero Product Transportation Incidents

Zero Penalties from Local Authorities Related to Advanced Performance

Advanced Petrochemical operates from its production facility in Jubail Industrial City, where it specializes in polypropylene production. The Advanced Global Marketing Company (AGMC), oversees the distribution of products globally, including within Saudi Arabia. Advanced primarily produces polypropylene homopolymers, which are sold worldwide through established off-takers. Domestically, Advanced has been serving the Kingdom's local converters for over a decade, supporting more than 20 businesses across diverse application sectors.

The marketing strategy is centered around product-market segmentation, focusing on growing the customer base and maximizing the netback. A key element of the business strategy is to align with Saudi Vision 2030 by fostering support for the local market. Advanced is committed to product stewardship and adheres to stringent international food contact standards, including EU REACH guidelines and other relevant regulations.

MEMBERSHIPS AND ALLIANCES



The Gulf Petrochemical & Chemical Association
and Chemical Association



Jubail Area Mutual Aid Association
Aid Association



Royal Society for the Prevention of Accidents
the Prevention of Accidents



British Safety Council
Council Association
Investor Relations Association



Middle East Investor Relations Association
Association
Investor Relations Association



UN Global Compact
Council Association
Investor Relations Association

DECLARATION OF SUPPORT

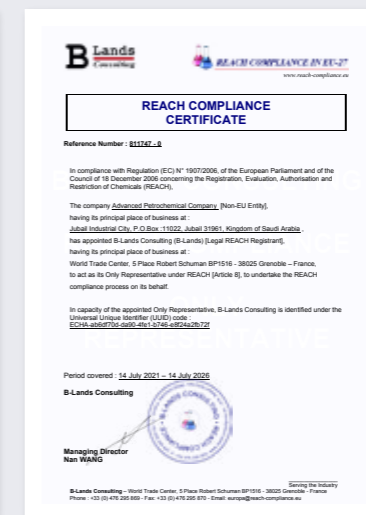
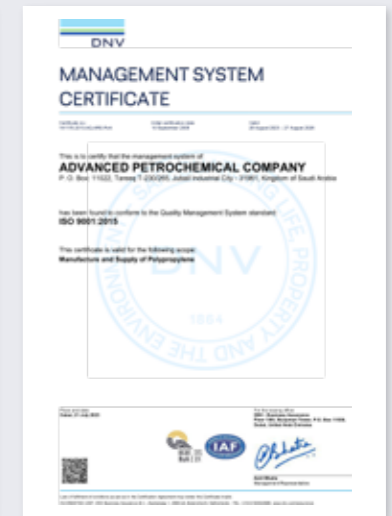
Gulf Safety & Quality Assessment for Sustainability (Gulf SQAS) - driven by GPCA



Operation Clean Sweep - driven by GPCA



CERTIFICATIONS



SUSTAINABILITY APPROACH

Sustainability and ESG principles are deeply embedded in the Company's corporate values. The balance between business growth, environmental responsibility, and social impact is integral to the corporate culture and strategic direction.

ESG factors are recognized as part of achieving business objectives, making sustainability a key component of the corporate strategy. This focus directs decision-making processes and drives actions. Active initiatives are being pursued to enhance sustainability performance, including efforts to reduce greenhouse gas emissions and improve operational efficiency.

The importance of collaboration in achieving these goals is acknowledged. As a result, there is a focus on forming new partnerships with stakeholders to align efforts and work toward a more sustainable future. This focus spans all areas of operations, from client engagement and resource conservation to strengthening relationships within the communities where the Company operates.

ESG FRAMEWORK

ENGAGING OUR STAKEHOLDERS

Advanced Petrochemical continues to prioritize open communication and collaborative engagement with its stakeholders as a key component of its sustainability approach. Stakeholders are identified based on their influence on, or vulnerability to, the Company's operations, enabling a more targeted and effective engagement process.

Efforts are directed toward maintaining ongoing dialogue through structured channels such as meetings, surveys, formal correspondences, and digital platforms. These channels support two-way communication, helping to surface feedback, expectations, and potential areas of concern.

Stakeholder input is reviewed regularly to identify trends and recurring themes, which inform improvement plans across product quality, service delivery, health and safety, and environmental performance. By encouraging transparency and responsiveness, the Company aims to build mutual trust and foster a shared commitment to long-term sustainability goals.

ENGAGING OUR STAKEHOLDERS

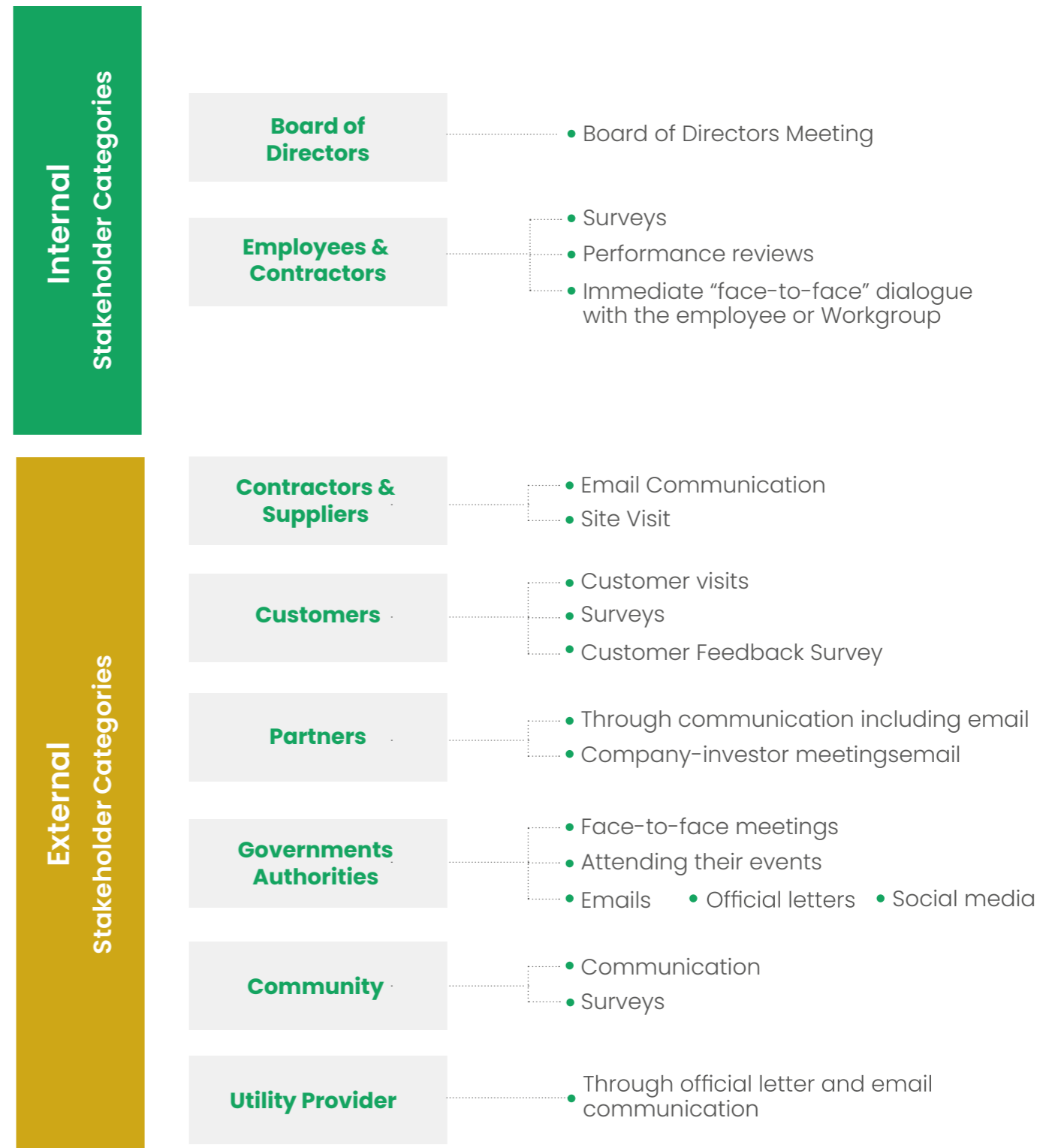
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Stakeholder Engagement Channel

Channels of Engagement



MATERIAL PRIORITIES

Advanced Petrochemical's materiality assessment process is fully aligned with the Company's Enterprise Risk Management (ERM) framework, enabling a comprehensive approach to identifying and addressing both risks and opportunities. This integrated methodology ensures that sustainability considerations are embedded throughout business planning and risk oversight.

The process follows a structured approach based on GRI Standard (GRI 3: Material Topics 2021) and global best practices, comprising two key phases:

IDENTIFY AND ASSESS IMPACTS ON AN ONGOING BASIS

- The Company begins by understanding its organizational context using
- It then identifies actual and potential environmental, social, and governance (ESG) impacts, drawing from the topics and impacts outlined.
- The significance of these impacts was assessed through engagement with internal and external stakeholders, including experts.

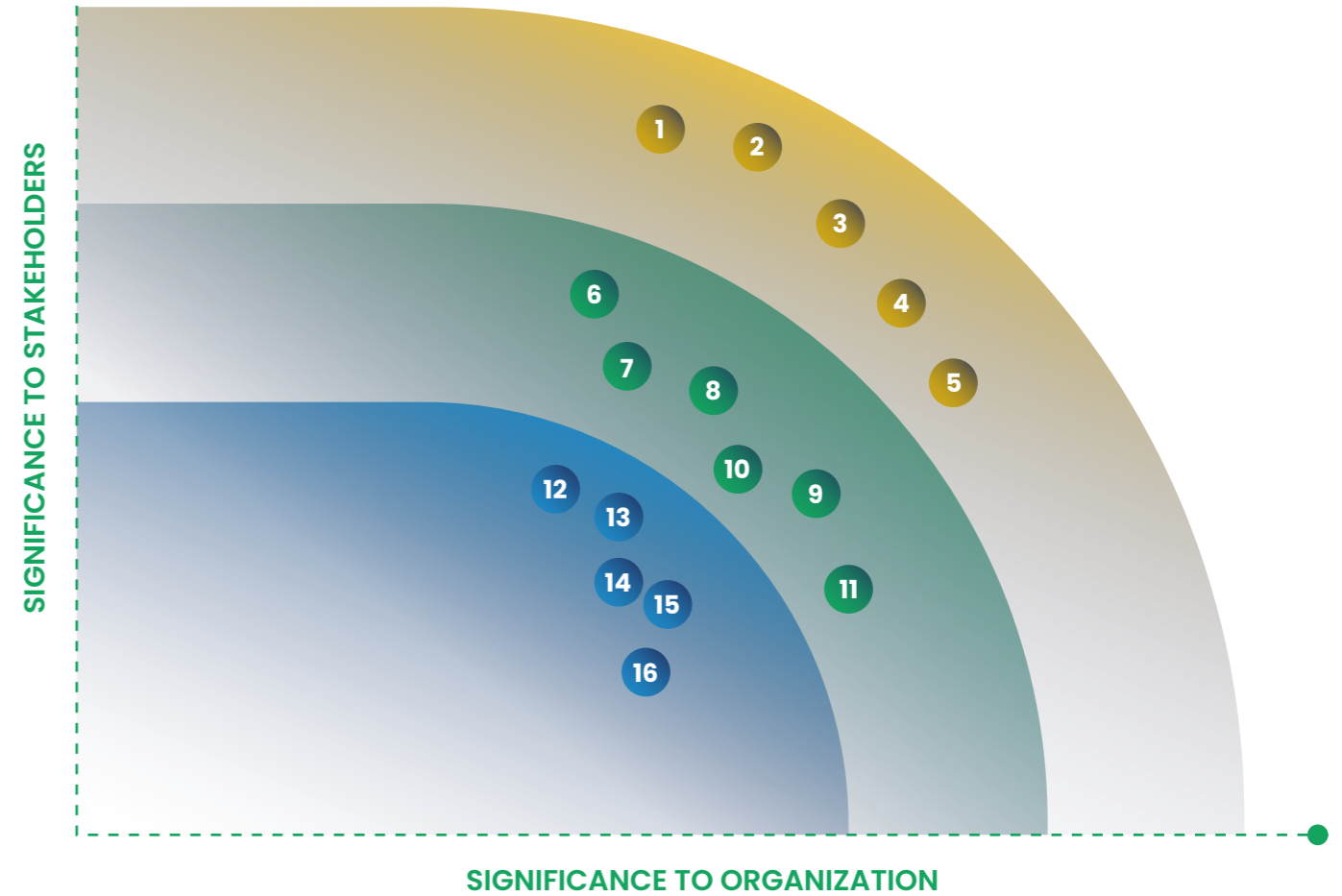
DETERMINE MATERIAL TOPICS FOR REPORTING

- The most significant impacts are prioritized for reporting, ensuring they reflect stakeholder concerns and business relevance.
- These material topics are tested with subject matter experts and information users to ensure completeness and relevance.

This process is further enriched by direct input from stakeholders, as detailed in the Stakeholder Engagement section. Through diverse communication channels—including meetings, surveys, and ongoing dialogue—the Company gathers insights on ESG topics to ensure material priorities reflect the views of those closely connected to its operations.

Ultimately, sixteen material topics were identified as critical to shaping the sustainability and business agenda moving forward. The following materiality matrix illustrates the relative importance of these topics from both internal and external viewpoints, guiding a focused and actionable sustainability strategy.

MATERIALITY MATRIX



- | | | |
|---|--|---|
| <p>Most Important</p> <ul style="list-style-type: none"> 1 Health and Safety 2 Governance, Ethics and Compliance 3 Energy, GHG emissions and Climate Change 4 Human Welfare and Development 5 Product Stewardship | <p>Very Important</p> <ul style="list-style-type: none"> 6 Waste Management 7 Water Management 8 Economic Performance 9 Sustainable Supply Chain 10 Community Investment and Engagement at CSR 11 Technology and Innovation | <p>Important</p> <ul style="list-style-type: none"> 12 Circular Economy 13 Diversity and Equality 14 Biodiversity 15 Customer Satisfaction 16 Data Security |
|---|--|---|

SUSTAINABILITY STRATEGY

Advanced Petrochemical's ESG and Sustainability Framework focuses on the important areas that align with the Company's strategic objectives. This Framework is rooted in the core values that define Advanced Petrochemical's approach to responsible business practices:



GOVERNANCE AND SOCIAL RESPONSIBILITY

ENVIRONMENTAL STEWARDSHIP

WORKFORCE AND HUMAN CAPITAL

SUSTAINABLE GROWTH AND INNOVATION

GOVERNANCE AND SOCIAL RESPONSIBILITY

- Upholding governance, ethics, and compliance standards to ensure transparency and accountability.
- Focusing on community investment and CSR to foster positive societal impact.
- Prioritizing customer satisfaction through high-quality products and services.
- Safeguarding data security and privacy to protect stakeholders and enhance trust.

WORKFORCE AND HUMAN CAPITAL

- Ensuring the health, safety, and well-being of employees as a foundation for sustainable growth.
- Investing in human welfare and professional development to empower the workforce.
- Promoting diversity, equity, and inclusion across all levels of the organization.

ENVIRONMENTAL STEWARDSHIP

- Leading initiatives to manage energy consumption, reduce GHG emissions, and address climate change.
- Implementing effective water management strategies to preserve vital resources.
- Adopting waste management practices to minimize environmental impact and enhance sustainability.
- Protecting biodiversity through responsible sourcing and minimizing ecological footprints.

SUSTAINABLE GROWTH AND INNOVATION

- Driving economic performance by balancing profitability with sustainability objectives.
- Ensuring responsible product and lifecycle management of the Company's products.
- Fostering circular economy through the reduction, reuse, and recycling of resources.
- Promoting innovation and using technology to provide sustainable solutions.
- Building a sustainable supply chain that supports ethical sourcing and reduces environmental impact.

This Framework ensures that sustainability is embedded in all aspects of Advanced Petrochemical's operations and creating long-term value for stakeholders.

**SUSTAINABILITY
AND ESG
PRINCIPLES ARE
FULLY INTEGRATED
INTO ADVANCED
PETROCHEMICAL'S
BUSINESS
STRATEGY,
DRIVING BOTH
SHORT-TERM
PERFORMANCE
AND LONG-TERM
GROWTH. 》》**

At Advanced, sustainability and ESG principles are embedded in both the Company's short-term and long-term business strategies. In the short term, the focus is on meeting annual objectives aligned with Responsible Care and ESG principles, as well as goals for human capital development, Commercial, Manufacturing Excellence, & profitability. To monitor the Company's progress, Advanced has implemented a robust system that tracks its performance monthly and quarterly, ensuring swift action and alignment with the Company's targets.

In the long term, Advanced aims for sustainable growth in the chemicals sector, striving to set industry benchmarks and expand its operational scale. The focus is to lead in operational and manufacturing excellence within the petrochemical industry in KSA, with an emphasis on compliance and continuous improvement across all ESG dimensions. This approach is designed to create long-term value for all stakeholders.

The ESG strategy is closely aligned with Advanced Petrochemical's business objectives and was developed through extensive consultations with employees and stakeholders. It addresses key global challenges, such as climate change and greenhouse gas emissions, and supports national priorities, including Saudi Vision 2030. This framework positions Advanced for regional leadership, ensuring a focus on operational excellence, safety, and cost efficiency.

ESG OVERSIGHT

At Advanced Petrochemical, ESG governance is centered around a structured and transparent framework that ensures sustainability is embedded in all levels of corporate decision-making. The ESG Committee is tasked with overseeing sustainability and ESG-related initiatives and ensuring alignment with both national priorities and global sustainability standards.

COMMITTEE COMPOSITION AND MANDATE

The ESG Committee is chaired by a member of the Management team and includes a dedicated sustainability professional along with representatives from key departments across the organization. This composition ensures a holistic approach to ESG governance, enabling the committee to evaluate and manage performance across key domains such as climate change, social responsibility, ESG investing, and governance practices.

STRATEGIC OVERSIGHT AND REPORTING

One of the committee's core responsibilities is producing the annual ESG report, which ensures maintaining an open dialogue with stakeholders. In close coordination with Executive Management and the Board of Directors, the committee also tracks performance against both long-term strategic ESG goals and short-term operational objectives. This includes reviewing progress, addressing material risks and opportunities, and guiding the Company's sustainability direction.

INTEGRATED GOVERNANCE FRAMEWORK

Advanced ESG governance is further institutionalized through the Integrated Management System, which connects Company wide business objectives to departmental KPIs and scorecards. Key areas of focus—such as human capital development, plant reliability, responsible care, profitability, and sustainable growth—are supported by cross-functional committees. These include the Executive EHSS Steering Committee, Responsible Care Culture Committee, ESG/Sustainability Committee, and others responsible for process safety, emergency response, and Enterprise Risk Committee.

ADVANCED'S ESG GOVERNANCE LINKS BUSINESS OBJECTIVES TO DEPARTMENTAL KPIS THROUGH AN INTEGRATED SYSTEM SUPPORTED BY CROSS-FUNCTIONAL COMMITTEES.



THE ESG GOVERNANCE CYCLE INCLUDES:

REPORTING & DISCLOSURE

Industry benchmarking, goal setting, and performance assessment.

MEASUREMENT

Using metrics and KPIs to monitor ESG progress.

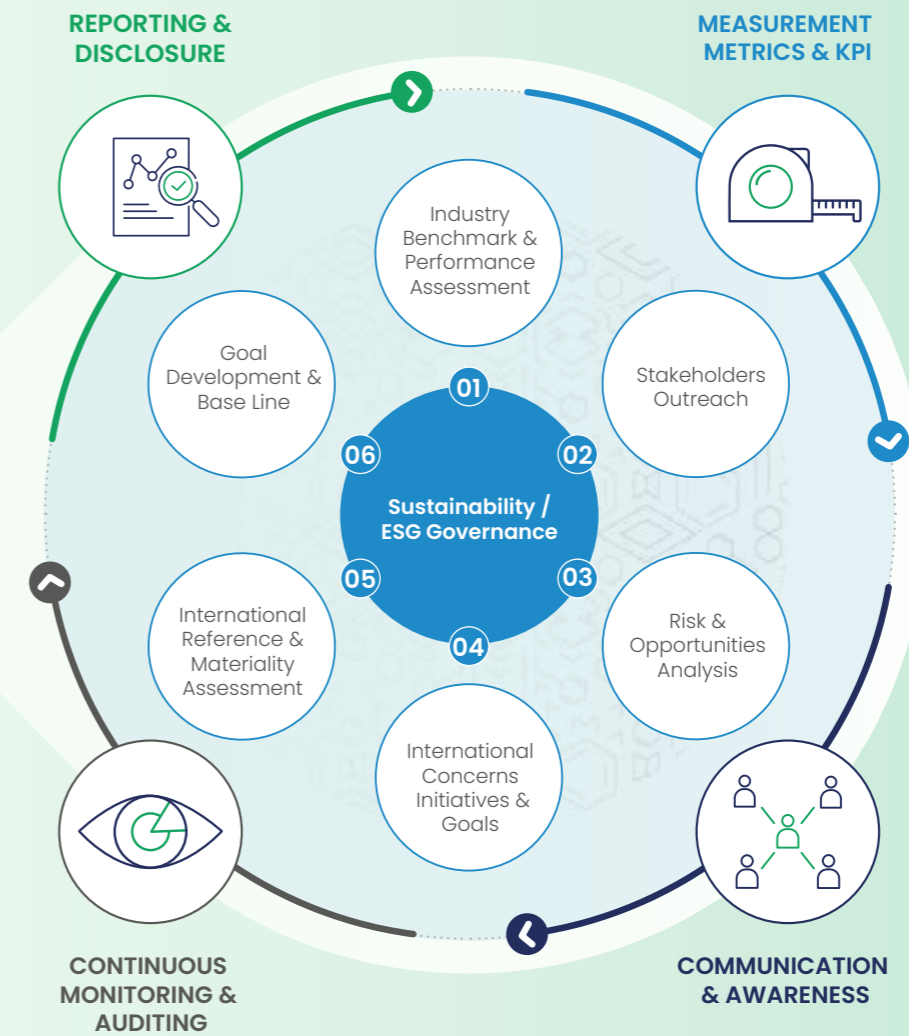
COMMUNICATION & AWARENESS

Engagement with stakeholders and risk/opportunity analysis.

CONTINUOUS MONITORING & AUDITING

Informed by international frameworks and emerging global issues.

This governance model enables Advanced to ensure consistent ESG integration across strategic planning and daily operations, supporting long-term value creation and regional sustainability leadership.



LOOKING FORWARD WITH CONFIDENCE

Advanced has set ambitious goals as part of its Sustainability Program, launching in 2017 with a baseline year for environmental impact reduction and efficiency improvements. These targets are in line with the Paris Agreement and Saudi Arabia's Vision 2030, which emphasizes CO2 emission reductions and sustainable practices.

The Company's primary ESG objectives for 2030 include a 13% reduction in greenhouse gas emissions and energy intensity, a 26% decrease in water intensity, and a 26% improvement in material effectiveness. These goals are supported by stringent compliance with environmental regulations and a focus on Manufacturing Excellence through active initiatives and partnerships.

2024 PERFORMANCE

2030 TARGET

	SHE Index:	0	0
	Incident Rate Direct Hire:	0	0
	Incident Rate Contractors:	0	0
	GHG Intensity tCO2e/t product:	1.39	1.19
	Energy Intensity GJ/t product:	24.96	20.84
	Water Withdrawal Intensity tH2O/t product:	1.40	0.87
	Material Effectiveness KG/t product:	22.45	8.55
	Compliance with Supplier Code of Conduct:	100%	100%
	Waste Recycle from Operations:	44.8%	95%

GOVERNANCE AND SOCIAL RESPONSIBILITY

Governance and social responsibility form the foundation of Advanced Petrochemical Company's operations and decision-making. As a responsible corporate entity, Advanced remains focused on maintaining the highest standards of ethics, transparency, and accountability across all its activities. Strong governance, underpinned by integrity, provides confidence and delivers tangible financial benefits to our stakeholders.



GOVERNANCE STRUCTURE

Advanced Petrochemical operates within a structured governance framework that upholds fairness, responsibility, and transparency across all levels of the organization. The corporate structure clearly defines the roles and responsibilities of the Board of Directors and executive management, ensuring a balanced distribution of authority and effective decision-making. This structure enhances operational efficiency while aligning with recognized corporate governance best practices.

The governance framework strengthens oversight and accountability through clear lines of authority from the Board to executive and senior management, extending through operational functions. It is designed to promote ethical conduct, ensure compliance with regulatory requirements, and effectively manage risks across the Company's activities.

Shareholders play a central role within this framework. The Shareholders' General Assembly serves as the highest governing body, enabling shareholders to participate in key corporate decisions, including the election of Board members and the approval of financial statements. The framework guarantees timely and accurate disclosure of material matters and safeguards the equitable treatment of all shareholders and stakeholders.

By embedding ESG considerations into governance and operations, Advanced reinforces its commitment to responsible business practices, long-term value creation, performance driven by integrity and integrity-driven performance. Advanced Petrochemical's corporate governance is guided by a set of core principles that shape decision-making, strengthen oversight, and ensure long-term value creation for all stakeholders:



CORPORATE GOVERNANCE PRINCIPLES

ACCOUNTABILITY



TRANSPARENCY



FAIRNESS



RESPONSIBILITY



INTEGRITY



RISK MANAGEMENT



LEADERSHIP STRUCTURE

The Board of Directors is integral to steering the strategic direction of Advanced Petrochemical Company. Comprised of various committees and executive members, the Board is responsible for overseeing corporate governance, risk management, and performance evaluation.

The Management Team, supervised by the Board, holds ultimate accountability for the Company's operations. In alignment with best practices, Advanced maintains a clear separation between the roles of the CEO and Chairperson. While the CEO manages the Company's operations and strategic direction, the Chairperson assumes a non-executive position, offering leadership to the Board. Although the Chairperson is non-executive, they are not classified as independent, as disclosed transparently in accordance with regulatory requirements.

Advanced complies with the Saudi Stock Exchange regulations concerning board independence and ensures that an independence statement for the Board of Directors is made publicly available in our Annual Reports. This highlights the Company's efforts to maintain an effective governance framework that protects the interests of both shareholders and stakeholders. The Board includes the legally mandated number of independent members to ensure compliance with standards. Additionally, board elections are held every three years, in accordance with the guidelines of the Saudi Capital Market Authority.

As of the current reporting period, the Board of Directors does not include any female members. While board composition complies with applicable regulations, Advanced Petrochemical Company recognizes the importance of diverse representation at the highest level of governance and continues to evaluate opportunities to enhance board diversity in future election cycles.

9 Total number of board members

3 Total number of independent members

6 Total number of non-executive members

0 Total number of board members under 30 years of age

3 Total number of board members between 30-50 years of age

6 Total number of board members over 50 years of age

BOARD COMMITTEES

The Board of Directors oversees several specialized committees that support effective governance and strategic decision-making:

01 AUDIT COMMITTEE

Oversees financial reporting, internal controls, and risk management. The committee includes members with expertise in finance, accounting, and auditing and is supported by the Internal Audit function and the Compliance Officer to ensure adherence to regulatory requirements and internal policies. Advanced Petrochemical Company's Audit Committee includes at least one independent member with recognized financial expertise, in line with corporate governance best practices. This ensures effective oversight of financial reporting, internal controls, and audit processes, enhancing the integrity and transparency of the Company's financial management.

02 NOMINATION AND REMUNERATION COMMITTEE

Recommends candidates for Board membership and assesses their qualifications. It also oversees remuneration policies for directors and executives, ensuring alignment with Company objectives and market standards. The Committee oversees executive pay structures, ensuring alignment with performance, market benchmarks, and shareholder interests. Its independence and clear mandate safeguard against conflicts of interest, and it addresses all relevant pay-related concerns in accordance with regulatory standards and best governance practices.

03 EXECUTIVE COMMITTEE

Comprised of senior executives and Board members, this committee provides strategic oversight on key operational matters, corporate initiatives, and business performance.

04 INVESTMENT COMMITTEE

Evaluates investment opportunities and strategic partnerships, assessing risks and returns to support informed decision-making.

05 EXECUTIVE MANAGEMENT

Guided by the Board of Directors, the Executive Management team handles the day-to-day operations of Advanced, executing strategies and initiatives to achieve corporate objectives and promote sustainable growth.

ESG GOVERNANCE

Oversight of ESG-related matters is managed by Advanced Petrochemical Company's ESG Committee. The committee is tasked with measuring KPIs, promoting communication and awareness around sustainability and ESG topics, continuously monitoring and auditing ESG performance, and reporting on sustainability progress.

The ESG strategy and roadmap, developed as part of the broader Business Strategy, are presented to the Board for feedback and guidance to ensure alignment with corporate priorities. Delegation of responsibility is managed through the approved Delegation of Authority (DOA), establishing clear decision-making pathways.

Advanced defines annual Business Objectives structured around five pillars:

Responsible Care & ESG

Human Capital

Commercial

Integrity & Reliability (Manufacturing Excellence)

Profitability & Growth

These objectives are translated into a Company-wide scorecard that is frequently overseen and presented in progress updates to the Board of Directors.

INTEGRATION OF SUSTAINABILITY INTO EXECUTIVE COMPENSATION

Advanced Petrochemical Company has strengthened the alignment between executive performance and sustainability outcomes by incorporating ESG-related metrics into its executive compensation framework. As part of the KPIs used to determine performance for Executive Management Team members, the Safety, Health, and Environment (SHE) Index has been formally included. This integration ensures that leadership accountability extends beyond financial results to include environmental and safety performance.



FRAMEWORK FOR INTEGRITY AND TRANSPARENCY

BUSINESS ETHICS AND PRACTICES

Advanced Petrochemical Company upholds the highest standards of integrity through a comprehensive ethics framework embedded across its operations. Responsibility for ethics issues is clearly defined, supported by regular internal audits to monitor compliance and ethical conduct. Employees receive ongoing training on ethical standards to ensure awareness and alignment with the Company's Code of Conduct.

The Company operates under a defined set of corporate governance principles aimed at strengthening the effectiveness and integrity of its operations. These principles focus on enhancing shareholder participation and facilitating the exercise of their rights; promoting transparency, fairness, and equity within the stock market and the business environment through improved disclosure; establishing a comprehensive framework for stakeholder engagement and protection; and clearly defining the roles and responsibilities of the Board of Directors and Executive Management.

Advanced also provides effective mechanisms for managing conflicts of interest, strengthens the role of the Board and its committees to support sound decision-making, and reinforces accountability and control measures across all levels of the organization. Additionally, the Company outlines a general framework for its social responsibility program, setting clear controls to ensure initiatives achieve their intended objectives.

EXCELLENCE IN MANAGEMENT AND COMPLIANCE

At Advanced Petrochemical, the Company integrates its policies, procedures, and controls seamlessly into daily operations. This is achieved through the implementation of an Integrated Management System (AIMS), which is aligned with Responsible Care®, Environmental, Occupational Health & Safety, and Quality Management System requirements. AIMS is fully compliant with Process Safety Management (PSM) standards and is certified by an independent third-party certification body. The system adheres to international standards, including ISO 9001, ISO 45001, ISO 14001, RC14001, and ISO 27001. To ensure the effective execution of these commitments across the organization, Advanced has established a comprehensive documentation system that supports world-class business performance based on the industry's best practices.



CODE OF CONDUCT

At Advanced, the Code of Conduct is a cornerstone of the Company's efforts to promote integrity, ethical behavior, and adherence to legal and regulatory standards. To ensure a thorough understanding of the Code, the Company provides annual awareness training sessions that offer in-depth insights into its ethical standards and expectations.

Advanced Petrochemical has established multiple communication channels for employees to engage with the Compliance section:

DEDICATED FOCAL POINTS:

Employees can seek guidance, report violations, or raise concerns confidentially through designated focal points. These channels offer a safe and supportive environment for addressing Code of Conduct issues.

OMBUDSMAN AND HOTLINES:

To further promote accessibility and confidentiality, Advanced Petrochemical has set up an Ombudsman office and Communication channel, enabling employees to report concerns or violations anonymously.

PERFORMANCE APPRAISAL INTEGRATION:

Compliance with the Code of Conduct is a key component of the Company's employee performance appraisals. By assessing adherence to ethical standards and compliance requirements, Advanced reinforces the significance of upholding these principles in daily operations.

In cases of breaches, Advanced implements disciplinary measures in line with its zero-tolerance policy, ensuring that ethical behavior and accountability are consistently maintained across the organization.

CONFLICT OF INTEREST

At Advanced Petrochemical, transparency and integrity are prioritized in all business aspects, including the identification and management of conflicts of interest. In line with governance practices, any critical concerns related to conflicts of interest are promptly communicated to the highest governance body, the Board of Directors, ensuring timely resolution and appropriate action.

To mitigate conflicts of interest, suppliers are required to disclose any relationship they may have with members of the Board. The process begins with the assigned team notifying concerned members of any potential conflicts. These members then inform the Board, leading to a formal declaration presented to the General Assembly for approval. The power to approve such declarations may be delegated to the Board of Directors by the General Assembly.

Conflicts of interest are disclosed to stakeholders through the annual report, ensuring relevant parties have access to this information. Additionally, any transactions and outstanding balances linked to these conflicts are thoroughly reported.

INTERNAL AUDIT

The Audit Committee's oversight responsibilities are supported by the Internal Audit team at Advanced Petrochemical. This team conducts regular and ad-hoc reviews of risk management controls and procedures, directly reporting their findings to the Audit Committee. In addition, the Internal Audit team is responsible for assessing and monitoring the implementation of the Environmental Management System, as well as overseeing risk assessment and mitigation strategies.

The primary goal of the audit program is to identify deficiencies or non-compliance and implement corrective and preventive actions to drive continuous improvement. Through systematic audits and assessments, opportunities for improvement are identified, and measures are enacted to mitigate risks and enhance internal controls, thereby strengthening transparency, accountability, and operational efficiency.

- 0 Incidents of Non-compliance with Laws and Regulations
- 0 Monetary and Non-monetary Sanctions
- 0 Legal Fines that Resulted from Whistleblowing Actions

ANTI-CORRUPTION MEASURES

Advanced Petrochemical continuously assesses and monitors corruption risks at both strategic and operational levels. The Business Risk Management Committee and Team regularly review potential risks and take preventive measures to minimize their impact. The Board of Directors and Executive Management oversee the implementation of risk management policies and programs, ensuring effective execution across the organization.

| **100%** of Employees Received Anti-corruption Policy communication.

Procurement and contract policies incorporate strict anti-corruption measures. Robust procedures are in place to vet suppliers and contractors, reducing the risk of corruption in procurement processes. Ethical standards are enforced through the Supplier Code of Conduct, which all suppliers must sign, outlining clear expectations for ethical behavior, including anti-corruption provisions.

To ensure transparency and accountability, a Whistleblower Policy has been established. Employees and stakeholders are encouraged to report ethical violations or concerns through designated channels. Reports are thoroughly evaluated, and investigations are conducted under the supervision of the Audit Committee to maintain impartiality and fairness.

| **0** Confirmed Incidents of Corruption

| **0** Terminated Contracts with Business Partners

HUMAN RIGHTS

Advanced Petrochemical remains focused on upholding and promoting human rights throughout operations, the supply chain, and within the broader community. A comprehensive policy framework, embedded in the HR policy and Code of Conduct, reflects these commitments. The framework aligns with international standards, including the Universal Declaration of Human Rights and the International Labor Organization's core conventions. Policies clearly define expectations for employees, suppliers, and partners, emphasizing respect for human dignity, diversity, and equal opportunity.

All suppliers are required to comply with the Supplier Code of Conduct, which includes provisions on human rights. Through regular assessments and engagement, Advanced collaborates with suppliers to ensure compliance, maintaining strong monitoring mechanisms for human rights issues within operations and the supply chain. Areas for improvement are identified through assessments, audits, and stakeholder engagement, with corrective actions taken as necessary.

FAIRNESS AND ANTI-DISCRIMINATION

Advanced Petrochemical is committed to upholding fairness in all aspects of its operations by ensuring that decisions are made objectively and impartially. Fostering a positive and respectful work environment is a core value, where all employees feel valued and are treated with dignity and mutual respect. This includes a clear stance against any form of discrimination.

The Company ensures that all employment-related decisions, including recruitment, promotion, training, and compensation—are based on merit, business needs, and job-related criteria, in full compliance with applicable laws and regulations. Discrimination based on race, gender, nationality, religion, age, disability, or any other protected characteristic is strictly prohibited, both within the Company and across its supply chain.

Employees are expected to:

- » Act with integrity, respect, impartiality, and discretion.
- » Avoid any actions or behaviors that could negatively reflect on the Company; and
- » Foster a respectful culture free of retaliation, threats, harassment, intimidation, racism, discrimination, and violence.

| 0 Incidents of Discrimination



RISK MANAGEMENT

The Board of Directors, as the highest governing body, continuously oversees the development and implementation of a comprehensive risk management framework. This framework is designed to minimize operational risks and ensure resilience against potential disruptions, aligning with strategic objectives and organizational priorities.

The risk management framework operates across both strategic and operational levels, with an Enterprise Risk Management Committee conducting periodic reviews and assessments. Residual risks are carefully evaluated, and preventive measures are taken as needed. Executive Management maintains close oversight of the most significant risks, ensuring that mitigation programs remain adaptive and effective in addressing evolving challenges, with updates frequently shared with the Board of Directors.

Under the guidance of Executive Management, risk management processes are upheld across all organizational levels. Regular coordination with third-party experts helps identify and validate risks, categorizing them as low, medium, or high risk. A comprehensive risk revaluation was conducted in Q4 2022, with plans for the next assessment, reinforcing the commitment to proactive risk management and organizational resilience.

The primary risk categories identified as posing significant threats to Advanced include:

Environmental, Health, Safety, Security, & Process Safety Risks

Supply Chain Risks

Cybersecurity Risks

Financial & Market Risks

Human Capital-Related Risks

Integrity & Reliability Risks

All Identified risks have been integrated with the identified Material topics as part of Company's integrated business governance.

OPERATIONAL AUDITS AND ENVIRONMENTAL OVERSIGHT

To safeguard operational integrity and environmental compliance, Advanced has established a multi-tiered audit framework. This includes the Management Walkthrough Program, which covers all operational areas, and internal quality audits led by the Quality Assurance team. The Internal Auditing Department conducts regular operational assessments, supported by EHS audits focused on health, safety, and environmental compliance using a behavior-based approach. These are supplemented by external audits conducted as part of ISO 9001, 14001, and 45001 certification processes, as well as regular governmental audits. Additionally, Hazard Identification and Risk Assessments (HIRA) and environmental risk assessments are conducted across all process areas and reviewed annually to support continuous improvement in environmental performance.



DIGITAL TRANSFORMATION

Advanced Petrochemical Company has launched a structured three-year digital transformation program to embed digital technologies across all business functions. This initiative aims to enhance operational efficiency, boost productivity, and improve agility in responding to evolving market demands.

To guide this transition, a Digital Transformation Committee was formed, including representatives from various departments. The committee developed a comprehensive Digital Transformation Strategy, detailing the program's objectives, roadmap, and key initiatives. To facilitate the plan, the Committee has developed an Organizational Change Management plan. This plan focuses on adapting workflows, processes, and employee mindsets to ensure Company-wide adoption and engagement.

Advanced laid the groundwork for its digital transformation by migrating IT infrastructure, applications, and data to the cloud; reengineering key business processes to reduce silos; and implementing a centralized data management strategy to support data-driven operations. The deployment of enabling technologies and the rollout of Company-wide training sessions helped foster organizational readiness and a culture of continuous improvement. As the transformation journey progressed into 2024, efforts shifted toward building on this foundation through targeted initiatives, deeper integration, and performance optimization. Key initiatives and efforts include:



SUPPLIER CODE OF CONDUCT DIGITALIZATION

Advanced transitioned to an electronic system for supplier code of conduct acceptance, resulting in over 1,200 registered suppliers formally acknowledging and agreeing to the Company's ethical, social, and environmental standards. This digital acceptance process enabled the Company to achieve 100% compliance with one of its 2030 targets related to the Supplier Code of Conduct and simplifies supplier onboarding, while reinforcing Advanced's expectations for responsible business practices across its value chain.

E-INVOICING AND E-BIDDING

The implementation of E-Invoicing and E-Bidding systems modernized Advanced's procurement and financial workflows. These tools reduced manual intervention, improved transparency, and ensured faster transaction processing with suppliers. By digitalizing these core processes, Advanced improved operational efficiency, traceability, and responsiveness across its sourcing activities.

HR GATE PLATFORM

Advanced launched the HR Gate, a centralized digital platform designed to facilitate employee access to human resources services. The platform allows employees to manage requests, track progress, and receive timely responses, creating a more connected and efficient workplace. The HR Gate supports transparency and self-service, aligning with the Company's broader goals for digital empowerment.

SECURITY AND RESILIENCE

Advanced views cybersecurity and data protection as fundamental components of operational resilience. In an increasingly complex digital landscape, the Company maintains a comprehensive framework focused on preparedness, protection, and business continuity. This includes robust Disaster Recovery (DR) and Business Continuity (BC) plans designed to address a broad spectrum of disruptions—from cyber-attacks and system failures to natural disasters.

INTEGRATED CYBERSECURITY STRATEGY

At the core of this framework is a cybersecurity strategy that spans risk identification, policy development, control deployment, and continuous staff awareness. This holistic approach ensures the security and integrity of all data, including personally identifiable information (PII), through strong governance, advanced technologies, and informed human behavior. Routine risk assessments, vulnerability scans, penetration testing, and real-time threat monitoring are employed to detect and mitigate risks proactively.

- 0 Data Breaches
- 0 Individuals Affected
- 0 Regulatory Complaints

STRONG RECORD OF INFORMATION SECURITY AND CUSTOMER PRIVACY MAINTAINED.

INCIDENT RESPONSE AND THIRD-PARTY RISK MANAGEMENT

Advanced conducts regular Incident Response Plan (IRP) drills with both internal and external stakeholders to test and enhance organizational readiness in the event of a cyber incident. In addition, third-party risk management protocols are implemented to assess and monitor the cybersecurity posture of vendors and service providers, ensuring end-to-end security coverage across the value chain.

- 0 Customer Privacy Complaints

DATA SECURITY AND LIFECYCLE PROTECTION

Data classification based on sensitivity levels is integral to Advanced's approach. Information is categorized and managed with tailored controls to prevent unauthorized access or disclosure. Data Loss Prevention (DLP) technologies are deployed across networks, endpoints, and cloud platforms to prevent data exfiltration and ensure secure handling. Regular data backups further strengthen resilience, enabling rapid recovery and minimizing business disruption in the event of data loss.

ORGANIZATIONAL AWARENESS AND CULTURE OF SECURITY

Advanced emphasizes employee involvement in sustaining cybersecurity performance. Ongoing training and awareness programs empower employees with knowledge on data protection best practices, cyber threat recognition, and incident reporting protocols. This helps instill a culture of vigilance and collective responsibility across the organization.



DATA GOVERNANCE AND OPERATING PRACTICES

Strong data governance ensures responsible and secure data handling across its entire lifecycle—from collection and use to sharing and disposal. Advanced enforces well-defined rules, decision-making protocols, and structured operating practices, embedding accountability and security into day-to-day operations. These principles ensure compliance, safeguard sensitive data, and maintain organizational alignment with regulatory and ethical standards.

DATA GOVERNANCE

Organizational Awareness

Data Activities

Collect

Use

Share

Dispose

Operating Practices

Rules

Decision-Making Models (People)

Process

Day to Day Actions

Organize Development of Operating Practices

Putting Practices into Action

ALIGNMENT WITH NATIONAL AND INTERNATIONAL STANDARDS

Advanced's Information Security Management System (ISMS) is built around ISO 27001 and aligns with key national and global frameworks, reinforcing regulatory compliance and international best practices. These include:

- Operational Technology Cybersecurity Controls (OTCC-1:2022) - NCA
- Data Cybersecurity Controls (DCC-1:2022) - NCA
- Essential Cybersecurity Controls (ECC) - National Cybersecurity Authority (NCA), Saudi Arabia
- Security Directives for Industrial Facilities (SEC-12) - High Commission for Industrial Security (HCIS)
- Cloud Cybersecurity Controls (CCC-1:2020) - NCA
- Critical Systems Cybersecurity Controls (CSCC-1:2019) - NCA
- National Cryptographic Standards (NCS) - NCA

This multi-tiered alignment ensures Advanced's security and data protection capabilities remain resilient, scalable, and responsive to emerging threats across both industrial and digital ecosystems.

BUSINESS PARTNER EXPERIENCE

The Company actively monitors stakeholder satisfaction and product stewardship to ensure continuous improvement and alignment with the best practices.

CUSTOMER SATISFACTION AND FEEDBACK

Customer satisfaction remains a key focus, with the average Customer Satisfaction Score maintaining a solid level of 7.6 out of 10 in the latest reporting period. The Company achieved a consistent 100% resolution rate for all customer complaints received through communication channels, demonstrating strong commitment to addressing stakeholder concerns. The Company continues to increase efforts to boost customer participation in surveys and foster stakeholder engagement for more comprehensive feedback.

100% Resolution Rate for All Customer Complaints

PRODUCT AND SAFETY MANAGEMENT

Advanced demonstrates a comprehensive approach to product stewardship. The Company continuously develops and improves its product portfolio through dedicated research and development efforts. Furthermore, 100% of the products contain substances classified under the Globally Harmonized System (GHS) Categories 1 and 2 for health and environmental hazards, indicating a rigorous approach to chemical safety and regulatory compliance.

Quantitatively, the Company conducts numerous product assessments, with 11 assessments completed in the latest reporting period, covering both new and existing products. This reflects the systematic effort to ensure product safety data sheets (SDSs) meet all relevant review requirements and regulatory standards.

RESPONSIBLE CARE

RESPONSIBLE CARE CULTURE COMMITTEE (RCCC)

Advanced maintains a strong focus to on sustainable development and meaningful community engagement, guided by the principles of environmental stewardship, social responsibility, and cultural preservation. These values are embedded into the Company's operational planning and outreach strategies to ensure a long-term, positive impact on society and the environment.

A key driver of these efforts is the Responsible Care Culture Committee (RCCC), which is fundamental in embedding a culture of responsibility, safety, and sustainability across all operations. The RCCC comprises representatives from multiple departments and is tasked with overseeing the implementation of Responsible Care principles through out the organization.



THE RCCC FOCUSES ON FOUR CORE AREAS:

01 SAFETY AWARENESS

Promoting a safe work environment through education and risk prevention.
Compliance and Regulatory Adherence: Ensuring alignment with local and international regulations.

02 EMPLOYEE TRAINING AND ENGAGEMENT

Empowering staff with knowledge and tools to uphold sustainability and safety standards.

03 CONTINUOUS IMPROVEMENT

Identifying and implementing opportunities to enhance performance and processes.

04 COLLABORATION AND COMMUNICATION

Facilitating cooperation among departments and with external partners.

The RCCC works in close coordination with key internal functions such as EHSS, operations, human resources, and corporate communications to drive these initiatives forward effectively.

Beyond internal integration, the RCCC also acts as a strategic liaison between Advanced and external stakeholders, including regulatory bodies, industry associations, and community organizations. Through proactive engagement and transparent communication, Advanced fosters trust, credibility, and broader adoption of responsible care practices within the wider community.

SOCIAL IMPACT

Advanced recognizes the importance of strengthening local communities and supporting long-term societal development. The Company has maintained a firm focus on corporate social responsibility, prioritizing initiatives that generate tangible impact across environmental, educational, and healthcare domains.

Community programs are delivered in collaboration with a broad network of organizations, selected for their ability to align with Advanced's strategic priorities and address pressing community needs. These partnerships are designed to contribute to national development objectives while promoting inclusive and sustainable outcomes.

In 2024, Advanced launched a series of targeted CSR initiatives aimed at creating tangible value for communities and supporting national development goals, those initiatives cover the following Key Social Aspects:

- » Education and Youth Empowerment
- » Health and Well-being
- » Community Development
- » Environmental Awareness and Engagement
- » Support for Non-Profit and Charitable Organizations
- » Local Employment and Economic Inclusion

Through such initiatives, Advanced upholds its commitments to legal compliance, stakeholder engagement, and impactful social investment across the communities it serves.

SPONSORSHIPS AND DONATIONS

Advanced adopts a strategic and values-driven approach to sponsorships and donations, ensuring full alignment with the Company's corporate objectives and Saudi Vision 2030. All sponsorship and donation initiatives are subject to review and approval by the Board of Directors to uphold integrity, transparency, and impact.

To maximize value and ensure effectiveness, each initiative is governed by a robust monitoring and evaluation framework. This includes clear criteria for selection, performance tracking, and impact assessment, ensuring that all contributions deliver tangible, sustainable benefits to society. Through this approach, Advanced ensures that its community investments align with long-term development priorities.

| **4.19** million SAR
Community Investment

| **31** Programs



VOLUNTEERISM

Volunteerism at Advanced is a significant aspect of employee engagement and community support, aligning with the goals of Saudi Vision 2030. The Company supports employee participation in volunteer activities through collaboration with the National Volunteering Platform in Saudi Arabia, which connects nonprofit and public sector organizations with private sector volunteers.

Employees are encouraged to register individually on the platform, enabling authorized organizations to officially track and certify their volunteering hours. This ensures proper documentation and supports employee development while contributing to social responsibility objectives.

Advanced supports a variety of volunteer activities, including environmental initiatives, educational programs, health and welfare campaigns, and services for underprivileged groups.

| 57 Volunteers

BUILDING FUTURE IMPACT

Following an internal analysis of anticipated performance trends and areas of opportunity, Advanced is shaping its CSR strategy around targeted, high-impact initiatives. A key pillar of this strategy is the planned development of strategic partnerships and collaborations with non-governmental organizations (NGOs). These future alliances are designed to amplify the Company's social impact, align with national priorities, and ensure that community engagement efforts are both meaningful and measurable. This vision aims at positioning Advanced to deliver long-term value through responsible and data-driven social investment.



PEOPLE AND ORGANIZATION

EMPLOYEE PROFILE

Advanced Petrochemical emphasizes talent continuity and stable employment, with its entire workforce composed of full-time, permanent employees. In 2024, the Company employed 686 individuals, including 673 males and thirteen females, all on permanent contracts. No temporary or part-time workers were engaged during the reporting year, reflecting a consistent employment structure that supports long-term workforce retention.

686 Total Workforce:
Full-time Employees

The Advanced Petrochemical workforce is well distributed across different age brackets. Employees aged 18–30 represent nearly a quarter of the workforce (167), suggesting a strong base of early-career professionals. The majority fall in the 31–50 age bracket (443), with well-established industry experience. Meanwhile, 76 employees are aged 51 and above, bringing senior expertise and continuity to Advanced's operations.

Well-rounded
Age Profile

This year, Advanced Petrochemical welcomed 76 new employees with a turnover rate of 9.62%. A key focus of the Company's talent strategy is internal mobility, with 26% of open positions filled by internal candidates. This supports employee development and fosters long-term engagement by offering clear growth pathways. The new hires represented a diverse range of age groups, with 71% of them aged between 31 and 50, emphasizing experienced professionals.

Additionally, 16 employees from the 18–30 age group joined, highlighting Advanced's appeal to early-career talent. The Company's inclusive hiring approach is also reflected in the addition of six employees aged 51 and above this year, demonstrating an openness to talent from diverse career stages. This distribution reflects the Company's efforts to establish a workforce strategy that values expertise and talent nurturing.

76 New Hires

26% of Open Roles Filled by Existing Employees

The 31–40 age group recorded the highest number of employees exits in 2024, with 51 individuals leaving the organization. Turnover across other age brackets was more evenly distributed. Gender-wise, turnover and hiring patterns were consistent with the overall workforce composition: of the 76 new hires, 72 were male and four were female, while 64 male and two female employees left during the year. While female turnover remained low, Advanced continues to increase its efforts to attract and recruit more female talent, aiming to gradually enhance gender balance across the organization.



NATIONAL COMPOSITION

Advanced maintains a strong national employment profile, in alignment with Saudi Arabia's localization goals. Of the total workforce, 526 are Saudi nationals, including all 13 female employees. The Company also demonstrates local leadership, with all senior management positions held by Saudi nationals. Employees of other nationalities make up 160 of the total workforces, contributing to Advanced's diverse skill base and international business perspective.

| **526** Saudi Employees

MANAGERIAL COMPOSITION

Advanced's leadership structure is currently held entirely by male employees. As of 2024, the senior management team includes 13 individuals, while the middle management team includes 28 employees. This highlights an opportunity to enhance gender diversity in leadership as part of the Company's broader human capital development objectives.

GROWTH AND CAPACITY BUILDING

Advanced Petrochemical continues to invest in the development of its workforce to enhance operational excellence, drive innovation, and ensure alignment with evolving business needs. In 2024, a total of 4,264 training hours were delivered across the organization, supported by an overall investment of SAR 1.1 million. The Company prioritizes a structured approach to employee upskilling, offering a mix of technical, digital, and soft skills training.

4,264

Total Training Hours

SAR 1.1 Million

Investment in Skill-development

Male employees accounted for 4,112 training hours, and female employees participated in 152 hours of training, averaging 11.6 hours per female employee compared to 5.99 hours per male employee. This highlights ongoing efforts to support female development within the Company. On average, each employee receives 6.21 hours of training during the year.

11.6

Average Hours of Training Per Female Employee

Training at Advanced spans multiple modalities. E-learning remains a central delivery channel, with 441 employees completing 3,536 sessions, totaling 1,704 hours, indicating a strong shift toward flexible, self-paced learning. Soft skills training was also emphasized, delivered to 42 employees through 2 sessions, totaling 672 hours.

3,536

E-learning Sessions

672

Hours of Soft Skills Training

A core technical training program, the Job Qualification Program (JQP), continued to serve operational employees. In 2024, 51 employees received 15,955 hours of JQP training through 51 sessions, demonstrating the program's scale and depth in enhancing technical competencies.

15,955

Hours of JQP Training

Advanced Petrochemical aims to refine its training portfolio in the coming years, expanding participation across all levels and enhancing alignment with the Company's plan for talent development, innovation efforts, and female talent nurturing objectives.

REDEFINING CAREER GROWTH

As part of enhancing talent management practices, Advanced introduced a new Career Development Model designed to support employee growth and aligning individual aspirations with business needs. The model provides clear pathways for progression, identifies required competencies at each level, and integrates structured learning opportunities to foster continuous development. By implementing this model, Advanced is strengthening internal mobility, empowering employees to take charge of their career journeys, and ensuring a future-ready workforce prepared to support long-term organizational goals.

FAIR EMPLOYMENT PRACTICES

Advanced Petrochemical maintains a structured and transparent approach to compensation, benefits, and performance evaluation, ensuring alignment with its commitment to fairness, employee well-being, and career development.

In 2024, 100% of full-time employees received a regular performance and career development review, with an emphasis on continuous feedback and professional growth. This included all levels of the workforce—13 senior management, 28 middle management, and 645 non-management employees.

100% of Employees Received Performance & Development Review

Total salaries paid during the year amounted to SAR 201.4 million, covering base pay, consolidated allowances, and other standard compensation elements. In addition, SAR 97.7 million was allocated to employee benefits, which included provisions for pensions, gratuity, medical insurance, annual travel allowances, and education support, reflecting a comprehensive approach to employee welfare.

SAR 334.1 million in Total Salaries

0 Gender Pay Gap Between Male & Female Employees

Comprehensive Benefits Provided: Education, Medical Insurance, Provisions, & Allowances

These practices contribute to a stable, equitable work environment, supporting retention and enhance Advanced's efforts for transparency, merit-based development, and inclusion.

EMPLOYEE ENGAGEMENT AND RETENTION

As part of fostering a supportive work environment, Advanced implemented several initiatives in 2024 focused on employee engagement and retention. A companywide engagement survey was conducted to capture employee perspectives, identify areas for improvement, and inform decision-making. In parallel, tailored retention programs were introduced to enhance job satisfaction, support career development, and reduce turnover.

EQUAL OPPORTUNITIES

Advanced Petrochemical values diversity and inclusion as key components of its organizational culture and operational excellence. The Company's human resources framework promotes fair and equitable practices aimed at attracting, developing, and retaining a workforce reflective of diverse backgrounds and perspectives. This approach enhances innovation, agility, and long-term business performance.

Employees, regardless of gender or background, have access to structured training programs and enjoy a range of financial and non-financial benefits designed to support both their professional advancement and personal well-being.

Recruitment and employment practices strictly adhere to all applicable regulations issued by the Ministry of Human Resources and Social Development and the General Organization for Social Insurance (GOSI).

PARENTAL LEAVE AND ABSENTEEISM

Advanced Petrochemical upholds fair and inclusive leave policies that align with Saudi labor regulations and support the work-life balance of its employees. In 2024, a total of 512 employees were entitled to parental leave, comprising 508 males and 4 females. Parental leave was utilized by 48 male employees and 1 female employee during the year.

49 Employees benefited from Parental leaves

Of those who took parental leave, 48 male employees and 2 female employees returned to work. All 48 male returnees remained employed for at least 12 months after returning, while no female employees were retained during the same period.

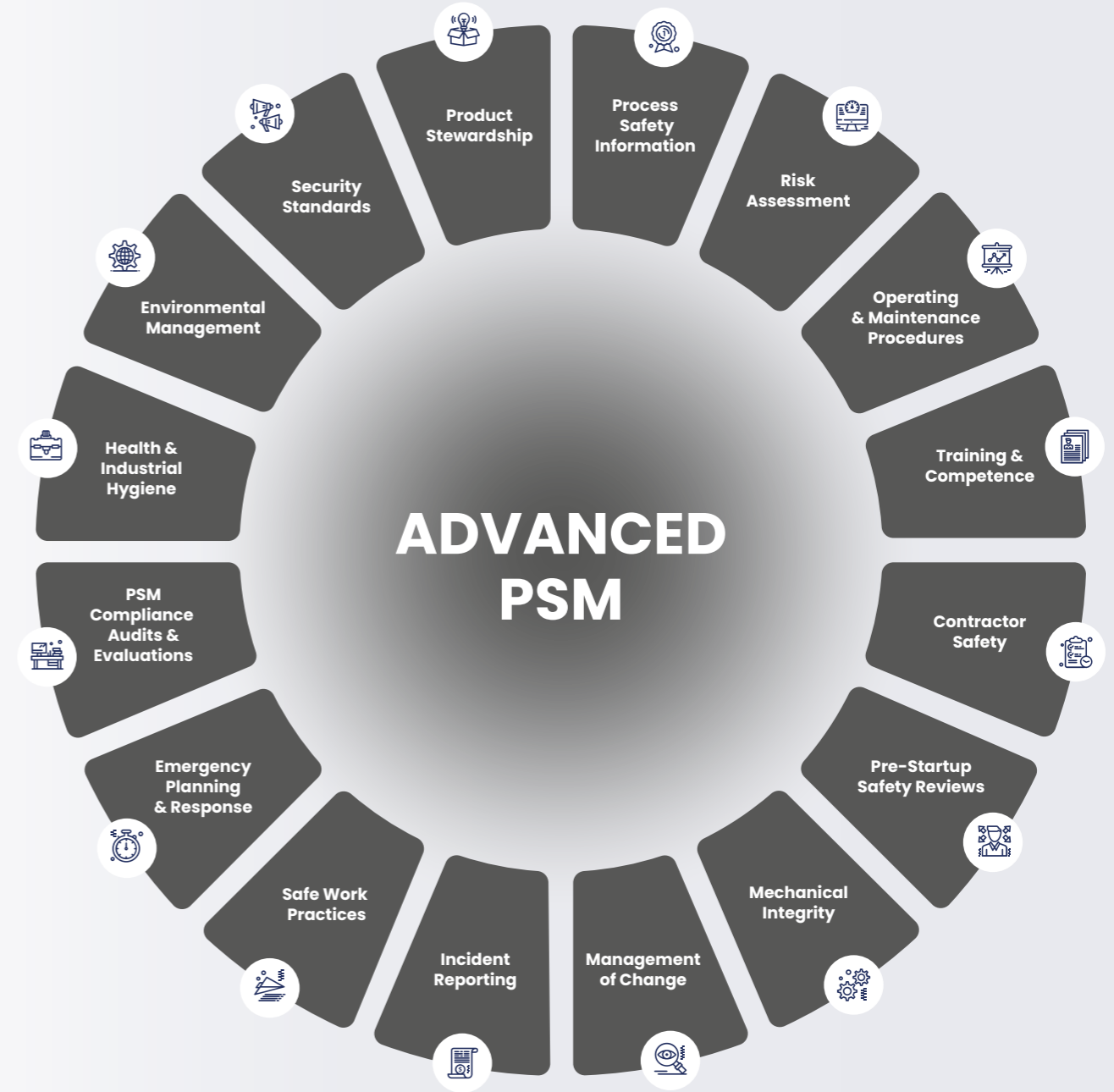
In terms of overall employee attendance, Advanced reported a total of 3,058 missed workdays in 2024 across its full-time workforce of 686 employees, out of a total of 170,128 workdays. This results in an employee absentee rate of 2.76%, which remains within a reasonable range and does not indicate systemic concerns.

These indicators reflect Advanced's commitment to supporting its workforce through appropriate leave provisions and maintaining operational continuity through effective people management practices.

SAFE WORKPLACE

ADVANCED PROCESS SAFETY MANAGEMENT (PSM) PROGRAM

Advanced Petrochemical's Process Safety Management (PSM) Program integrates key elements from OSHA's PSM guidelines with comprehensive Environment, Health, Safety, and Security (EHSS) practices. These include environmental protection, industrial hygiene, security protocols, and safe work practices. The program is aligned with all Applicable National EHSS regulations and also align with international standards such as ISO 45001 (Occupational Health and Safety), ISO 9001 (Quality Management), and ISO 14001 under the Responsible Care® framework (Environmental Management). It also adheres to globally recognized codes and best practices, including NFPA, API 754, and GPCA Responsible Care®. The PSM framework comprises 65 systems structured into 16 main elements and 49 sub-elements.



Each sub-element addresses detailed operational procedures, including hazard analysis, task risk assessments, maintenance protocols, safe work permits, chemical hazard communication, and emergency response planning.

The program is governed by a cross-functional committee of subject matter experts to oversee development, training, and implementation, and report regularly on performance and compliance. This structured governance ensures continuous improvement and alignment with both regulatory requirements and industry best practices.

This integrated approach enables Advanced Petrochemical to foster a strong safety culture, effectively mitigate operational risks, and uphold the highest standards of safety and environmental stewardship.

A ZERO-INCIDENT SAFETY CULTURE

Advanced Petrochemical is committed to maintaining a workplace that prioritizes the health, safety, and well-being of all employees and contractors. The Company's Process Safety Management (PSM) Program is fully aligned with international standards and is rigorously applied across all operations. It undergoes regular internal and external audits, ensuring 100% workforce coverage and full compliance with regulatory and best practice requirements.

100% of Workforce Covered by PSM Management System

- All employees and contractors were covered by the health and safety management system, with the entire system audited and certified by external parties.
- The Company's joint management-worker safety committees ensured inclusive participation in risk identification, preventive measures, and safety planning.
- The Company recorded zero fatalities, zero lost-day incidents, and zero high-consequence injuries among employees and contractors.
- No cases of work-related ill health or occupational diseases were reported.
- A total of 825,386 employee manhours and 1,954,880.75 contractor manhours were completed without a single reportable injury.
- There were zero regulatory violations and zero transport-related incidents, reflecting strong compliance and risk control.



ZERO REPORTABLE INJURIES

825,386 Employee manhours

1,954,880.75 Contractor manhours

All completed safely without a lost workday injury

0 Fatalities

0 Lost-day Incidents

ZERO WORK-RELATED ILLNESSES

0 Cases of work-related ill health

0 No recordable occupational diseases reported according to OSHA definition

PROCESS SAFETY AND INCIDENT MANAGEMENT

In 2024, Advanced Petrochemical achieved:

» Zero process safety incidents

(Tier 1 and Tier 2 according to API 754), maintaining the defined Index of Process safety Total Incident rate (PSTIR) and Process safety incidents Severity rate (PSISR) of 0.00.

» Zero transport-related incidents.

» Zero Fatality Frequency Rate

(FFR), Zero Lost time incident Frequency rate (LTIFR) and a SHE Index of 0.00, underscoring the effectiveness of its safety systems.

The Company conducted 56 emergency response drill scenarios across operational areas and completed 32 safety incident investigations, reinforcing a proactive safety culture focused on continuous learning and improvement.

EMERGENCY PREPAREDNESS & INCIDENT RESPONSE

- ✓ 56 emergency response drills conducted
- ✓ 32 safety incident investigations initiated and completed

HEALTH, SAFETY TRAINING AND RISK PREVENTION

To strengthen safety competencies, the Company delivered 11,664 hours of HSE training in 2024, averaging 17.00 hours per employee. Training topics included:

Operational safety

Emergency response

Safe Work Practices

Process safety Management

Hazard identification

Noise exposure management

Additionally, all employees exposed to hazardous substances underwent medical evaluations, which confirmed no significant health shifts, with noise levels consistently remaining below the regulatory threshold of 75 dB.

HSE TRAINING

- ✓ 11,664 total hours of HSE training
- ✓ 17.00 average hours per employee
- ✓ Training covered safety, emergency response, and hazard identification

OCCUPATIONAL HEALTH & NOISE EXPOSURE

- ✓ 100% of exposed employees received medical check-ups
- ✓ No significant shifts in personal noise assessments

SAFETY CULTURE SURVEY

Moreover, Advanced has Ionizing radiation system aligned with Nuclear and Radiological Regulatory Commission NRRC regulation for managing & protection the employee exposure to ionizing radiation. advanced has established rules to minimize the exposure by providing Thermoluminescent Dosimeter (TLD) badge (individual monitoring), workplace survey by certified Radiation safety Officer (RSO) (workplace monitoring), and quarterly analysis for the TLD Badges through certified NRRC laboratory to make sure that the limit of dose does not exceed the annual limit.

RADIATION EXPOSURE

- ✓ 100% of exposed employees received TLD Badges
- ✓ No significant shifts in individual monitoring
- ✓ No significant shifts in workplace monitoring
- ✓ Zero ionizing Radiation incident

Also, in terms of chemical safety Advanced has a strong system to manage the employees and environment exposure to the chemicals. All chemicals that we are using has a SDS which is aligned with Globally Harmonized System of Classification and Labelling of Chemicals (GHS) , communicated to all employees, and update on regular basis.

These outcomes demonstrate the effectiveness of Advanced Petrochemical's EHS framework, which continues to deliver a zero-incident work environment, reduce occupational risks, and build a robust culture of safety at all levels of the organization.

Advanced has integrated Safety Culture Survey as an inherent part of its EHSS improvement strategy. Safety Culture Surveys conducted at a regular interval of 2 years to assess employee perceptions, attitudes, and behaviors related to workplace safety. This initiative aims to identify strengths and areas for improvement in the safety environment, promote open communication on safety issues, and reinforce a proactive safety mindset across all operational levels. Insights from the survey are being used to guide targeted improvements, enhance safety protocols, and support a culture where safety is a shared responsibility.



ENVIRONMENTAL MANAGEMENT

Protecting the environment is fundamental to Advanced Petrochemical's operational philosophy. The Company's comprehensive environmental management strategy is designed to reduce emissions, optimize energy consumption, manage materials efficiently, minimize waste, and conserve water resources.

An integrated policy framework governs environmental, safety, quality, security, and information security systems. The Advanced Integrated Management System is certified to ISO 14001 (Environmental Management), RC 14001 (Responsible Care®), and ISO 9001 (Quality Management), ensuring that environmental responsibilities are embedded across all organizational processes and decision-making.

0 Fines for Environmental Noncompliance in 2024

Full Adherence to All Relevant Laws and Regulations

EMISSIONS AND AIR QUALITY

Advanced Petrochemical maintains a focused approach to reducing its environmental impact through robust greenhouse gas (GHG) and air emissions management across all operations.

In 2024, total GHG emissions across Scope 1 and Scope 2 reached 796,290 metric tons of CO₂e. Scope 1 emissions accounted for 659,462 metric tons, primarily from operational fuel combustion, while Scope 2 emissions, related to purchased electricity, totaled 136,828 metric tons. Scope 3 emissions, covering category 15, were reported at 1,229,500 metric tons. The Company's total GHG emissions footprint across all three scopes amounted to 2,025,790 metric tons CO₂e.

TOTAL (SCOPE 1, 2 & 3): METRIC TONS OF CO₂E

SCOPE 1:
659,462
METRIC TONS
primarily from
fuel combustion

SCOPE 2:
136,828
METRIC TONS
from purchased
electricity

SCOPE 3:
1,229,500
METRIC TONS

EMISSIONS REDUCTION INITIATIVES AND INTENSITY METRICS

To reduce both emissions intensity and absolute GHG figures, Advanced Petrochemical implemented a series of targeted initiatives in 2024. These efforts focused on enhancing production efficiency without increasing emissions, upgrading process technologies, and improving energy performance across facilities.

Key initiatives included:

- **Process Optimization:**
Several enhancements were made to production processes to improve operational efficiency while maintaining emissions at current levels.
- **Energy Efficiency Projects:**
Facility-wide energy optimization initiatives helped reduce overall energy demand and associated emissions.

These actions led to measurable improvements in emissions intensity:

SCOPE 1:

1.148 tCO₂e per ton of product

SCOPE 2:

0.24 tCO₂e per ton of product

These normalized metrics support transparent benchmarking and performance tracking.

SYNERGY PROJECT WITH SABIC AFFILIATE

Advanced Petrochemical's Propylene Dehydrogenation (PDH) unit produces a C₂-rich stream known as De-Ethimizer Off Gas (DEOG), which was previously consumed internally as a fuel source. In 2024, a synergy project was successfully executed with SABIC affiliate United, enabling the supply of DEOG to United for use in their operations. This initiative not only optimized resource utilization but also contributed to emissions reduction by displacing other fuel sources.

CRYSTAL CLEANING OF CONVECTION SECTION

During Turnaround Maintenance (TAM) in 2024, the convection section of a charge heater was cleaned using an advanced Crystal Cleaning Method. This maintenance activity significantly improved heat transfer efficiency, resulting in reduced fuel consumption and lower GHG emissions.

AIR AND FUGITIVE EMISSIONS CONTROL

In parallel, air emissions were also closely monitored and managed. Nitrogen oxides (NO_x, excluding N₂O) emissions reached 154 Metric Ton comparing to 2023 which is (178 metric ton), advanced achieved reduction by 13%) corresponding to an intensity of 0.2685 kg/ton of product. Sulfur oxides (SO_x) emissions were limited to 9.2 kg, while volatile organic compounds (VOCs) and hazardous air pollutants (HAPs) were measured at 2.835 kg and 0.286 kg respectively, reflecting the effectiveness of process controls and emission abatement technologies.

2024 AIR EMISSIONS OVERVIEW

NO_x(excluding N₂O) | **1,542 MT**

NO_x Intensity | **0.268 KG/TON OF PRODUCT**

SO_x | **9.2 MT**

VOCs | **2.835 MT**

HAPs | **0.286 MT**

In 2024, Advanced Petrochemical sustained rigorous monitoring and control of fugitive and process-related air emissions as part of its broader air quality management strategy. The fugitive emissions leak rate was maintained at a low 1.19%, indicating effective equipment integrity and leak detection protocols.

Total flaring activities amounted to 9,816.19 metric tons, of which smoky flaring accounted for only 1,994.76 metric tons—reflecting the Company's targeted efforts to reduce incomplete combustion events. Additionally, particulate matter emissions 46.34 Metric Ton/ Year and were tracked as part of internal performance assessments, contributing to continuous improvement in emissions abatement and regulatory compliance.

AIR EMISSIONS MANAGEMENT – 2024

Fugitive Emissions Leak Rate | **1.19%**

Total Flaring | **9,816.19 MT/YEAR**

Smoky Flaring | **2,366.79 MT/YEAR**

Particulate Matter (Average) | **46.34 MT/YEAR**

TECHNOLOGY-DRIVEN EMISSIONS MONITORING

Advanced Petrochemical continues to invest in real-time monitoring systems such as hydrocarbon gas monitoring (HGM), enabling precise tracking and targeted interventions. These tools support proactive emissions management and continuous improvement in environmental performance, with expectations for further reductions as operational efficiencies compound over time.

ENERGY MANAGEMENT

Advanced Petrochemical prioritizes efficient energy management as a key pillar of operational excellence and environmental responsibility. In alignment with the Saudi Vision 2030 and its National Transformation Program, including initiatives led by the Saudi Energy Efficiency Center (SEEC), the Company continues to invest in systems and strategies that reduce energy intensity and support sustainable industrial growth.

ENERGY CONSUMPTION OVERVIEW

In 2024, electricity consumption across core operations reached 248,779 mWh, with 889,466.4 GJ consumed across administrative offices and support facilities. Direct energy consumption from stationary combustion, non-combustion processes, and utilities totaled 13,438,144 GJ, primarily driven by production demands.

248,779 MWH

Electricity
(Core Operations)

889,466 GJ

Electricity
(Offices & Branches)

13,438,144 GJ

Direct Energy
Consumption



Despite an increase in production volumes, fuel usage remained controlled, with diesel consumption across operations and vehicles amounting to 9,895 liters, and petrol use from fleet vehicles reaching 44,708 liters. The Company recorded no renewable energy consumption during the reporting period but continues to evaluate feasibility options for future integration.

9,895 LITERS

Diesel Consumption
(Operations)

44,708 LITERS

Petrol Consumption
(Fleet Vehicles)

REAL-TIME MONITORING AND OPERATIONAL CONTROLS

Advanced continues to strengthen its energy management approach through in-house real-time monitoring systems that track and control energy use across all operational facilities. These systems support timely interventions to keep energy consumption within defined performance targets and enable continuous identification of efficiency improvement opportunities.



TARGETED EFFICIENCY INITIATIVES

In 2024, several initiatives were sustained and refined to enhance energy performance and reduce overall consumption. The use of Heat Generating Material (HGM) in CATOFIN reactors remained a core practice, contributing to improved energy intensity in the propylene production process. This approach supported greater operational efficiency and lower emissions through optimized thermal performance.

Further energy optimization was achieved in polypropylene production by refining screen pack selection within extruders. This adjustment aligned equipment performance with product-grade requirements, thereby lowering energy usage and improving process throughput.

OUTLOOK FOR ENERGY OPTIMIZATION AND RENEWABLES

While diesel usage remained consistent, a marginal increase in total direct energy consumption reflected expanded production activity. The Company remains focused on reducing the energy-to-output ratio through ongoing improvements in process controls, equipment upgrades, and energy conservation practices.

Looking forward, Advanced Petrochemical aims to further enhance energy performance across all operations and explore potential pathways for renewable energy integration, ensuring alignment with national energy efficiency targets and climate goals.

WATER USE AND CONSERVATION

Advanced Petrochemical continues to adopt a proactive and responsible approach to water management, integrating routine monitoring, quality assurance, and full compliance with regulatory requirements. The Company tracks water usage and storage levels monthly to identify anomalies and ensure efficient consumption. Daily water sampling is conducted with a focus on parameters such as pH to safeguard water quality and support uninterrupted operations.

In 2024, total water withdrawal reached 803,640 m³, sourced entirely from third-party suppliers, specifically, Marafiq in Jubail. No surface water, groundwater, seawater, or produced water was withdrawn. This water is used predominantly for generating demineralized water required for steam production, in addition to smaller quantities for municipal use and cooling water makeup. A significant share of this water is recycled within the steam system, while some are discharged strategically to reduce emissions from flaring. The remaining discharges are sent for industrial wastewater treatment or as sanitary wastewater.

Water withdrawal intensity achieved 1.40 m³ per ton of product, reflecting increased operational activity. However, water use remained efficient and within environmental thresholds.

803,640 M³ Water Withdrawal

1.40 M³ Per tone of product water withdrawal intensity

To prevent contamination, the Company has established multiple layers of safeguards that align with the standards of the Royal Commission in Jubail Industrial City. Regulatory bodies continue to monitor emissions and effluents, and through strict adherence to these standards, Advanced has ensured zero actual or potential adverse impacts on local communities.



WATER QUALITY

Advanced actively monitors the quality of both discharged and recycled water to ensure operational integrity and environmental compliance. In 2024, cooling water discharged into the seawater channel demonstrated favorable quality metrics, with an average annual of Delta T of 6.62°C, pH of 8.19, TOC at 10.00 mg/l, and TSS at 4.15 mg/l. These values remain within regulated limits, indicating stable thermal and chemical performance.

Within the wastewater stream sent to the Industrial Wastewater Treatment Plant, continuous improvements were observed. The average annual pH level reached 7.28, indicating stable acidity, while Total Organic Carbon (TOC) further declined to 17.18 mg/l, reinforcing gains in organic load reduction. Total Suspended Solids (TSS) dropped to 44.48 mg/l, and Total Dissolved Solids (TDS) declined to 819.82 mg/l, continuing a downward trend since 2021.

PH: 7.28 | Stable acidity levels maintained in wastewater discharge

TOC: 17.18 MG/L | Continued reduction in organic content in treated water

TSS: 44.48 MG/L | Improved filtration efficiency and lower suspended solids

TDS: 819.82 MG/L | Effective control of dissolved substances in effluents

These enhancements reflect Advanced Petrochemical's ongoing efforts to improve water treatment processes, reduce pollutant load, and meet regulatory standards. The Company remains focused on sustaining water efficiency, improving discharge quality, and protecting water resources in and around its areas of operation. All Sanitary water being sent to Sewage Treatment plant and treated effectively and the entire water was used in green belt development and other municipal use within Jubail Industrial city.

WATER MANAGEMENT GOVERNANCE

Advanced Petrochemical Company has developed and published dedicated ESG policies that clearly define executive accountability for water management. The policies assign oversight responsibilities to both the CEO and senior executive leadership, ensuring that water strategy and performance are integrated into corporate decision-making. This governance structure enhances the Company's commitment to responsible water use, regulatory alignment, and long-term resource sustainability.

WASTE REDUCTION AND RECYCLING

Advanced Petrochemical Company maintains a structured approach to waste management through the active oversight of the Monthly EHSS Steering Committee. This enables comprehensive review of waste data, performance trends, and implementation of targeted initiatives for waste reduction, improved recycling, and enhanced resource recovery.

WASTE GENERATION AND DISPOSAL PERFORMANCE

In 2024, the Company generated a total of 3,215.57 MT of waste. Of this, 1,441.58 MT were recycled, including 1,437.08 MT of hazardous waste and 4.50 MT of IT products such as printer cartridges, fluorescent tubes, and computers. Meanwhile, 1,773.99 MT of waste were directed at disposal, comprising 1,722.54 MT of hazardous waste and 51.45 MT of non-hazardous waste, the latter entirely landfilled reflecting a focus on direct material recycling and responsible disposal when necessary.

1,441.58 MT

Total Waste Recycled

1,437.08 MT

Hazardous Waste Recycled

4.5 MT

IT Products Recycled



WASTE DIVERSION AND RECYCLING INTENSITY

Through sustained recycling efforts, 44.8% of total industrial waste was successfully diverted from disposal. The waste recycling intensity, measured as kilograms of waste recycled per thousand (SAR) of sales, reached 0.66 kg/SAR (thousands) in 2024. This demonstrates continued operational efficiency and the effectiveness of Advanced's recycling infrastructure.

44.8% Recycling Rate from total generated Waste

PAPER WASTE REDUCTION INITIATIVE

To reduce office-related waste streams, Advanced expanded its paper recycling initiatives. In collaboration with a paper recycling company, bins were installed near printing stations across facilities to facilitate easy segregation and collection. In 2024, this initiative led to the recycling of 1640 kilograms of paper out of 4,867 kilograms consumed, resulting in a recycling rate exceeding 34%.

34%+ Recycled Paper

MATERIAL USAGE AND EFFICIENCY GAINS

In line with its resource efficiency goals, Advanced recorded a total material usage of 12,890.3 metric tons in 2024. Due to the planned turnaround maintenance during the year, material intensity was impacted, with effectiveness indicators increasing to 5.88 kilograms per thousand SAR of sales and 22.45 kilograms per ton of product. Despite these operational challenges, the results reflect the company's continued commitment to efficiently utilizing resources across its operations.

TOXIC EMISSIONS AND WASTE MANAGEMENT

Advanced Petrochemical Company implements rigorous controls to manage toxic emissions and operational waste. To date, no toxic emissions have been identified within the Company's operational processes, reflecting the effectiveness of its chemical handling practices and alignment with environmental standards. Waste generated from operations is systematically managed, with emphasis on material efficiency, recycling, and safe disposal. The Company's proactive approach ensures alignment with regulatory requirements and industry best practices, and supports its broader environmental performance goals.

DRUMS WASTE RECYCLING

Advanced Petrochemical has successfully implemented a drums waste recycling program aimed at reducing environmental impact and promoting resource efficiency. The initiative involves collecting used industrial drums from operations, thoroughly cleaning them to remove any residual materials, and processing them for reuse or raw material recovery. This program aims to divert significant amounts of waste from landfills while simultaneously supporting the Company's efforts in the domain of circular economy by conserving resources and reducing energy consumption.

The Company's progress in waste recycling and material efficiency reflects the broader environmental strategy focused on circularity and operational sustainability. By reducing waste generation at the source and increasing recovery rates across hazardous, non-hazardous, and IT-related waste, Advanced continues to demonstrate leadership in sustainable petrochemical production.

CIRCULAR ECONOMY INITIATIVES

Supporting sustainability beyond production, Advanced Petrochemical collaborates with local partners to recycle waste materials into reusable plastic resins for manufacturing. This circular economic approach reduces waste generation, conserves resources, and promotes sustainable industry practices, reinforcing Advanced Petrochem's leadership in responsible resource management.



SPILL PREVENTION AND RESPONSE

Advanced implements a comprehensive Process Safety Management system designed to protect the environment, people, and company assets. The system ensures the safe handling of polypropylene products through detailed strategies that monitor product lifecycle impacts, minimize environmental and health risks, and guarantee safety during production, transportation, and use. Additionally, Advanced supports industry-wide safety and sustainability standards.

To enhance asset safety, Advanced employs the Risk-Based Inspection (RBI) program across all static equipment—including pressure vessels, heat exchangers, tanks, and filters. Using the MERIDIUM software platform, the RBI program assesses each asset's risk by evaluating the Consequence and Probability of Failure. This risk analysis drives customized inspection plans with specific techniques and schedules to prevent unexpected containment loss, addressing every potential damage mechanism unique to each asset.

Emergency preparedness is equally prioritized through the Emergency Response and Planning (ERP) system. This system covers potential environmental spills, security threats, fire, and safety hazards, detailing various scenarios and their possible impacts. It includes preventive and mitigative actions to ensure rapid and effective incident management.

ZERO SIGNIFICANT SPILLS

CHEMICAL HAZARD ASSESSMENT AND RISK MITIGATION

Advanced Petrochemical maintains a robust chemical management framework through the implementation of comprehensive Hazard Identification and Risk Assessments (HIRA) and Environmental Risk Assessments across all process areas involving chemicals. These assessments form a core part of the Company's approach to managing chemical-related risks and are audited annually through internal quality and environmental audit programs. They are also externally reviewed as part of ISO recertification cycles. For all identified risks, targeted mitigation measures are established to ensure safe handling, storage, and use of chemicals. This process supports effective risk reduction and reinforces compliance with international best practices in chemical safety and environmental responsibility.

BIODIVERSITY

Advanced Petrochemical extends its efforts to biodiversity conservation. This is demonstrated through comprehensive environmental impact assessment (EIA) processes and continuous monitoring programs. Regular EIA reports are conducted, with the latest update confirming that the company's operational areas are not designated as high biodiversity value zones. These assessments are significant for identifying and managing potential environmental impacts of the company's activities.

Environmental performance is rigorously monitored and regulated by the Royal Commission of Jubail and Yanbu, ensuring full compliance with applicable environmental standards and regulations.

Protecting environmental health is a priority, with ongoing monitoring of groundwater quality and air emissions. Groundwater samples are collected and analyzed annually to detect any contamination, safeguarding local water resources. Annual stack tests are also performed to validate emissions analyzer accuracy and ensure no harmful gases are released into the atmosphere. Through these efforts, Advanced strives to minimize its environmental footprint and preserve the surrounding ecosystem.



SUSTAINABLE GROWTH AND INNOVATION

In an increasingly complex and resource-constrained global landscape, the pursuit of sustainable growth and innovation remains central to long-term value creation. Advanced continues to align its operations with this vision by embedding sustainability across its business model, from strategic investments in breakthrough technologies to adopt responsible sourcing practices and strengthening local supply chains. These efforts not only enhance operational efficiency and resilience but also support national development objectives and global sustainability goals.

Innovation is viewed as a driver of competitiveness and a key enabler of environmental and social progress. By fostering a culture of continuous improvement, supporting R&D, and collaborating with stakeholders, Advanced seeks to accelerate the transition toward a more inclusive, circular, and low-carbon economy.

This integrated approach reinforces the company's role in shaping a more sustainable future while ensuring long-term stakeholder value.



ECONOMIC PERFORMANCE

In 2024, Advanced Petrochemical remained focused on enhancing financial flexibility, cost efficiency, and strategic resilience. The year was marked by a combination of inflationary pressures, low polypropylene (PP)-propane spreads, and global market uncertainty. Despite these headwinds, the Company navigated the year through targeted mitigation measures and prudent financial management.

| **SAR 2.19 BILLION**

Total Sales

PROGRESS TOWARD STRATEGIC EXPANSION

Significant progress was made on the company's long-term growth plans, with 99% project completion achieved for the new PDH and PP plants. This reflects Advanced's sustained direction of capacity expansion and operational excellence.

Continued investment in strategic infrastructure reinforces the Company's resilience and long-term value creation strategy. Advanced is on track to begin commissioning and start-up in Q1 2025, with financial realization expected from Q2 onward.

While 2024 presented notable economic challenges, it served as a pivotal year in laying the operational and strategic foundation for future growth. The Company remains focused on navigating volatility through disciplined execution, enhanced efficiency, and sustainability-driven progress.

PRODUCT STEWARDSHIP

Advanced Petrochemical integrates technology and innovation with comprehensive product stewardship to drive sustainability across its operations and product lifecycle. This combined approach focuses on operational excellence, environmental responsibility, and the safety of all stakeholders.

TECHNOLOGY AND INNOVATION FOR ENVIRONMENTAL PERFORMANCE

The company applies cutting-edge technologies to enhance efficiency and reduce its environmental footprint. Initiatives include significant reductions in flaring, effective utilization of light hydrocarbons, and the use of Heat Generating Material (HGM) in reactors. These innovations contribute directly to lowering emissions and optimizing resource consumption.

In energy management, Advanced Petrochemical employs innovative systems coupled with proactive strategies to optimize consumption and reduce environmental impact. The deployment of HGM in CATOFIN reactors, alongside fuel consumption optimization, has resulted in measurable improvements in energy efficiency.

COMPREHENSIVE PRODUCT STEWARDSHIP AND SAFETY

Product stewardship at Advanced Petrochemical is anchored in an EHSS framework that integrates environmental, health, safety, and security considerations throughout the product lifecycle. The Company implements rigorous strategies and controls to monitor product impacts, mitigate risks, and maintain high safety and sustainability standards.

Clear communication on product hazards and handling is ensured through weekly driver toolbox meetings and the provision of TREM cards, equipping customers and the public with important information for safe product use and transportation.

Product stewardship efforts are guided by compliance with international regulations. Advanced Petrochemical adheres to regulations such as EU Regulation 10/2011/EC, US FDA 21 CFR 177.1520, ROHS Directives, Commission Delegated Directive (EU) 2015/863, Directive 94/62/EC on Packaging, and California Proposition 65. Certification to the REACH standard further demonstrates the Company's efforts in the domain of product safety and environmental responsibility.

GROWTH STRATEGY

Advanced Petrochem's growth strategy continues to be driven by its wholly owned subsidiary, Advanced Global Investment Company (AGIC), which oversees investments and expansion initiatives across the petrochemical value chain.

In 2024, AGIC progressed toward full operational readiness of the PDH-PP plant in Jubail Industrial City-2. This facility represents a major milestone in expanding Advanced Petrochem's product portfolio and increasing its presence in downstream markets.

Growth is further supported through international partnerships, including the joint venture with SK Advanced and PolyMirae Company Ltd involving LyondellBasell and Polymirae. These ventures contribute to diversifying operations, enhancing production capabilities, and reinforcing the company's long-term sustainability and competitiveness.

SUSTAINABLE PROCUREMENT AND LOCAL SOURCING

Advanced Petrochemical integrates sustainability, compliance, and ethical standards throughout its supply chain management. All suppliers undergo a general assessment process that includes evaluation of environmental, health, safety, and security (EHSS) performance. Additionally, each supplier is required to sign a formal commitment to the company's Supplier Code of Conduct, which outlines the social and ethical principles Advanced Petrochemical supports and expects across its network.

100% Suppliers Review and Sign Supplier Code of Conduct

For transportation service providers, certifications such as the Safety and Quality Assessment for Sustainability (SQAS) are mandatory to ensure compliance with recognized industry benchmarks. These measures support risk mitigation, operational reliability, and alignment with Advanced Petrochemical's sustainability priorities.

The Company maintains a structured Vendor Performance Evaluation procedure to monitor compliance and performance. Suppliers falling below defined performance thresholds are notified and expected to implement corrective actions as part of ongoing engagement and improvement efforts.

In 2024, 78% of suppliers were locally based, totaling 1,645 local suppliers. The total expenditure on suppliers reached SAR 566.5 million, reflecting the Company's growing reliance on and support for domestic capabilities. This continued focus on local sourcing is integral to Advanced Petrochemical's contribution to national economic development while embedding sustainable practices across its supply chain.

SAR 566.5 MILLION Expenditure on Suppliers

78% Local Suppliers

LOCAL CONTENT

Advanced Petrochemical remains aligned with the Kingdom's Vision 2030 through its continued commitment to advancing local content across its operations. The Local Content Program aims to drive national economic diversification, promote industrial development, and reduce reliance on imports by strengthening local manufacturing, services, and workforce capabilities.

In 2024, Advanced achieved a certified Local Content score of 49.7%, as validated by the Local Content and Government Procurement Authority (LCGPA). This translates to a direct economic contribution of over one billion Saudi Riyals to the local economy—a milestone that reflects the Company's sustained focus on sourcing from local suppliers, investing in national talent, and supporting the domestic industrial ecosystem.

The Company's approach includes integrating local content requirements into procurement strategies, prioritizing Saudi-based vendors, and aligning with regulatory standards that promote national production. Complementing this, investments in training and capacity building ensure the local workforce is equipped to support long-term industrial growth.

This certification benchmarks Advanced's progress and highlights its collaboration with the LCGPA to ensure continuous improvement, long-term business sustainability, and positive socio-economic impact across the Kingdom.



APPENDIX

SHE Index = $\frac{(50 \times \text{number Class "A"} + 5 \times \text{number of Class "B"} + 1 \times \text{number of Class "C"}) \times 200,000}{\text{Man-hours worked ("Advanced" Employees + Contractors)}}$

LTIR = $\frac{\text{total number of Lost Time Injuries} \times 200,000}{\text{total hours worked}}$

PSTIR = $\frac{[\text{sum of Process Safety Incidents (Level 1 + Level 2 + Level 3 + Level 4)} \times 200,000]}{[\text{Total Man-hours Worked}]}$

Incident rate direct hire = $\frac{\text{Number of Recordable Injuries/illnesses} \times 200,000}{\text{Direct Hire Employees man - hours worked}}$

Incident rate Contractors = $\frac{\text{Number of Recordable Injuries/illnesses} \times 200,000}{\text{Contractor Employees man - hours worked}}$ 200,000 is the equivalent of 100 full-time employees working for 40 hours per week for 50 weeks per year (OSHA guidelines).

Turnover rate = $\frac{\text{Total of employees who left the organization}}{\text{Total Head Count}} \times 100$

Employee absentee rate = $\frac{\text{All Sick Leave types, Unpaid, Accompany & Emergency Leaves}}{\text{Total Year Working days}}$

Material Effectiveness = $\frac{\text{kg of Material Losses}}{\text{Ton of Polypropylene Product}} \text{ GHG Intensity} = \frac{\text{tCO}_2\text{e}}{\text{Ton of Polypropylene Product}}$

PSISR = $\frac{[(\text{sum of Level 1} \times 27) + (\text{sum of Level 2} \times 9) + (\text{sum of Level 3} \times 3) + (\text{sum of Level 4} \times 1)] \times 200,000}{[\text{Total Man-hours Worked}]}$

INDEPENDENT ASSURANCE STATEMENT

TO: ADVANCED PETROCHEMICAL COMPANY

INTRODUCTION AND OBJECTIVES OF THE WORK:

Advanced Petrochemical Company (Company) has engaged Bureau Veritas Certification to provide limited assurance on the following subject matter information ("Subject Matter"). Our objective is to determine whether, based on the procedures performed, anything has come to our attention that would cause us to believe that the Subject Matter has not been prepared, in all material aspects, in accordance with the applicable criteria ("Applicable Criteria") as specified below.

SUBJECT MATTER

The subject matter for our limited assurance engagement included:

- The Company's Materiality Assessment Process
- Selected quantitative indicators outlined below, as presented in the Company's 2024 ESG Report for the year ended 31 December 2024 which was prepared and presented by the Company's management. These selected quantitative indicators are based on the reporting boundary established by the Company, covering all the Company's manufacturing sites located in the Kingdom of Saudi Arabia. This includes the Company's main business units and shared services, except for data from external contractors, suppliers, and clients.

The selected quantitative indicators are listed below:

#	SELECTED INDICATORS
01	GHG Intensity
02	Energy Intensity
03	Water intensity
04	Material effectiveness
05	Incident Rate (Direct hire)
06	Incident Rate (Contractors)
07	SHE Index

APPLICABLE CRITERIA

The criteria for this limited assurance engagement were:

- The reporting requirements of the Global Reporting Initiative (GRI) standards issued by the Global Sustainability Standards Board (GSSB).
- The GHG Protocol Corporate Accounting and Reporting Standard
- ISO 14064-1:2018 - Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals

The applicable criteria for each selected indicator can be found in Annexure 1 of this statement.

ASSESSMENT STANDARD

The assurance process was conducted in line with the requirements of the International Standard on Assurance Engagements- ISAE 3000 Revised, Assurance Engagements Other than Audits or Reviews of Historical Financial Information and International Standard on Assurance Engagements- ISAE 3410, Assurance Engagements on Greenhouse Gas Statements.

LIMITATIONS AND EXCLUSIONS

Our assurance was primarily based on Company-provided documentation and interactions with relevant personnel. Our engagement, conducted on a test basis, was not exhaustive in detecting all internal control weaknesses over the Subject Matter preparation. Additionally, our procedures did not encompass detailed testing, verifying, or auditing the completeness and accuracy of outputs from the Company's data collecting systems, used for the compilation of the Subject Matter information. The Subject Matter may contain errors or irregularities that remain undetected due to fundamental limitations in the internal control systems.

Additionally, for the purpose of this limited assurance engagement, we have not performed any procedures involving:

- Verifying any assertions or qualitative information within the ESG report beyond the subject matter.
- Evaluating the accuracy and completeness of the reporting boundaries defined by the management for the purpose of the ESG report.
- Verifying or auditing the underlying sources from which the Subject Matter information was derived.
- Testing, verifying, or auditing the completeness and accuracy of outputs from Company's data collecting systems used for the compilation of the Subject Matter information.
- Company position statements (including any expression of opinion, belief, aspiration, expectation, aim or future intent).
- Historic text which was unchanged from previous years and did not relate to ongoing activities.
- Financial data.
- Appropriateness of commitments and objectives chosen by the company.

RESPONSIBILITIES

The preparation and presentation of the Subject Matter in accordance with the Applicable Criteria are the sole responsibility of the Company.

Bureau Veritas Certification was not involved in drafting of the Subject Matter. Bureau Verita's responsibilities included:

- Providing limited assurance as per ISAE 3000 over the accuracy, reliability and objectivity of the information contained within the Subject Matter.
- Forming an independent conclusion based on the assurance procedures performed and evidence obtained.

METHODOLOGY

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

As part of our independent assurance, our work included:

1. Conducting employee interviews regarding the scope of work involved.
2. Process analysis of collecting and reporting the information/data included.
3. Verifying the completeness of the quantitative data included in the subject matter to ensure it encompasses all sites/operating units within the reporting boundary established by the Company.
4. Review of documentary evidence produced by the Company.
5. Recalculation of examples in accordance with the evidence documents used to prepare the information included.
6. Implementation of analytical procedures on the final reported data.

LIMITED ASSURANCE CONCLUSION

This assurance report has been prepared for Advanced Petrochemical Company to provide limited assurance on the Subject Matter Information in the Company's 2024 ESG Report for the year ended December 31, 2024.

Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the Subject Matter Information in the Company's 2024 ESG Report has not been prepared in all material respects in accordance with the Applicable Criteria.

STATEMENT OF INDEPENDENCE, COMPETENCE AND QUALITY CONTROL

Bureau Veritas is an independent professional services company that specializes in quality, environmental, health, safety and social accountability with over 190 years history. Its assurance team has extensive experience in conducting verification over environmental, social, ethical and health and safety information, systems and processes.

Bureau Veritas maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, quality reviews and applicable legal and regulatory requirements which we consider to be equivalent to ISQM 1 & 2: International Standard on Quality Management 1 (Previously International Standard on Quality Control 1) & International Standard on Quality Management 2.

Bureau Veritas has implemented and applied a Code of Ethics across the business to ensure that its employees maintain integrity, objectivity, professional competence and due care, confidentiality, professional behaviour and high ethical standards in their day-to-day business activities. We consider this to be equivalent to the requirements of the IESBA Code: Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants.

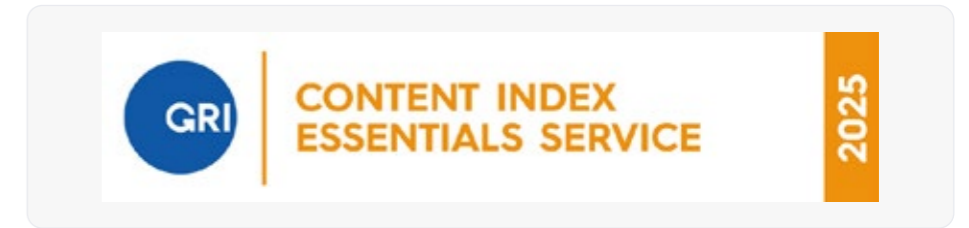
No member of the assurance team has a business relationship with Advanced Petrochemical Company, its directors or Managers beyond that required of this assignment. We have conducted this verification independently, and there has been no conflict of interest.

ishendra

Ishendra Singh,
Assurance Lead, Bureau Veritas - MCA
24-Jul-25

GRI CONTENT INDEX

For the Content Index – Essentials Service, GRI Services reviewed that the GRI content index has been presented in a way consistent with the requirements for reporting in accordance with the GRI Standards, and that the information in the index is clearly presented and accessible to the stakeholders. The service was performed on the English version of the report.



Statement of use	Advanced Petrochemical Company has reported in accordance with the GRI Standards for the period 1/1/2024 to 31/12/2024
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	

GRI STANDARD	DISCLOSURE	LOCATION	OMISSION		
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION
GRI 2: General Disclosures 2021	2-1 Organizational details	Foundations for Growth: Pages 09-20			
	2-2 Entities included in the organization's sustainability reporting	About this Report: Pages 07-08			
	2-3 Reporting period, frequency and contact point	About this Report: Pages 07-08			
	2-4 Restatements of information	No restatements of information in this report.			
	2-5 External assurance	Independent Assurance Statement: Page 113			
	2-6 Activities, value chain and other business relationships	Foundations for Growth: Pages 09-20			
	2-7 Employees	Responsible Care: Pages 65-86			
	2-8 Workers who are not employees	Responsible Care: Pages 65-86			
	2-9 Governance structure and composition	Governance & Social Responsibility: Pages 37-54			
	2-10 Nomination and selection of the highest governance body	Governance & Social Responsibility: Pages 37-54			
	2-11 Chair of the highest governance body	Governance & Social Responsibility: Pages 37-54			
	2-12 Role of the highest governance body in overseeing the management of impacts	Governance & Social Responsibility: Pages 37-54			
	2-13 Delegation of responsibility for managing impacts	Governance & Social Responsibility: Pages 37-54			
	2-14 Role of the highest governance body in sustainability reporting	Governance & Social Responsibility: Pages 37-54			
	2-15 Conflicts of interest	Framework for Integrity & Transparency: Pages 45-54			
	2-16 Communication of critical concerns	Framework for Integrity & Transparency: Pages 45-54			

GRI STANDARD	DISCLOSURE	LOCATION	OMISSION		
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION
GRI 2: General Disclosures 2021	2-17 Collective knowledge of the highest governance body	Governance & Social Responsibility: Pages 37-54			
	2-18 Evaluation of the performance of the highest governance body	Governance & Social Responsibility: Pages 37-54			
	2-19 Remuneration policies	Governance & Social Responsibility: Pages 37-54			
	2-20 Process to determine remuneration	Governance & Social Responsibility: Pages 37-54			
	2-21 Annual total compensation ratio	NA		Confidentiality Constraints	The total compensation ratio is considered sensitive information and is not disclosed publicly due to confidentiality and internal policy constraints.
	2-22 Statement on sustainable development strategy	Sustainability Strategy: Pages 27-36			
	2-23 Policy commitments	Sustainability Strategy: Pages 27-36; Framework for Integrity & Transparency: Pages 45-54			
	2-24 Embedding policy commitments	Sustainability Strategy: Pages 27-36; Framework for Integrity & Transparency: Pages 45-54			
	2-25 Processes to remediate negative impacts	Sustainability Strategy: Pages 27-36; Risk Management: Pages 53-54			
	2-26 Mechanisms for seeking advice and raising concerns	Framework for Integrity & Transparency: Pages 45-54			
	2-27 Compliance with laws and regulations	Framework for Integrity & Transparency: Pages 45-54; Risk Management: Pages 53-54			
	2-28 Membership associations	Memberships & Aliances: Pages 19-20			
	2-29 Approach to stakeholder engagement	Engaging our Stakeholders: Pages 22-24			
	2-30 Collective bargaining agreements	NA		Legal Prohibitions	Collective bargaining agreements are not permitted in Saudi Arabia.
Material Topics					
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Material Priorities: Pages 25-26			
	3-2 List of material topics	Material Priorities: Pages 25-26			
Energy, GHG emissions and Climate Change					
GRI 3: Material Topics 2021	3-3 Management of material topics	Material Priorities: Pages 25-26			
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Emissions & Air Quality: Pages 87-92			
	305-2 Energy indirect (Scope 2) GHG emissions	Emissions & Air Quality: Pages 87-92			
	305-3 Other indirect (Scope 3) GHG emissions	Emissions & Air Quality: Pages 87-92			
	305-4 GHG emissions intensity	Emissions & Air Quality: Pages 87-92			
	305-5 Reduction of GHG emissions	Emissions & Air Quality: Pages 87-92			

GRI STANDARD	DISCLOSURE	LOCATION	OMISSION		
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION
GRI 305: Emissions 2016	305-6 Emissions of ozone-depleting substances (ODS)	Emissions & Air Quality: Pages 87-92			
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Emissions & Air Quality: Pages 87-92			
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Energy Management: Pages 93-96			
	302-2 Energy consumption outside of the organization	Energy Management: Pages 93-96			
	302-3 Energy intensity	Energy Management: Pages 93-96			
	302-4 Reduction of energy consumption	Energy Management: Pages 93-96			
	302-5 Reductions in energy requirements of products and services	Energy Management: Pages 93-96			
Water Management					
GRI 3: Material Topics 2021	3-3 Management of material topics	Material Priorities: Pages 25-26			
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Water Use & Conservation: Pages 97-98			
	303-2 Management of water discharge-related impacts	Water Use & Conservation: Pages 97-98			
	303-3 Water withdrawal	Water Use & Conservation: Pages 97-98			
	303-4 Water discharge	Water Use & Conservation: Pages 97-98			
	303-5 Water consumption	Water Use & Conservation: Pages 97-98			
Waste Management; Circular Economy					
GRI 3: Material Topics 2021	3-3 Management of material topics	Material Priorities: Pages 25-26			
GRI 306: Waste 2020	306-2 Management of significant waste-related impacts	Waste Reduction & Recycling: Pages 99-102			
	306-3 Waste generated	Waste Reduction & Recycling: Pages 99-102			
	306-4 Waste diverted from disposal	Waste Reduction & Recycling: Pages 99-102			
	306-5 Waste directed to disposal	Waste Reduction & Recycling: Pages 99-102			
Health and Safety					
GRI 3: Material Topics 2021	3-3 Management of material topics	Material Priorities: Pages 25-26			
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Safe Workplace: Pages 79-86			
	403-2 Hazard identification, risk assessment, and incident investigation	Safe Workplace: Pages 79-86			
	403-3 Occupational health services	Safe Workplace: Pages 79-86			

GRI STANDARD	DISCLOSURE	LOCATION	OMISSION		
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION
GRI 403: Occupational Health and Safety 2018	403-4 Worker participation, consultation, and communication on occupational health and safety	Safe Workplace: Pages 79-86			
	403-5 Worker training on occupational health and safety	Safe Workplace: Pages 79-86			
	403-6 Promotion of worker health	Safe Workplace: Pages 79-86			
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Safe Workplace: Pages 79-86			
	403-8 Workers covered by an occupational health and safety management system	Safe Workplace: Pages 79-86			
	403-9 Work-related injuries	Safe Workplace: Pages 79-86			
	403-10 Work-related ill health	Safe Workplace: Pages 79-86			
Diversity and Equality					
GRI 3: Material Topics 2021	3-3 Management of material topics	Material Priorities: Pages 25-26			
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Governance Structure: Pages 39-42; Employee Profile: Pages 71-74			
	405-2 Ratio of basic salary and remuneration of women to men	NA		Confidentiality Constraints	The ratio is not disclosed to preserve the privacy of employee compensation and avoid potential sensitivity around individual remuneration data
Human Welfare and Development					
GRI 3: Material Topics 2021	3-3 Management of material topics	Material Priorities: Pages 25-26			
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Growth & Capacity Building: Pages 75-76			
	404-2 Programs for upgrading employee skills and transition assistance programs	Growth & Capacity Building: Pages 75-76			
	404-3 Percentage of employees receiving regular performance and career development reviews	Fair Employment Practices: Pages 77-78			
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Fairness & Anti-discrimination: Page 52			
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Employee Profile: Pages 71-74			
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Fair Employment Practices: Pages 77-78			
	401-3 Parental leave	Fair Employment Practices: Pages 77-78			
GRI 402: Labor/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	Fair Employment Practices: Pages 77-78			

GRI STANDARD	DISCLOSURE	LOCATION	OMISSION		
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION
Community Investment and Engagement at CSR					
GRI 3: Material Topics 2021	3-3 Management of material topics	Material Priorities: Pages 25-26			
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Social Impact: Pages 67-70			
	413-2 Operations with significant actual and potential negative impacts on local communities	Social Impact: Pages 67-70			
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Social Impact: Pages 67-70			
Governance, Ethics and Compliance					
GRI 3: Material Topics 2021	3-3 Management of material topics	Material Priorities: Pages 25-26			
GRI 2: General Disclosures 2021	2-9 Governance structure and composition	Governance & Social Responsibility: Pages 37-54			
	2-10 Nomination and selection of the highest governance body	Governance & Social Responsibility: Pages 37-54			
	2-11 Chair of the highest governance body	Governance & Social Responsibility: Pages 37-54			
	2-12 Role of the highest governance body in overseeing the management of impacts	Governance & Social Responsibility: Pages 37-54			
	2-13 Delegation of responsibility for managing impacts	Governance & Social Responsibility: Pages 37-54			
	2-14 Role of the highest governance body in sustainability reporting	Governance & Social Responsibility: Pages 37-54			
	2-15 Conflicts of interest	Framework for Integrity & Transparency: Pages 45-54			
	2-16 Communication of critical concerns	Framework for Integrity & Transparency: Pages 45-54			
	2-17 Collective knowledge of the highest governance body	Governance & Social Responsibility: Pages 37-54			
	2-18 Evaluation of the performance of the highest governance body	Governance & Social Responsibility: Pages 37-54			
	2-19 Remuneration policies	Governance & Social Responsibility: Pages 37-54			
	2-20 Process to determine remuneration	Governance & Social Responsibility: Pages 37-54			
	2-21 Annual total compensation ratio	NA		Confidentiality Constraints	The total compensation ratio is considered sensitive information and is not disclosed publicly due to confidentiality and internal policy constraints.
	2-25 Processes to remediate negative impacts	Sustainability Strategy: Pages 27-36; Risk Management: Pages 53-54			
2-27 Compliance with laws and regulations	Framework for Integrity & Transparency: Pages 45-54; Risk Management: Pages 53-54				
2-28 Membership associations	Memberships & Alliances: Pages 19-20				

GRI STANDARD	DISCLOSURE	LOCATION	OMISSION		
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Anti-corruption Measures: Page 50			
	205-2 Communication and training about anti-corruption policies and procedures	Anti-corruption Measures: Page 50			
	205-3 Confirmed incidents of corruption and actions taken	Anti-corruption Measures: Page 50			
Economic Performance					
GRI 3: Material Topics 2021	3-3 Management of material topics	Material Priorities: Pages 25-26			
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Economic Performance: Page 106; Link to Annual Report			
	201-2 Financial implications and other risks and opportunities due to climate change	Economic Performance: Page 106; Link to Annual Report			
	201-3 Defined benefit plan obligations and other retirement plans	Economic Performance: Page 106; Link to Annual Report			
	201-4 Financial assistance received from government	Economic Performance: Page 106; Link to Annual Report			
Biodiversity					
GRI 3: Material Topics 2021	3-3 Management of material topics	Material Priorities: Pages 25-26			
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Biodiversity: Page 104			
	304-2 Significant impacts of activities, products, and services on biodiversity	Biodiversity: Page 104			
	304-3 Habitats protected or restored	Biodiversity: Page 104			
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	Biodiversity: Page 104			
Product Stewardship					
GRI 3: Material Topics 2021	3-3 Management of material topics	Material Priorities: Pages 25-26; Product Stewardship: Pages 107-108			
Customer Satisfaction					
GRI 3: Material Topics 2021	3-3 Management of material topics	Material Priorities: Pages 25-26; Business Partner Experience: Pages 63-64			

GRI STANDARD	DISCLOSURE	LOCATION	OMISSION		
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION
Data Security					
GRI 3: Material Topics 2021	3-3 Management of material topics	Material Priorities: Pages 25-26			
GRI 418: Customer Privacy 2016	418-1 Substained complaints concerning breaches of customer privacy and losses of customer data	Security & Resilience: Pages 59-62			
Sustainable Supply Chain					
GRI 3: Material Topics 2021	3-3 Management of material topics	Material Priorities: Pages 25-26			
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Material Priorities: Pages 25-26; Sustainable Procurement and Local Sourcing: Page: 109			
Technology and Innovation					
GRI 3: Material Topics 2021	3-3 Management of material topics	Material Priorities: Pages 25-26; Security & Resilience: Pages 59-62; Sustainable Growth & Innovation: Pages 105-110			



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Advanced Petrochemical values stakeholder feedback on its ESG disclosures. Any comments, questions, or suggestions regarding this report can be submitted through the official communication channels available on the company's website.