



المتقدمة
Advanced

BOARD REPORT
2025

Elevating Excellence:

Advancing Progress with
Innovation and Sustainability

ثقافة التميز
Culture Of Excellence

Please scan the QR code to download the respective documents.



Financial Statements



CSR Report



ESG Report





Saudi Arabia remains committed to sustainable development, guided by Vision 2030. With determination and dedication, we strive to build a prosperous future, strengthen our global standing, and ensure continued growth for our nation and its people.



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

“

Our ambition is not merely to restore income sources or maintain past achievements, but to build a more prosperous nation where every citizen can realize their aspirations.



**His Royal Highness Prince Mohammed bin
Salman bin Abdulaziz Al Saud**

Crown Prince, Prime Minister



Mr. Khalifa Abdullatif Al Mulhem

Chairman of the Board

CHAIRMAN'S STATEMENT

Striving for Operational Excellence to Ensure Sustainable Value Creation for All Stakeholders

2025 Revenue Achieved

3.5B
Saudi Riyals

Dear Shareholders,

On behalf of the Board of Directors, I am pleased to present Advanced Petrochemical Company's report for the year ended 31 December 2025. In spite of the continuation of the challenges across the global petrochemical sector, Advanced demonstrated resilience, and a continued commitment to long-term value creation, by demonstrating a solid performance.

In addition to the above, a key milestone during the year was the successful start-up of Advanced Polyolefins Industry Company (APOC). This achievement represents a significant strategic advancement and reinforces our long-term growth platform.

The Board exercises active oversight to support and guide in achieving Advanced strategies ensuring that key business considerations are fully embedded across all decision-making processes.

The Board will continue to evaluate growth opportunities, ensuring readiness to move forward when market conditions are appropriate. Our focus remains on sustainable value creation, sound capital allocation, maximizing the asset utilization and debt reduction to focus in enhancing the financial resilience.

We remain confident that Advanced's talented and committed workforce will continue to mitigate challenges and support the Company's strategic objectives. On behalf of the Board, I extend my sincere appreciation to our shareholders for their trust, to management for their leadership, and to all employees for their dedication and professionalism.

With the Grace of Almighty Allah and the steadfast support and prudent decisions of the Leadership of the Kingdom of Saudi Arabia, we remain confident in our ability to navigate the current regional challenges safely and effectively.

Yours sincerely,
Chairman

Advancing Excellence: Committed to Operational Efficiency and Long-Term Value

Utilization capacity

reached more than
100%
in both plants

PRESIDENT AND CEO'S STATEMENT

Dear Shareholders,

The year 2025 was marked by operational challenges and strategic progress for Advanced. In a difficult market environment, we remained focused on our core priorities: EHSS, operational excellence, cyber security and disciplined execution.

One of the most significant achievements of the year was the successful start-up of APOC, which achieved the design capacity utilization in 2025 reflecting strong project execution, effective commissioning, and operational readiness. APOC significantly enhances our production capabilities and positions the Company to capture additional value, including production of niche PP grades.

EHSS and cybersecurity continue to be one of our top focus areas in addition to Business continuity and efficiency. We further strengthened our systems, controls, and awareness programs to safeguard our people, assets, and information. As the first APPC plant completes 18 years of operation, increased emphasis has been placed on asset reliability, integrity management, and preventive maintenance to ensure long-term sustainability and safe operations.

It is commendable that Advanced achieved a net profit of SAR 226 million in 2025. This outcome underscores the effectiveness of our operational discipline and commercial strategies. We are also pursuing organizational and operational

restructuring, where feasible, to further support business efficiency and agility.

We need to be highly proactive and dynamic and to capture the right market and business opportunities amid the challenges being faced due to the current regional situation since March 2026. In addition, we will focus on maximizing asset utilization; optimizing costs and implementing dynamic marketing strategy to enhance margins and market reach.

Our people remain our greatest strength. The dedication, professionalism, and collaborative efforts of our employees were instrumental in achieving safe operations and successful project execution. I am confident that, through their continued commitment, we can effectively navigate current challenges and position Advanced for sustained success.

Looking ahead, we will continue to prioritize safety, reliability, operational excellence, and growth, while maintaining readiness to respond to evolving market conditions.

Yours sincerely,

Chief Executive Officer



Eng. Mamdouh H. Al-Amri

President and CEO



Mr. Abdulaziz S. Al-Ardhi

Chief Financial Officer

CHIEF FINANCIAL OFFICER'S STATEMENT

Dear Shareholders,

The year 2025 marked a significant turning point for the Company and a strong return to profitability. We recorded a net profit of SAR 226 million, compared to a net loss of SAR 259 million in the previous year. This substantial improvement reflects our operational resilience, disciplined execution, and strengthening company performance which have been supported by the successful commencement of commercial operations at our new project in July 2025.

This development contributed to increased production volumes and supported growth in both sales and revenues. While the start-up resulted in the recognition of financing costs and depreciation expenses, the positive impact of higher output, improved revenues, and ongoing optimization initiatives has enabled us to progressively absorb these costs and strengthen our financial position.

Risk management remains an integral component of our financial governance framework. We continuously assess market, operational, financial, liquidity and geopolitical risks to ensure preparedness and timely mitigation of emerging exposures.

As we look ahead to 2026, our strategic priorities remain focused and actionable to maximizing production capacity across our PP and PDH plants through advanced technologies and operational excellence by expanding our portfolio of higher value-

added products, continuity of the cost optimization initiatives and strengthening our financial foundation by reducing debt levels.

We remain firmly committed to enhancing profitability, diversifying our product mix, and building a more resilient and competitive platform for long-term growth. Above all, our focus continues to be on delivering sustainable value to our shareholders.

Sincerely,
Chief Financial Officer

Advanced has reinforced its cost-efficient operating model that balances costs and asset and reliable operation.

**2025
Consolidated
EBITDA reached**

838M
Saudi Riyals



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GOVERNANCE

01

OVERVIEW

Thriving Through Challenges: A Year of Resilience and Achievement

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● ADVANCED'S JOURNEY

VISION

Growing chemical company acting responsibly towards all stakeholders.

MISSION

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

OUR VALUES



Excellence

We do the right things right first time; deliver on commitments.



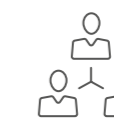
Continuous Improvements

We pro-actively recognize business opportunities; benchmark and implement best practices; challenge status quo.



Customer Care

We adjust business processes to best meet customer needs and to ensure customer satisfaction.



Team Spirit

We sacrifice own needs for the good of the team; Never undermine team efforts; Celebrate achievements;



Transparency

We speak up our mind; give positive and constructive feedback.

Advanced Petrochemical Company (Advanced) or (Company) is engaged in the manufacture of plastics in primary forms, investment in industrial projects including, but not limited to, projects relating to petrochemical, chemical, basic and conversion industries and industries relating to renewable energy and to establish, operate and own industrial projects both within and outside of the Kingdom of Saudi Arabia.

In May 2005, Advanced started the construction of its integrated petrochemical plants, located in Jubail Industrial City in the Eastern Province of the Kingdom of Saudi Arabia, which started its commercial production from its polypropylene facility on March 03, 2008. The integrated plant is designed to produce 455,000 tons per year of propylene and 450,000 tons per year of polypropylene (nameplate capacities) from its production facility. Advanced utilizes the PDH-Catofin Technology, which is licensed by LummusTechnology, for the production of propylene, and it uses the Novolen Technology for the production of various polypropylene products. The products are marketed locally and globally through reliable, well-trusted sales and distribution channels. The Company's products are used in plastic applications such as cast film, BOPP films, fibers, filaments, woven tapes, non woven fabrics, and injection molding. Since the inception of Advanced, it has established itself as one of the major players in the petrochemical industry in the region.

Advanced in Numbers

Established in
2005

2.6B SAR
Capital

5
Affiliates

653
Employees

The Activity:
Manufacturing of Propylene & Polypropylene

The Activity Revenues in 2025:

3,502
(in Millions SAR)

Net Profit
226
(in Millions SAR)

APOC PP & PDH Start up in
JULY 2025

ADVANCED AT A GLANCE

The Company's products are the basic building blocks used to manufacture countless goods such as:



Personal care products



Fresh food packaging



Lightweight plastics



Construction materials



Automotive components

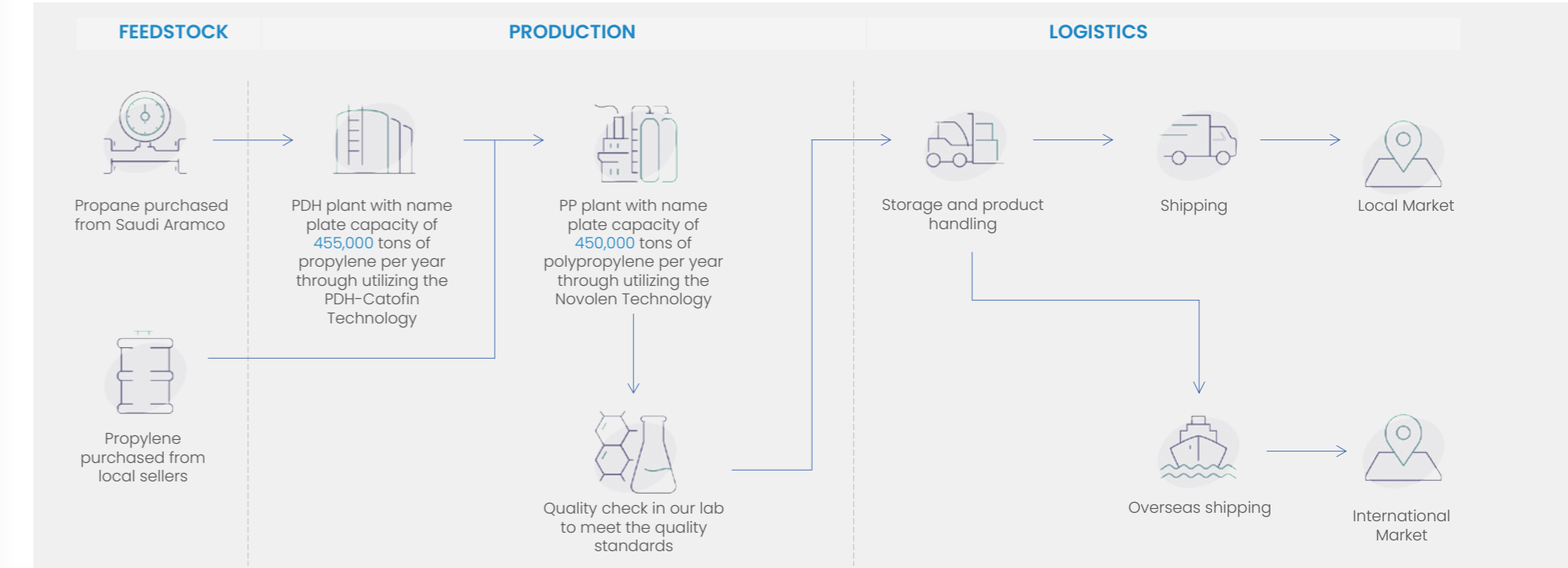


Durable textiles



Medical applications

Business Model



CORPORATE STRUCTURE



owned 30% by Advanced Investment



Ulsan Polypropylene Co. (UPP)

Owned 49.99% by SK Advanced



Closed joint-stock Company Owned 85% by Advanced Investment



Limited Liability Company owned 100% by Advanced Investment



Limited Liability Company owned 100% by AGMC Marketing

The Main Activity of the Company and its Subsidiaries:

The main activity of the Company is in the field of manufacturing and converting petrochemicals, which includes the production of propylene and polypropylene and the marketing and selling of the final product (polypropylene) inside the Kingdom by the Company, and outside the Kingdom through international offtakers. The group main product, which is polypropylene, generated a revenue of 3,502 Million SAR in 2025



Advanced Global Investment Company (AGIC):

Advanced Global Investment Company (AGIC) is a single shareholder limited liability company, wholly owned by Advanced Petrochemical Company, and established in August 2012 as the investment arm of the Group. AGIC's mandate focuses on developing and investing in industrial projects across the petrochemical, chemical, basic, and conversion industries, both within and outside the Kingdom of Saudi Arabia.

Headquartered in Jubail Industrial City, AGIC plays a strategic role in advancing Advanced's long term growth through targeted industrial investments. Its key portfolio includes SK Advanced Ltd. in South Korea, where AGIC holds a 30% equity stake in a propane dehydrogenation (PDH) venture; Advanced Polyolefins Industry Company (APOC), of which AGIC owns 85% and which is currently in its commissioning and startup phase to support the Group's expansion into PDH PP production; and Advanced Global Holdings Ltd. in Luxembourg, a wholly owned international holding entity that strengthens global investment capabilities.



Advanced Global Marketing Company (AGMC):

Advanced Global Marketing Company (AGMC) is a single shareholder limited liability company wholly owned by Advanced Petrochemical Company, established to serve as the Group's dedicated marketing arm. AGMC focuses on enhancing global market presence, optimizing product distribution, and improving netback prices across Advanced and its affiliates. Headquartered in Jubail Industrial City, AGMC plays a strategic role in supporting the Group's long term growth by strengthening customer reach, enabling effective market engagement, and aligning commercial activities with expanding production capacities.



Advanced Global Holding Company Ltd.:

Advanced International Holding Company Ltd. is a limited liability company established to invest in the production and marketing of petrochemical and chemical products. The company was registered in Luxembourg in February 2014 with a paid up capital of USD 100, fully owned by Advanced Global Investment Company.



Advanced Polyolefins Industry Company (APOC):

Advanced Polyolefins Industry Company (APOC) is a Saudi mixed closed joint stock company registered in Jubail Industrial City, with a paid up capital of SAR 2,210,625,000. The company is 85% owned by Advanced Global Investment Company (AGIC), with the remaining 15% held by SK Gas Petrochemical Pte. Ltd., a subsidiary of SK Gas Co., Ltd. APOC was established to develop and operate major downstream petrochemical assets that expand the Group's production capabilities and support its long term growth strategy.

APOC's integrated complex comprises a Propane Dehydrogenation (PDH) unit with a nameplate capacity of 843,000 tons per year of propylene and a Polypropylene (PP) plant with a capacity of 800,000 tons per year. APOC represents one of the Group's most significant strategic investments, enhancing production capacity and strengthening its competitive position in global polyolefins markets.



AGMC B.V. serves as AGMC's European Sales Office, enhancing the Group's presence in key European markets by strengthening proximity to customers and supporting long term commercial growth. It is a single shareholder limited liability company wholly owned by AGMC, established in 2025. AGMC B.V. focuses on advancing market engagement, improving customer reach, and supporting the effective distribution of Advanced's products across Europe, thereby contributing to the Group's broader strategic objectives.

ADVANCED'S JOURNEY



2005

Advanced Site Construction



2008

Commissioning of PDH and Polypropylene plant



2013

Signed agreement with SATORP to purchase 80 KTA Propylene to enhance PP production utilizing the same assets



2016

Started commercial production of SK Advanced PDH Plant in South Korea



2018

Awarded EPC contract for 400 KTA PP plant to be set up in South Korea ("UPP"), which is 49.99% owned by SK Advanced



2019

Third Paid Capital increased by 10% to (SAR 2,164,730,000) through issuing bonus shares



2021

Awarded EPC for the new PDH-PP project by APOC, planned for commissioning in 2024



2023

Achieved the highest monthly sales and shipped volume since the inception of the company



2025

Achieving 34 Million safe manhours without lost workday Injuries

2006

Initial Public offering in December 2006 and listed in the Saudi Exchange in January 2007 with a capital of (SAR 1,413,750,000)

2012

First Paid Capital increased by 16% to (SAR 1,639,950,000) through issuing bonus shares

2014

MOU with SK Gas to establish state-of-the-art Propane Dehydrogenation (PDH) plant in South Korea to produce Propylene with Name Plate Capacity of 600,000 KTA

Second Paid Capital increased by 20% to (SAR 1,967,940,000) through issuing bonus shares

Obtained feedstock allocation from the Ministry of Energy to set up a new PDH-PP complex in Jubail Industrial City

2020

Signed Joint Venture agreement for new PDH-PP project in Jubail industrial with SK Gas (to form Advanced Polyolefins Industrial Company "APOC")

Received additional feedstock allocation to establish a new Petrochemical Complex in Jubail-2

2022

Fourth Paid Capital increased by 20.11% to (SAR 2,600,000,000) through issuing bonus shares

Achieved highest ever PP production and sales

2024

Established Advanced Global Marketing Company

Achieving 27 Million safe manhours without lost workday Injuries

Successful start up of PDH and PP Plants

Established Advanced Global Marketing Company B.V. in Netherland

02

Performance & Achievements

Resilient Performance: Overcoming Challenges, Delivering Excellence

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● MEMBERSHIPS AND AWARDS

Responsible Care is the global chemical industry's unifying commitment to the safe management of chemicals throughout their life cycle, while promoting their role in improving quality of life and contributing to sustainable development. As a signatory to the Responsible Care Global Charter, Advanced Petrochemical Company will actively strengthen the Responsible Care initiative worldwide and is committed to:

Achieving **34** Million safe man-hours without lost workday Injuries in 2025.



RESPONSIBLE CARE
OUR COMMITMENT TO SUSTAINABILITY

01

A Corporate Leadership Culture that proactively supports safe chemicals management through the global Responsible Care initiative.

02

Safeguarding People and the Environment by continuously improving our environmental, health and safety performance; the security of our facilities, processes and technologies; and by driving continuous improvement in chemical product safety and stewardship throughout the supply chain.

03

Strengthening Chemicals Management Systems by participating in the development and implementation of lifecycle-oriented, sound-science and risk-based chemical safety legislation and best practices

04

Influencing Business Partners to promote the safe management of chemicals within their own operations.

05

Engaging Stakeholders, understanding and responding to their concerns and expectations for safer operations and products and communicating openly on our performance and products

06

Contributing to Sustainability through improved performance, expanded economic opportunities and the development of innovative technologies and other solutions to societal challenges

Advanced's Management System has embedded international requirements and best practices needed to maintain responsible operation with objectives of developing and maintaining a safe work environment for employees and maintaining the contribution to achieve excellent environmental performance.

Advanced has an Integrated Management System covering Quality, Environment, Occupational Health & Safety, Process Safety, Responsible Care & Cybersecurity, which makes it committed to:

- 

Deliver
Quality products & services that meet stakeholders' expectations.
- 

Promote
Quality products & services that meet stakeholders' expectations.
- 

Comply
With all relevant laws, regulations, standards and other applicable requirements.
- 

Demonstrate
With all relevant laws, regulations, standards and other applicable requirements.
- 

Consult
Our policies ensure we consult and engage the relevant personnel in decision making for work related activities.
- 

Protect
Our policies ensure we consult and engage the relevant personnel in decision making for work related activities.
- 

Prevent
Quality products & services that meet stakeholders' expectations.
- 

Improve
Our business practices through organizational excellence, create a competitive work environment in ethical ways.



Environment

Advanced recognizes the emerging challenges facing our eco-system and is committed to improving the environmental performance of its operations, products and services. Our greatest contribution to meeting the challenge is to pioneer new technologies for environmentally progressive products and services. Advanced has implemented aggressive targets for improving its environmental performance for its operations by adopting an Environment Management System that is aligned with industry best practices and international Industry standards.

Energy efficiency, waste reduction and recycling, emission reduction and conservation of natural resources are the key goals in our Environmental Management System. Long-term plans are set for emission reduction, energy efficiency and conservation of natural resources to leverage our company's positive impact on the environment



Occupational Health and Safety

Advanced is committed to a well-developed Occupational Health and Safety program that will excel in the protection of our employees, Assets, and Communities from Occupational Incidents. In addition, Advanced continues to support the Industry's Guiding principles in Occupational Health and Safety to comply with government regulations through Advanced Leadership practices.

Employees at every level, including senior management, have embedded the Occupational health and Safety practices as part of Advanced Culture in routine activities. In addition, management supports the coordination of safety among all workers and contractors on the job site and has encouraged compliance toward Occupational Health and Safety practices.

Management encourages employees' engagement and participation in occupational Health and safety programs and initiatives and provides proper required Resources, training, and guidance to achieve the concept of continuous improvement on the part of Occupational Health and Safety. Employees feel responsible for following all Occupational Health and Safety practices, maintaining the necessary protection measures to work safely, and, wherever possible, improving safety standards. An injury and accident-free workplace is our optimum goal, and through the collaborative efforts of Advanced team, we can accomplish this goal.



Quality

Quality and continuous improvement are the basic operating principles at Advanced. As a pioneer institution in the sector in terms of quality, we are conscious of our responsibilities for the stakeholders. We have adopted sustainable growth as our lifestyle, our target is to present products and services, which will ensure the greatest benefit for our customers, as the best solution partner and to ensure repeated customer satisfaction.

Reducing our costs, increasing our long-term profitability, keeping our future safe can be ensured if we work with our employees within the framework of collaboration and trust. In this context our objective is to adopt Total Quality Management as a lifestyle and fulfill its needs with a view to ensuring quality consciousness in all activity fields and service units systematically and regularly, thereby contributing to our management strategies. At Advanced, we are committed to obtain business perfection through Total Quality Management & Management Strategies.

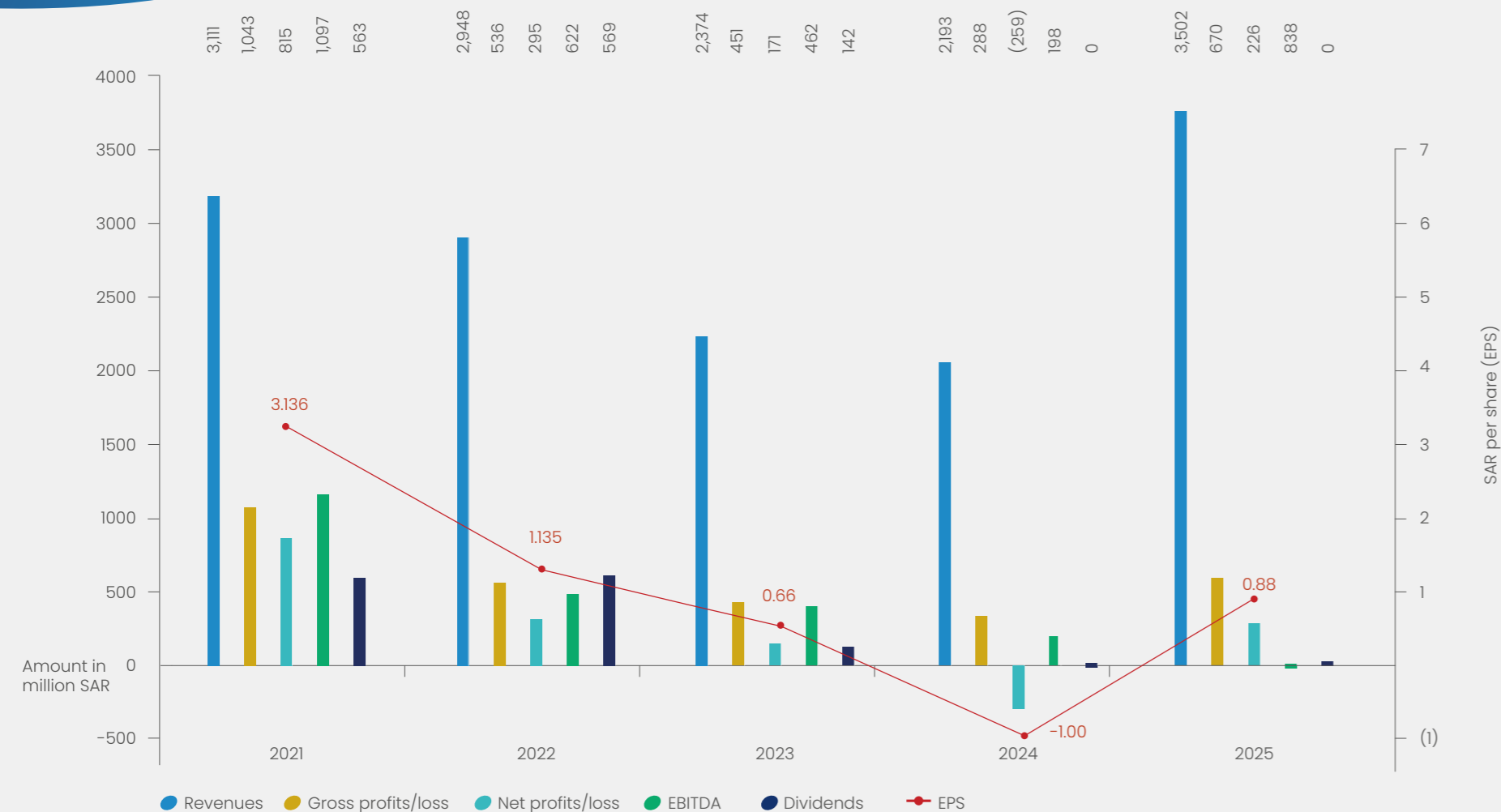
Advanced Management System is certified for :

- Responsible Care (RC 14001) & Environment Management System (ISO 14001)
- Occupational Health and Safety Management (ISO 45001)
- Quality Management System (ISO 9001)
- Information Security Management System (ISO/IEC 27001)

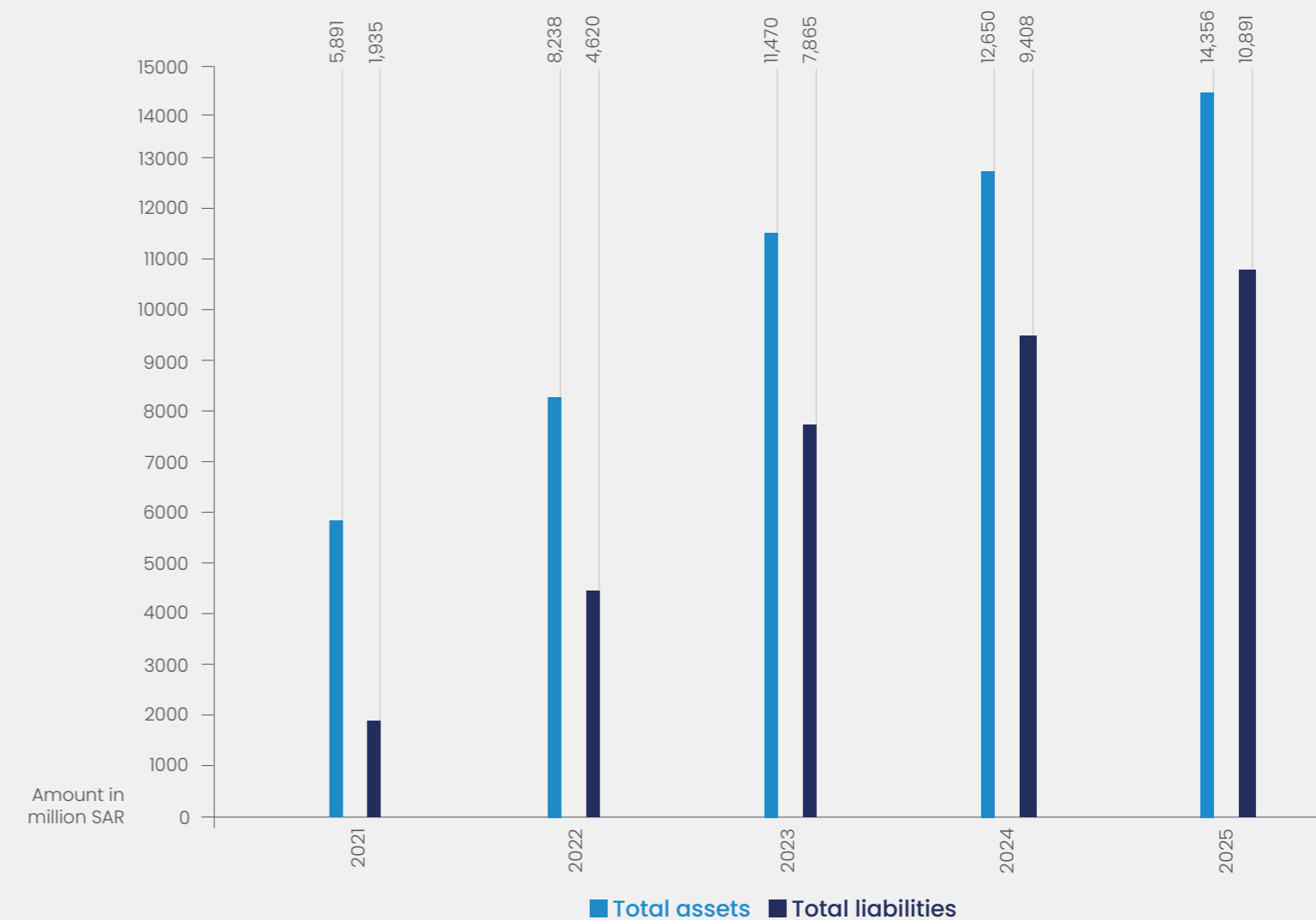
BUSINESS PERFORMANCE

Advanced has recognized a net income of SAR 226 million in 2025 (loss of SAR 259 million in 2024). The reasons for the net profit in 2025 compared to net loss in 2024 are due to increase in the sales volume by 79% due to commencement of operations of Advanced Polyolefins Industry Company in Q3 2025 and decrease in Propane and Purchased Propylene prices by 17% and 4% respectively. Additionally, no share in the losses on investment in SK Advanced during the current year compared to the share in losses of SAR 133 million and recording a provision for impairment of SAR 212 million during the year 2024.

Business results for the last five years:



Assets and Liabilities for the Last Five Years:



GEOGRAPHICAL DISTRIBUTION OF SALES

Geographical Analysis of the Total Revenues of Advanced and Affiliated Companies in 2025





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Programs have been conducted during 2025 under CSR in different cities across KSA

At Advanced, we are committed to continuously enhancing our CSR initiatives, making tangible contributions to the Health, Education, Environmental, and Charitable sectors. Through our innovative programs, we strive to create a meaningful and lasting impact, reinforcing our role as a responsible corporate citizen. As social responsibility remains a core pillar of our success, we will continue to align our efforts with our values and principles, creating a lasting impact and contributing to the community.



MEMBERSHIPS AND AWARDS

Advanced is a member of the following organizations:



The Gulf Petrochemical and Chemical Association (full member).

GPCA represents the downstream hydrocarbon industry in the Arabian Gulf and elevates its connection with the global petrochemicals industry.



Jubail Area Mutual Aid Association (JAMA'A).

A specialized voluntary committee to combat industrial and petrochemical fires and respond to emergencies in Jubail Industrial Area.



Royal Society for the Prevention of Accidents (RoSPA)

RoSPA is a leading voice in health and safety that campaigns to reduce avoidable accidents at home, on the road, at work and at leisure.



Middle East Investor Relations Association (MEIRA)

MEIRA is an organization that promotes Investor Relations best practice in the capital market of the Middle East

AWARDS



HRH Princess Seetah award for CSR
Awarded by: HRH Seetah Est. 2020



Occupational Safety and Health Pioneer Award (2022)



Best training programs for students and graduates (2022)



Fourth Edition Labor Award in the Safety and Occupational Health Pioneers Track for Small and Medium Enterprises. (2024)



Gold Category Award for Social Responsibility Practices in CSR. 2025



1st Cycle Energy Saving Credits Certified

Awarded by: Saudi Energy Efficiency Center (SEEC) 2021



1st Rank Environmental Performance Award

Awarded by: Royal Commission in 2021



Best company in Environmental Program Sponsorship

Awarded by: Royal Commission 2021



Silver Category Award for Social Responsibility Practices in CSR. 2024

03

FINANCIAL REVIEW

Dedicated to Excellence:
Promoting Environmental
Responsibility, Advancing
Social Progress, and Upholding
Governance

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**EXTERNAL AUDITORS' REPORT & ANNUAL
FINANCIAL STATEMENTS**

Preparation of the Financial Statements

The consolidated financial statements of the group have been prepared in accordance with International Financial Reporting Standards (IFRS®) that are endorsed in the Kingdom of Saudi Arabia (KSA) and other standards and pronouncements that are issued by Saudi Organization for Certified Public Accountants (SOCPA).

The following table and graph shows the business results for the last five fiscal years:

Financial performance for the last five years

Statement	2021	2022	2023	2024	2025
Amount in Million SAR					
Sales	3,111	2,948	2,374	2,193	3,502
Cost of Sales	2,068	2,412	1,926	1,904	2,832
Gross Profits	1,043	536	447	288	670
Net Profits	815	295	171	(259)	226

External auditors' report & annual financial statements

The external auditor's report confirms that the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2025, and its consolidated financial performance and its consolidated cash flows for the year then ended.

Clarification of the operating results compared to the results of the previous year

Assets and Liabilities for the Last Five Years:

Statement	2021	2022	2023	2024	2025
Amount in Million SAR					
Current Assets	1,056	1,706	1,635	1,074	1,552
Non-Current Assets	4,835	6,532	9,835	11,485	12,804
Total Assets	5,891	8,238	11,470	12,559	14,356
Current Liabilities	1,603	2,158	590	3,435	3,435
Non-Current Liabilities	332	2,462	7,275	5,882	7,456
Total Liabilities	1,935	4,620	7,865	9,317	10,891

Clarification of any Difference from Accounting Standards:

The financial statements of the company during the fiscal year ending on 31 December 2025 were prepared in accordance with the International Financial Reporting Standards (IFRS®) approved in the Kingdom of Saudi Arabia.

Statement	2025	2024	Changes +/-	Change Percentage
Amount in Thousands SAR				
Sales	3,502	2,193	1,309	60%
Cost of Sales	2,832	1,904	928	49%
Gross Profit	670	288	382	132%
Selling, distribution & general expenses	195	187	8	4%
Operating Profit	475	101	374	369%
Net Profit	226	(259)	485	100%

Total Debts of the Company and its Subsidiaries:

Total Debts were disclosed in the audited financial statements for the year 2025, and the following are the details of the total facilities and information related to Advanced Petrochemical Company and its Subsidiaries during the fiscal year 2025:

a) As for Advanced Petrochemical Company

Amount in Million SAR

No.	Statement	Lender	Loan Amount (facility)	Duration	Repaid During 2025	Remaining Loan (Facility) Balance	Outstanding Balance at December 31, 2025
1.	Islamic Credit Facilities	Saudi Awwal Bank	2,200	5 years	-	1,310	890
2.	Islamic Credit Facilities	Saudi National Bank	1,600	5 years	-	-	1,600
3.	Energy Efficiency & Digitalization loan	SIDF	56	5 Years	-	17	39

b) As for Advanced Polyolefins Industry Company

No.	Statement	Lender	Loan Amount (facility)	Duration	Repaid During 2025	Remaining Loan (Facility) Balance	Outstanding Balance at December 31, 2025
1.	SIDF loan	SIDF	3,000	12 Years	-	-	3,000
2.	Various Islamic Facilities	Commercial banks	4,708	14 Years	358	404	3,946

c) As for the other subsidiaries, there are no facilities or loans obtained from any financing entity during the year 2025.

Government Payments Due:

Amount in SAR				
Statement	2025		Description in Brief	Reasons
	Paid	Due at Year-end and not Paid		
Zakat	448,179	17,745,520	Company's Zakat	Mandatory
Tax	111,350	103,853	Company's Tax	Mandatory
GOSI	15,183,148	1,388,105	Payment of GOSI subscriptions	Mandatory
Passports & Visas Costs	42,930	-	Payment of Visas & Passports fees for employees	Mandatory
Fees for Issuing Labor permits	883,552	-	Payments of Iqamas' fees for employees	Mandatory

04

ESG

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● ABOUT ESG

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● LONG-TERM ESG OBJECTIVES

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● ESG FRAMEWORK



Advanced's commitment to achieving ESG excellence is firmly anchored in Advanced values. The balance among environmental protection, social responsibility and economic performance is an integral part of Advanced culture and an embedded part of Advanced business strategies.

At Advanced, we strive to create more value for our stakeholders, including our commitment and contribution to the initiatives related to Environment, Social, and Governance. We aim to innovate new initiatives for sustainable development while shaping our business responsibly and increasing our economic success. Our ESG framework reflects plans and performance to meet and exceed stakeholders' expectations.

Advanced ESG Report for 2021 marks the inception of our journey towards ESG excellence. Published in 2022, this report reflects Advanced's proactive stance on ESG investment and its commitment to mitigating globally identified ESG risks. The maturity of Advanced's ESG approach continued to evolve in the 2024 ESG report, published in 2025. Advanced is dedicated to further advancing its journey of positive ESG contribution, striving to enhance its positive impact while minimizing negative effects across all aspects of ESG.

More information
is available at:



ESG Report

LONG-TERM ESG OBJECTIVES

Sustainability and ESG principles are fully integrated into advanced petrochemical's business strategy, driving both short-term performance and long-term growth

Using 2017 as the baseline year for sustainability improvements, in 2018 Advanced launched its Sustainability Program. This marked the start of a journey towards lowering environmental impacts and enhancing efficiency. Advanced appreciates that it will take time to develop and execute various elements of this program. Therefore, the company set 2030 as its target measurement year. 2030 is also a critical milestone for reducing CO₂ emissions. By 2030, the company aims to reduce GHG emissions and energy intensity by 13%; reduce water intensity by 26%; and improve material effectiveness by 26%.

The company also deepened its efforts in Corporate Social Responsibility (CSR) and joined a number of initiatives.

Advanced's long-term strategy is one of continued growth in the chemicals sector and it is aiming for multiples of our current size. The company also wants to be recognized as a leader in operational and manufacturing excellence in the petrochemical sector, while complying with, and improving performance across, all aspects of ESG.

In support of its growth strategy, Advanced is currently executing its multi-billion-dollar Propane Dehydrogenation; Polypropylene & Isopropanol (PDH-PP-IPA) project in Jubail-2, Saudi Arabia, with approximately twice its current size, which is expected to come on stream by the second half of 2025. This project aims to produce various specialized PP product grades which will provide an edge for Advanced to penetrate value added PP segments.

Further to this, Advanced also obtained feedstock allocation from the Ministry of Energy in 2023 to set up an integrated world scale cracker complex. This project will also focus on producing various downstream products for conversion and for local industry. It will serve to enhance and boost local consumption and employment.

Indicators	Baseline 2017	2030 Plan
 SHE Index*	0	0
 Incident rate direct hire*	0	0
 Incident rate contractors*	0	0
 GHG tCO ₂ e/t product	1.39	1.19
 Energy GJ/t product	24.96	20.84
 Water Withdrawal tH ₂ O/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%

* Refer to Appendix A: Glossary & Formula Published in 2022 ESG Report

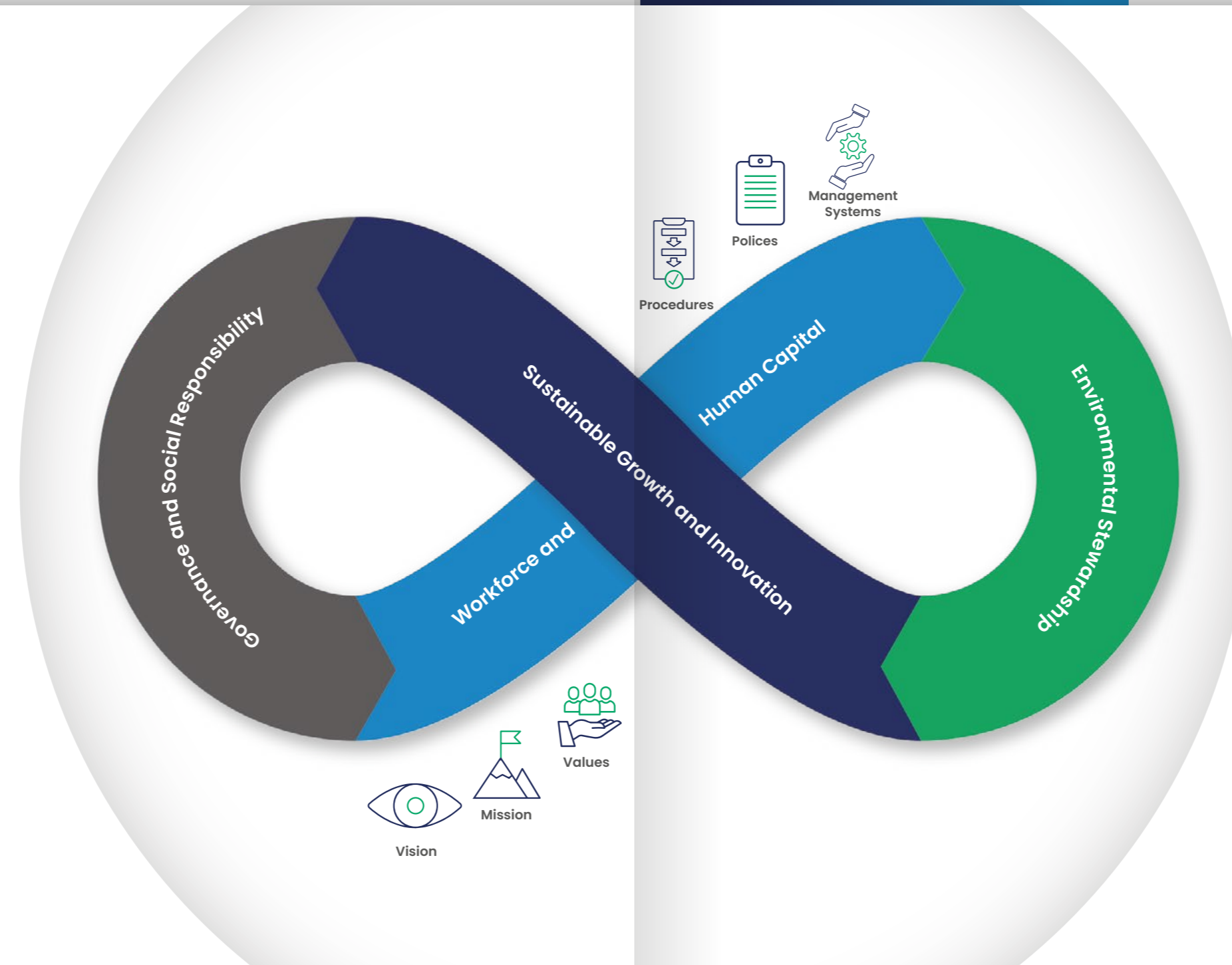
ESG FRAMEWORK

Advanced Petrochemical's ESG and Sustainability Framework summarizes what sustainability means for the company by identifying the key areas that need to be addressed and balanced. The Framework revolves around Advanced Petrochemicals values:

Advanced ESG framework is aligned with many national and international frameworks such as the UNGC, UNSDGs, and the Saudi Vision 2030. The framework has been developed based on ESG materiality assessment with the engagement of Stakeholders. The materiality assessment covered environmental, social, governance, and economic issues that range from broad global and national issues and Initiatives such as climate change and commitment

to carbon footprint reduction, supporting the Sustainable Development Goals (SDGs) of the United Nations, moving to contribute and support national 2030 Saudi Vision initiatives and programs.

Advanced is moving toward exploring further initiatives and projects to contribute to enhancing the maturity level of ESG performance in the years to come.



- Governance and Social Responsibility**
 - Governance, ethics and compliance
 - Community investment and CSR
 - Customer Satisfaction
 - Data Security



- Workforce and Human Capital**
 - Health and Safety
 - Human Welfare and Development
 - Diversity and Equality



- Environmental Stewardship**
 - Energy, GHG Emissions and Climate Change
 - Water Management
 - Waste Management
 - Biodiversity



- Sustainable Growth and Innovation**
 - Economic Performance
 - Product Stewardship
 - Circular Economy
 - Technology and Innovation
 - Sustainable Supply Chain



05

Business Strategies & Risk Management

Risk Resilient Strategies:
Proactive Planning, Sustainable
Success

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DESCRIPTION OF THE COMPANY'S
SIGNIFICANT PLANS, DECISIONS,
FORECASTS AND RISKS

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GROWTH AND STRATEGY

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No. **60**

RISK MANAGEMENT

Description of the Company's Significant Plans, Decisions, Forecasts and Risks:

Future Plans and Forecasts:

Advanced has achieved an operating profit of SAR 475 million during 2025 which was affected mainly due to the severe downturn in the global petrochemical business.

The petrochemical market environment continues to be challenging, driven by narrow spreads between feedstock and product prices. This situation stems from slower global economic growth and significant capacity additions in China. To address these challenges, Advanced focuses on safety, plant reliability, and a dynamic marketing strategy, alongside ongoing efficiency improvement programs.

As part of our strategic focus, Advanced has centralized its sales and marketing activities through its subsidiary, Advanced Global Marketing Company (AGMC). This approach aims to increase direct sales and strengthen customer intimacy, while continuing to collaborate with our strategic off-takers to maintain strong partnerships and market reach.

A major achievement in 2025 was the successful startup of our new PDH-PP project, operated by Advanced Polyolefins Industry Company, in which Advanced Global Investment Company holds an 85% stake. All units have achieved full production rates, and the company plans to conduct the necessary performance tests and lender's reliability tests in 2026.

Additionally, construction of the IPA project is progressing as planned, reinforcing our commitment to growth and diversification.

Furthermore, Advanced continues to evaluate several strategic projects, including a cracker complex and protein feed production. Notably, Advanced signed a Support

Framework Agreement with SHAREEK, enabling us to maximize domestic investments. Advanced was selected as one of the companies eligible to participate SHAREEK Program.

On the challenges front, SK Advanced's business has been negatively impacted by the market downturn, leading Advanced to impair its equity investment. Nevertheless, Advanced is actively exploring available options to sustainably support SK Advanced or pursue other long-term strategic solutions aimed at maximizing shareholder value.



GROWTH AND STRATEGY

Advanced's long-term strategy is to grow in the chemical sector to multiples of its current size and to be further recognized as a leader in operational and manufacturing excellence in the petrochemical sector worldwide.

PDH-PP-IPA Complex and Growth Initiatives Advanced has successfully commissioned and started up the Propane Dehydrogenation (PDH) and Polypropylene (PP) units of its PDH-PP-IPA complex in Jubail-2, Saudi Arabia, resulting in an increase of approximately 130% in the Company's overall production capacity. The polypropylene facilities are fully operational and utilize Spheripol and Spherizone technologies, providing Advanced with enhanced operational flexibility and the capability to produce a broad range of differentiated products. During 2026, Advanced will focus on completing the remaining performance tests and on producing specialty polypropylene grades using the captively produced propylene and locally sourced ethylene. These efforts are intended to strengthen Advanced's product mix with higher-added-value grades, address evolving customer requirements, and support Advanced's strategy to expand its presence in value-added polypropylene segments.

The Isopropanol (IPA) unit, part of the integrated PDH-PP-IPA complex, remains under construction, with SGC eTEC appointed as the EPC contractor. Advanced continues to manage the execution of this project in alignment with its overall capital discipline and strategic priorities.

In parallel, Advanced secured the renewal of its feedstock allocation from the Ministry of Energy in 2025, enabling the potential development of an integrated, world-scale cracker complex. This project is intended to support the production of a diversified slate of downstream products, contributing to local industrial development and employment. In view of the prevailing market environment, Advanced continues to evaluate this opportunity as part of its long-term growth strategy, with feasibility and development plans considered in light of market conditions and overall portfolio optimization objectives.

RISK MANAGEMENT

Advanced has its own risk management platform wherein key business risks already identified were being continuously monitored with very clear action and mitigation plans.

In 2025, "Advanced" continued to advance its Enterprise Risk Management (ERM) framework through strengthened governance, enhanced oversight, and proactive identification of emerging risks. The Company's updated risk universe reflects a comprehensive view of key strategic, operational, financial, and hazard risks, supported by structured assessments and continuous monitoring. "Advanced" identified several priority risks requiring focused attention and has established mitigation plans with clear accountability and timelines. Executive Management and the Board of Directors maintain disciplined oversight to ensure that risk responses are executed effectively. "Advanced" remains committed to sustaining a resilient risk posture that supports operational reliability, financial stability, and long-term strategic objectives.



06

Governance

Governance Excellence: Leading with Ethics, Building Trust

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● GOVERNANCE FRAMEWORK

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● MEMBERS OF THE BOARD OF DIRECTORS

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● BOARD OF DIRECTORS COMMITTEES

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No. **88**

● NOMINATION & REMUNERATION COMMITTEE

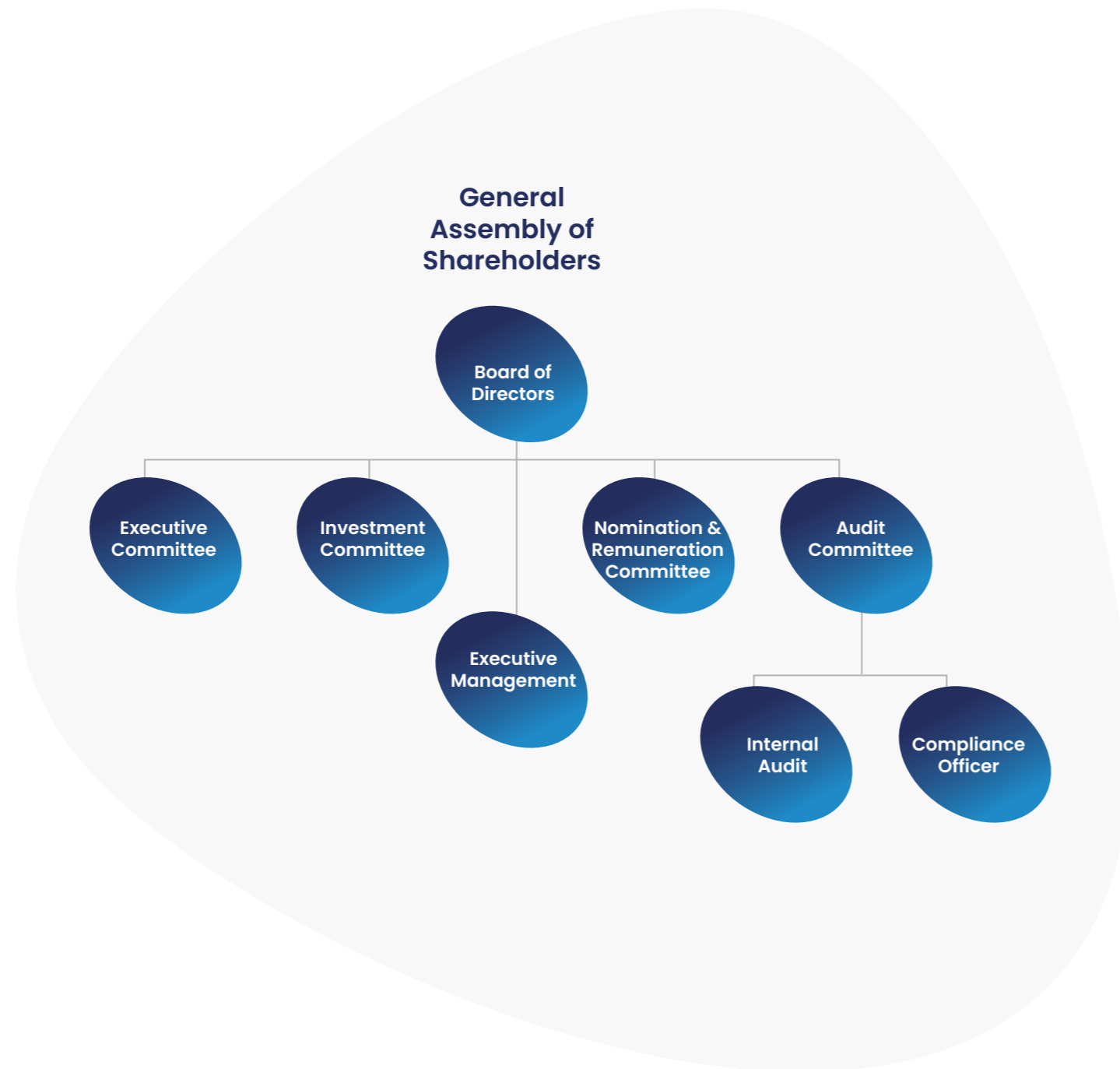
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● EXECUTIVE COMMITTEE

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● EXECUTIVE MANAGEMENT

GOVERNANCE FRAMEWORK



BOARD OF DIRECTORS

Board Formation

Advanced's Bylaws provides that the Company shall be managed by a board of directors composed of nine (9) members to be elected by the Ordinary General Assembly for a term not exceeding four years*. The current Board (four independent members and five non-executive members) was elected by the Ordinary General Assembly Meeting held on 2025 for the current term that started October 1, 2025 for four years and ending on September 30, 2029.

The election of the Board was conducted in accordance with the provisions of the Company's Laws, the Regulations of the Capital Market Authority, the Company's

*At the Extraordinary General Assembly on March 28, 2024, shareholders approved extending the Board of Directors' term from three to four years.

Board Functions

The Board has the broadest powers in managing the Company and guiding its activities to achieve its objectives, which include:

- 01** Approving plans, policies, strategies and main objectives of the Company; supervising their implementation and reviewing them periodically; and ensuring that the human and financial resources required to fulfill them are available.
- 02** Setting rules and procedures for internal control and generally overseeing them.
- 03** Supervising the management of the Company's finances, its cash flows as well as its financial and credit relationships with third parties.
- 04** Approval of significant contracts.
- 05** Determining succession planning and new Board and Audit Committee appointments in the event of vacancy.
- 06** Overseeing Corporate Governance matters.

Members of the Board of Directors



Chairman of the Board
Mr. Khalifa A. Al-Mulhem*

Non-executive Member

*Mr. Khalifa A. Al-Mulhem served as Chairman of the Board during the previous term, which commenced on October 1, 2022 and concluded on September 30, 2025. He was re-elected by the shareholders for the current term, beginning on October 1, 2025 and ending on September 30, 2029.

Experience & Qualifications:

Mr. Khalifa is one of the founders of the Company, in which he has vast experience in industrial and commercial projects, management of banking and banking services. He worked at the Saudi Industrial Development Fund "SIDF" and held multiple memberships in several Boards, such as: SABB, Saudi Spanish Bank, General Organization for Social Insurance "Governmental Authority", Nama Chemicals Company, Riyadh Cement Co. and Al-Ittefaq Steel Products Company.

Mr. Khalifa graduated from University of Colorado, Boulder, USA, in 1978 with bachelor's degree in Business Administration.

Tenure

Re-appointed as a Director from October 1, 2025, to September 30, 2029.

Board committees membership

- Chairman of the Executive Committee
- Member of the Nomination & Remuneration Committee (until 30,Sep,2025)

Board and committees membership in affiliates

- Chairman of the Board of Advanced Global Investment Company (AGIC)
- Chairman of the Board of Advanced Global Marketing Company (AGMC)
- Chairman of the Board of Advanced Polyolefins Industry Company (APOC)
- Chairman of the Executive Committee of APOC

Outside interests/commitments

- Chairman of Khalifa Abdullatif Abdullah Al-Mulhem Ltd. Company
- Vice Chairman of Canadian Medical Center Company
- Chairman of ALPHA Capital
- Chairman of OSOS Advanced Plastic Industries Co
- Chairman of Khalifa Almulhem Holding Co
- Chairman of Precast Building systems Co

Nationality

Saudi



Vice-Chairman of the Board
Mr. Waleed M. Al-Jaafari*

Non-executive Member

*Mr. Waleed M. Al Jaafari served as member of the Board during the previous term, which commenced on October 1, 2022 and concluded on September 30, 2025. He was re-elected by the shareholders for the current term, beginning on October 1, 2025 and ending on September 30, 2029.

Experience & Qualifications:

Mr. Waleed has wide experience in the administrative, financial, economic, medical services, industrial and insurance sectors. He held the position of Chairman and Managing Director of the Al-Dawaa Company for Medical Services (DMISCO") between 1998 and 2020. He served as a faculty member at the Institute of Public Administration in the early 1980s and as the General Manager and member of the Board of Directors of the Gulf Stevedoring Contracting Company between 1985 and 1998.

Mr. Waleed graduated from King Saud University in 1982 with a bachelor's degree in economics.

Tenure

Re-appointed as a Director from October 1, 2025, to September 30, 2029.

Board committees membership

- Member of the Nominations & Remunerations Committee
- Member of the Investment Committee (until 30,Sep,2025)
- Member of the Audit Committee (until 30,Sep,2025)

Outside interests/commitments

- Board Member in Walaa Cooperative Insurance Company (up to May 2025)
- Board Member and Managing Director of Al-Dawaa Medical Services Company
- Board Member in Eastern Province Cement Company
- Chairman of the Board of Gulf Real Estate Development Company
- Board Member in Meshraf Real Estate Company
- Board Member in Prinsa for Ready Mix Co. Ltd
- General Manager of classic for travel and tourism. Ltd/ agency
- Board Member of AlBilad Co.

Nationality

Saudi



H.E. Eng. Abdallah I. Al Saadan*

Independent Member

*H.E. Eng. Abdallah I. Al Saadan served as member of the Board during the previous term, which commenced on October 1, 2022 and concluded on September 30, 2025. He was re-elected by the shareholders for the current term, beginning on October 1, 2025 and ending on September 30, 2029.

Experience & Qualifications:

Eng. Abdullah has extensive experience in several leadership positions, where he had more than 30 years of experience at Saudi Aramco. He held multiple positions during his career such as: Senior Vice President for Finance, Strategy and Development at Saudi Aramco, President and CEO of Saudi Aramco Mobil Refinery Co. Ltd. (SAMREF) and the Vice President of Saudi Aramco Gas Operations, and President of the Royal Commission for Jubail and Yanbu (Governmental Authority)

Eng. Abdullah acquired a master's degree in business administration from Massachusetts Institute of Technology, US, in 2007, and a master's in chemical engineering from University of Louisiana at Lafayette and a bachelor's degree in chemical engineering from King Fahad University of Petroleum & Minerals.

Tenure

Re - Appointed as Member from October 1, 2025, to September 30, 2029.

Board committees membership

- Member of the Executive Committee

Outside interests/commitments

- Board Chairman in Hassana Investment Company
- Board Chairman of Binladen International Group

Nationality

Saudi



Eng. Abdulaziz A. Al-Habardi*

Non-executive Member

*Eng. Abdulaziz A. Al-Habardi served as member of the Board during the previous term, which commenced on October 1, 2022 and concluded on September 30, 2025. He was re-elected by the shareholders for the current term, beginning on October 1, 2025 and ending on September 30, 2029.

Experience & Qualifications:

Eng. Abdulaziz has extensive experience in petrochemical industry, where he served as a board member, president and General Manager of many petrochemical companies in SABIC between 1996 and 2016 such as: Al Jubail Petrochemical Company (Kemya), Eastern Petrochemical Company (Sharq), Arabian Petrochemical Company (Petrokemya) and Saudi Petrochemical Company (Sadaf).

Eng. Abdulaziz graduated from King Fahad University for Petroleum and Minerals, in 1984 with bachelor's degree in mechanical engineering.

Tenure

Re-appointed as a Member from October 1, 2025, to September 30, 2029.

Board committees membership

- Member of the Executive Committee until 30, Sep 2025

Board and committees membership in affiliates

- Vice Chairman of the Board of Advanced Polyolefins Industry Company (APOC)
- Member of the Audit Committee of APOC
- Member of the Executive Committee of APOC

Outside interests/commitments

- Board Member in Yanbu Cement Company

Nationality

Saudi



Eng. Abdulsalam M. Al-Mazro*

Independent Member

*Eng. Abdulsalam M. Al-Mazro served as member of the Board during the previous term, which commenced on October 1, 2022 and concluded on September 30, 2025. He was re-elected by the shareholders for the current term, beginning on October 1, 2025 and ending on September 30, 2029.

Experience & Qualifications:

Eng. Abdulsalam has more than 38 years of experience in the fields of manufacturing, planning, and marketing petrochemicals, and he was Vice President Polymers SBU in SABIC and he was a board member in multiple of SABIC's affiliates, and a board member of Methanol Chemicals Company (Chemanol) and Rabigh Refining and Petrochemical Company (Petro Rabigh).

Eng. Abdulsalam acquired master's in business administration from the University of Bradford, West Yorkshire UK, and a bachelor's degree in chemical engineering from King Saud University in 1982.

Tenure

Re - Appointed as Member from October 1, 2025, to September 30, 2029.

Board committees membership

- Chairman of the Audit Committee

Outside interests/commitments

- Chairman of the Board of Maz Holding Company
- Vice Chairman of Board Member in Gulf Cryo Gas Industries Company

Nationality

Saudi



Eng. Nader S. Al-Dakheel*

Independent Member

*Eng. Nader S. Al-Dakheel served as member of the Board during the previous term, which commenced on October 1, 2022 and concluded on September 30, 2025. He was re-elected by the shareholders for the current term, beginning on October 1, 2025 and ending on September 30, 2029.

Experience & Qualifications:

Eng. Nader has vast experience in petrochemical and petrochemical conversion, FMCG and Pulp & Paper industries. He served in many Engineering, Operations, and Management roles at SABIC, P&G, SPM, FARABI Petrochemical and currently serving as CEO at Tahweel Holding company.

Eng. Nader acquired master's in business administration from London Business School (LBS) in 2018, and a master's in construction & engineering management from King Fahd University of Petroleum and Minerals (KFUPM) in 2009, as well as a bachelor's degree in mechanical engineering from (KFUPM) in 2004.

Tenure

Re-appointed as a Director from October 1, 2025, to September 30, 2029.

Board committees membership

- Chairman of Nomination & Remuneration Committee
- Member of the Executive Committee

Outside interests/commitments

- Board Member in Mattex Company
- Board Member in Elsewedy cables, KSA
- Chief Executive Officer of the Saudi Industrial Manufacturing Holding (Tahweel Holding) Company

Nationality

Saudi



Eng. Mohammed K. Al-Mulhem*

Non-executive Member

*Eng. Mohammed K. Al-Mulhem served as member of the Board during the previous term, which commenced on October 1, 2022 and concluded on September 30, 2025. He was re-elected by the shareholders for the current term, beginning on October 1, 2025 and ending on September 30, 2029.

Experience & Qualifications:

Eng. Mohammed has broad experience in industrial and commercial projects. He worked in Saudi Aramco as a Civil Engineer and served as a board member in many companies.

Eng. Mohammed acquired a master's degree in finance and Banking from Queen Mary University of London, England, in 2021 and graduated from Concordia University, Canada, in 2014 with bachelor's degree in civil engineering.

Tenure

Re-appointed as a Member from October 1, 2025, to September 30, 2029.

Board committees membership

- Member of the Executive Committee
- Member of the Investment Committee upto 30,Sep,2025

Board and committees membership in affiliates

- Board Member of Advanced Polyolefins Industry Company (APOC)
- Member of the Executive Committee of APOC

Outside interests/commitments

- Board Member in Riyadh Cement Company
- Board Member in Al-Ittefaq Steel Products Company
- Board Member in Al Jazeera Support Services Company (MEHAN)
- Managing Director at Precast Building System Co
- Managing Director of Khalifa Abdullatif Abdullah Al-Mulhem Ltd. Company
- Managing Director of OSOS Advanced Plastic Industries Co
- Managing Director of Khalifa Almulhem Holding Co
- Managing Director of National Polypropylene Co

Nationality

Saudi



Eng. Abdullatif K. Al-Mulhem*

Non-executive Member

* Eng. Abdullatif K. Al Mulhem was elected as a new member of the Board for the current term, which began on October 1, 2025 and will end on September 30, 2029.

Experience & Qualifications:

Eng. Abdullatif has broad experience in industrial and commercial projects. He worked as Construction Engineer, Fluor, Saudi Arabia and also has worked as Senior Credit Analyst with SIDF (Saudi Industrial Development Fund). Abdullatif acquired Civil Engineering (Concordia University, Montreal, Canada); has done Mini MBA Program (Queens University, Kingston, Canada) and also has completed CFA Level-I (CFA Institution).

Tenure

Appointed as a Member of the Board from October 1, 2025, to September 30, 2029.

Board committees membership

- Member of the Nomination & Remuneration Committee
- Member of the Audit Committee

Outside interests/commitments

- Board member in Walaa Cooperative Insurance
- Chairman of the Board In Walaa Cooperative insurance & member of ExComm Strategy Committee & Investment Committee)
- Managing Director at Precast Building System Co
- Managing Director of Khalifa Abdullatif Abdullah Al-Mulhem Ltd. Company
- Managing Director of OSOS Advanced Plastic Industries Co
- Managing Director of Khalifa Almulhem Holding Co
- Managing Director of National Polypropylene Co
- Member of the Board; Executive Committee and NRC at Canadian Medical Center Co

Nationality

Saudi



Eng. Eric Leys*

Independent Member

*Eng. Eric Leys was elected as a new member of the Board for the current term, which began on October 1, 2025 and will end on September 30, 2029.

Experience & Qualifications:

Mr. Eric Leys is a Chemical Engineer with more than 40 years of experience. He has profound expertise in the development of grassroots petrochemical projects with comprehensive background in managing project execution. He also has extensive experience in establishing and leading operating company organizations.

Tenure

Appointed as a Member of the Board from October 1, 2025, to September 30, 2029.

Board committees membership

- Member of the Executive Committee
- Member of the Nomination & Remuneration Committee

Outside interests/commitments

- Nil

Nationality

Belgian



Mr. Abdulaziz A. Al-Molhem*

Non-executive Member

*Mr. Abdulaziz A. Al-Molhem served as member of the Board during the previous term, which commenced on October 1, 2022 and concluded on September 30, 2025.

Experience & Qualifications:

Mr. Abdulaziz has rich experience in the banking and insurance sectors. He was a Regional Manager at the Saudi Hollandi Bank and held multiple memberships in several Boards, such as: the Mediterranean and Gulf Insurance and Reinsurance Company, Tourism Enterprise (Shams) Company, Saudi Fransi Leasing Company, Mehan for Human Resources Co. and Global Anti Corrosion Techniques Co. and also currently holds Board membership in several other companies such as Arabian Cement Company, Jenan Real Estate Co, Aion (Financial Technology) etc.

Mr. Abdulaziz graduated from Evansville University, Indiana, USA, in 1983 with a bachelor's degree in business administration and minor in economics.

Tenure

Was Board member up to 30, Sep, 2025.

Board committees membership (until 30, Sep, 2025)

- Member of the Executive Committee
- Member of the Nominations & Remunerations Committee
- Member of the Investment Committee
- Member of the Audit Committee

Board and committees membership in affiliates

- Member of the Executive Committee of APOC
- Chairman of the Audit Committee of APOC

Outside interests/commitments

- Member of the Board of Arabian Cement Company
- Member of the Board of Jenan Real Estate Co.
- Member of the Board of Aion (Financial Technology)
- Member of the Board of Spire (Open banking)

Nationality

Saudi



Dr. Badr O. Johar*

Non-Executive Member

*Dr. Badr O. Johar served as member of the Board during the previous term, which commenced on October 1, 2022 and concluded on September 30, 2025.

Experience & Qualifications:

Dr. Badr has rich experience in the cement industry. He is currently the Chief Executive Officer of Arabian Cement Company. Previously, he held many positions such as Chief Executive Officer of Najran Cement Company, and Chief Projects Officer of Yanbu Cement Company prior to joining Arabian Cement Company.

Dr. Badr acquired a PhD in Industrial Engineering in 2011, master's degree in engineering/Industrial Management in 2004, bachelor's degree in industrial engineering in 2003, all from the Northeastern University, USA.

Tenure

Was Board Member up to September 30, 2025.

Board committees membership upto 30 Sep 2025

- Chairman of the Nominations & Remunerations Committee

Outside interests/commitments

- Board Member in Cement Products Industry Company
- Board Member in Qatrana Cement Company
- Chief Executive Officer at Arabian Cement Company

Nationality

Saudi

Board Meetings & Attendance

Advanced's Bylaws provides that the Board of Directors shall meet at least four times a year and a Board meeting may be held in person or using modern means of communication. The Board held nine (9) meetings during 2025, as the following table illustrates the Board's meetings and the attendance during 2025:

✓ Attended ✗ Not Attended

Board Meetings During 2025										
No	Names	BOD#86 13/3/2025	BOD#87 24/6/2025	BOD#88 25/6/2025	BOD#89 29/6/2025	BOD#90 29/9/2025	BOD#91 1/10/2025	BOD#92 29/10/2025	BOD#93 18/11/2025	BOD#94 23/12/2025
1	Mr. Khalifa A. Al-Mulhem	✓*	✓	✓	✓	✓	✓	✓	✓	✓
2	Mr. Waleed M. Al-Jaafari	✓	✓	✓	✓	✓	✓	✓	✓	✓
3	H.E. Eng. Abdallah I. Al Saadan	✓	✓	✓	✓	✓	✓	✓	✓	✓
4	Eng. Abdulaziz A. Al-Habardi	✓	✓	✓	✓	✓	✓	✓	✓	✓
5	Eng. Abdulsalam M. Al-Mazro	✓	✓	✓	✓	✓	✓	✓	✓	✓
6	Eng. Nader S. Al-Dakheel	✓	✓	✓	✓	✓	✓	✓	✓	✓
7	Eng. Mohammed K. Al-Mulhem	✓	✓	✓	✓	✓	✓	✓	✓	✓
8	Eng. Abdullatif Khalifah Abdullatif Al-Mulhem	✗**	✗**	✗**	✗**	✗**	✓	✓	✓	✓
9	Eng. Eric Eugeen Leys	✗**	✗**	✗**	✗**	✗**	✓	✓	✓	✓
10	Mr. Abdulaziz A. Al-Molhem	✓	✓	✓	✓	✓	✗***	✗***	✗***	✗***
11	Dr. Badr O. Johar	✓	✓	✓	✓	✓	✗***	✗***	✗***	✗***

*Provided Proxy to Vice Chairman of the Board to attend and vote on his behalf.

**New Board members who were elected from 1st Oct 2025.

***Were not re-elected in the current term from 1st Oct 2025.

Assessment & Evaluation of the Board of Directors, its Committees and Directors Performance

The Nominations and Remuneration Committee decided during 2024 to conduct an evaluation for the Board Directors, its Committees and Directors' performance in order to uphold the highest standards of corporate governance and board under the direction of an independent external company, the GCC Board Directors Institute (GCC BDI).

GCC BDI has extensive experience in delivering top quality board evaluations for organizations across the GCC and has developed a proprietary tool to assist in the process. With over 15 years of experience in conducting board evaluations across the GCC, as well as an unrivalled knowledge of best practice in board effectiveness both internationally and locally, GCC BDI is the leading regional entity when it comes to the delivery of simultaneously customized and exhaustive board evaluations.

The Company ensures all recommendations of the evaluation are implemented in order to maintain the adoption of high standards in corporate governance.

Shareholders Engagement

The Board has approved the Shareholders Rights Policy whereby the rights of shareholders stated in Companies Law and the regulations of the Capital Market Authority are protected. The Board of Directors and the Executive Management ensure that all shareholders have access to their rights with fair treatment.

The Board also ensures that the communication between the company and the shareholders based on the common understanding of the strategic objectives and interests of the company and all Board members are informed of the opinions of the shareholders.

The company provides various channels for investors to reach out the company, such as, the company's website, emails, direct line telephone, AGM Q&A, social media platforms, conference calls and media.

The Company's Policy on Dividend Distribution

The annual net profits of the company are distributed in accordance with the provisions of the company's Bylaws and the Dividends Distribution Policy, as follows:

The General Assembly shall determine the percentage of the net profit to be distributed to the shareholders after deducting the reserves, if any, based on a recommendation of the board, in accordance with the rules set by the competent authority.

The Company will evaluate resuming the dividends based on the market environment.



Changes of Statutory and Consensual Reserves

There was no change of Statutory and Consensual Reserves

Any punishment, penalty, precautionary procedure or preventive measure imposed on the Company by the Authority or any other supervisory, regulatory or judiciary authority, describing the reasons for non-compliance, the imposing authority and the measures undertaken to remedy and avoid such non-compliance in the future

There is no penalty imposed on Advanced from Capital Market Authority or any other supervisory, regulatory or judiciary authority during 2025.

A description of any conversion or subscription rights under any convertible debt instruments, contractually based securities, warrants or similar rights issued or granted by the company

There is no conversion or subscription rights under any convertible debt instruments,

contractually based securities, warrants or similar rights issued or granted by the Company during 2025.

A description of the class and number of any convertible debt instruments, contractual securities, preemptive right or similar rights issued or granted by the company during the fiscal year

There is no convertible debt instruments, contractual securities, preemptive right or similar rights issued or granted by the Company during 2025.

A description of any redemption, purchase or cancellation by the Company of any redeemable debt instruments

There is no redemption, purchase or cancellation by the Company of any redeemable debt instruments

Details of shares and debt instruments issued for each affiliate Company.

No affiliate has issued shares or debt instruments.

Details of the treasury shares held by the Company and details of the uses of these shares:

During the year 2022, shareholders approved to purchase the Company's own shares, with a maximum of 1,500,000 shares, for the purpose of allocating them to the Company's employees within the Employees' Incentive Shares Program. The company has purchased 1,500,000 Shares and its still in its books till the end of the year 2025.

BOARD OF DIRECTORS COMMITTEES

Audit Committee

a. Audit Committee Formation

Based on the Company's Bylaws, the Audit Committee shall be formed by the decision of the Board of Directors consisting from other than Executive Directors of the Board, either from the shareholders or others. The number of members shall not be less than three or more than five in accordance with the rules provided in the Companies Law and the related implementing regulations. Four (4) Members, Two (2) Members from the Board and two (2) members from outside of the Board were appointed by the Board of Directors.

b. Audit Committee Functions

The Audit Committee is responsible for ensuring the integrity and effectiveness of the reports, financial statements and internal control systems. The duties of the Audit Committee shall particularly include the following:

- | | | |
|--|---|---|
| <p>1. FINANCIAL REPORTS:</p> <ul style="list-style-type: none"> Quarterly Interim Financial Statements Reports Review Annual Audited Financial Statements and External Auditors Report Review and Recommendations Examination of significant matters & estimates and applicable accounting policies | <ul style="list-style-type: none"> Internal Audit Function activities & performance Availability and adequacy of Internal Audit resources <p>3. EXTERNAL AUDITOR:</p> <ul style="list-style-type: none"> Recommendation on the appointment, renewal and termination of services Independence of external auditors Assessment of activities and Performance Review of External Audit Reports, queries and implementation of recommendations <p>4. ENSURING COMPLIANCE:</p> <ul style="list-style-type: none"> Review the results of the supervisory authorities reports | <ul style="list-style-type: none"> Ensure the Company is in compliance with Laws, Regulations, Policies Review of Related Party Transaction, including conflict interests situations, and recommendations |
| <p>2. INTERNAL AUDIT:</p> <ul style="list-style-type: none"> Review of Internal and Financial Control Systems Review of Risk Management Systems Review of Internal Audit Reports and implementation of recommendations | | |

Audit Committee Members



Eng. Abdulsalam M. Al-Mazro*

Independent Member

Please see the biography of Eng. Abdulsalam M. Al-Mazro on page No. (70)

*Eng. Abdulsalam M. Al-Mazro served as a member of the Committee during the previous term from October 1, 2022, to September 30, 2025. He was appointed by the Board of Directors for the new term beginning October 1, 2025, and ending September 30, 2029. During the new term, he was selected by the Committee to serve as Chairman.



Mr. Abdullah A. Buali*

Committee Member from outside the Board

Please see the biography of Mr. Abdullah A. Buali page No. (83)

*Mr. Abdullah A. Buali served as a member of the Committee in the previous term from October 2022 ,1, to September 2025 ,30, during which he also served as Chairman of the Committee. He was appointed by the Board of Directors as member of the Committee for the term starting October 2025 ,1, and ending September 2029 ,30.



Eng. Abdullatif K. Al-Mulhem*

Non-executive Member

Please see the biography of Eng. Abdullatif K. Al-Mulhem on page No. (73)

*Eng. Abdullatif K. Al-Mulhem was appointed by the Board of Directors as a new member of the Committee for the term beginning October 2025 ,1, and ending September ,30 2029.



Mr. Khalid M. Al Eid*

Audit Committee Member only

Please see the biography of Mr. Khalid M. Al Eid page No. (84)

*Mr. Khalid M. Al Eid was appointed by the Board of Directors to serve as a new member of the Committee for the new term starting October 2025 ,1, and ending September 2029 ,30.



Mr. Abdulaziz A. Al-Molhem*

Non-Executive Member

Please see the biography of Mr. Abdulaziz A. Al-Molhem on page No. (75)

*Mr. Abdulaziz A. Al-Molhem served as a member of the Committee for the previous term from October 2022 ,1, to September 2025 ,30, and concluded his service at the end of that term.



Mr. Waleed M. Al-Jaafari*

Non-executive Member

Please see the biography of Mr. Waleed M. Al-Jaafari on page No. (67)

*Mr. Waleed M. Al-Jaafari served as a member of the Committee during the previous term from October 1, 2022 to September 30, 2025 and concluded his service at the end of that term.

Audit Committee Meetings & Attendance

The committee held (9) meetings during the year 2025:

✓ Attended ✗ Not Attended

Name	Type of Membership	No. of Meetings								
		ACM#91 26/02/2025	ACM#92 16/03/2025	ACM#93 08/04/2025	ACM#94 29/06/2025	ACM#95 13/07/2025	ACM#96 29/09/2025	ACM#97 15/10/2025	ACM#98 01/12/2025	ACM#99 21/12/2025
Eng. Abdulsalam M. Al-Mazro	Chairman	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Abdullah A. Buali	Member	✓	✓	✓	✓	✓	✓	✓	✓	✗
Eng. Abdullatif K. Al Mulhem	Member	✗**	✗**	✗**	✗**	✗**	✗**	✓	✓	✓
Mr. Khalid M. Al Eid	Member	✗**	✗**	✗**	✗**	✗**	✗**	✓	✓	✓
Mr. Abdulaziz A. Al Molhem	Member	✓	✓	✓	✓	✓	✓	✗***	✗***	✗***
Mr. Waleed M. Al Jaafari	Member	✓	✓	✓	✓	✓	✓	✗***	✗***	✗***

**New Committee members who were appointed from 1st Oct 2025.

***Were not re-appointed in the current term from 1st Oct 2025.



Mr. Abdullah A. Buali

Committee Member from outside the Board

Experience & Qualifications:

Mr. Abdullah A. Buali has more than 30 years' experience in the field of finance and business in the Petrochemicals and Utilities business.

He has BS Degree in Industrial Management from King Fahad University of Petroleum and Minerals (KFUPM).

Company Name	Legal Entity	Position	Location	Membership
Advanced Petrochemical Company	Listed Company	Chairman of the Audit Committee	Saudi Arabia	Previous
Advanced Petrochemical Company	Listed Company	Member of the Audit Committee	Saudi Arabia	Current
Advanced Polyolefins Industry Company.	Closed Joint Stock Company	Audit Committee Member	Saudi Arabia	Current
Saudi Water Partnership Company	LLC	Board Member & Chairman of the Audit Committee	Saudi Arabia	Current



Mr. Khalid M. Al Eid

Committee Member from outside the Board

Experience & Qualifications:

Mr.Khalid Al Eid is a Chartered Certified Accountant from the Saudi Organisation of Certified Public Accountants (SOCPA) and he has over 17 years of experience in assurance services, external audit, internal audit and IFRS conversion. He holds a Bachelors degree in Accounting from King Faisal University in Saudi Arabia; Master of Business Administration (MBA), Global MBA program from The University of Manchester, UK.

Tenure

Appointed as Member of the Audit Committee from October 1, 2025, to September 30, 2029.

Board committees membership

- Member of the Audit Committee

Board and committees membership in affiliates

- Board Member of Advanced Polyolefins Industry Company (APOC)
- Member of the Executive Committee of APOC

Outside interests/commitments

- Aljaber Financing (closed joint stock) – Member of Audit & Compliance Committee.
- East Gas Company (closed joint stock) – Member of Audit Committee
- Alkhalije Training & Education Company (Listed) – Member of Audit Committee
- Walaa Insurance Company (Listed) – Member of Audit Committee
- Bena (Listed – Nomu) – Member of Audit Committee
- SNS (Listed – Nomu) – Member of Audit Committee

Nationality

Saudi



Audit Committee Report

- The Internal Audit carried out the planned internal audit as per the schedule to evaluate objectively and independently, the adequacy and effectiveness of the internal control systems. Internal Audit Reports were regularly issued to Audit Committee, updates on controls and systems, progress of implementation of audit recommendations.
- Internal audit also participated in special projects namely risk assessment, review of policy and procedures, review and revision of delegation of authority, for Affiliates and Shared Services, participation as internal auditor in Total Quality Management audit.
- Internal audit planned and directed with close coordination, monitored and carried through expert external consulting firm (i) Cyber Security IT & Operation Technology (OT) annual audit of existing cyber

security controls and compliance with KSA NCA ECC 2:2024 (IT) and OTCC 1:2022 (Operational Technology) requirements. The detailed reports and recommendations have provided a sound basis for enhancement of effective cyber security controls and implementation of recommendations to enhance the existing set up resilient and effective deterrent cyber security system. All Audits resulted in substantial savings and value additions, enhancement of controls & efficiencies through enabling system configuration features, better compliance with agreements.

- The Committee has, within its competencies as per the Audit Committee Charter, held regular meetings, reviewed the quarterly interim and audited financial statements and audit reports (internal and external).
- The Committee has examined and reviewed the Company's internal and financial control systems,

risk management, governance, compliance and controls.

- Based on Executive Management representation and submissions, internal and external audit reports, compliances with law and regulations, there are no material or significant weaknesses reported during Audit Committee meetings in 2025 and the Executive Management has maintained an effective internal control system that provided reasonable ground to formulate this opinion.
- Audit Committee has issued its report to the Board of Directors and will issue a report to the annual General Assembly meeting.

External Auditors

- The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards ("IFRS") that are endorsed in the Kingdom of Saudi Arabia

and other standards and pronouncements that are issued by Saudi Organization for Certified Public Accountants ("SOCPA").

- Audit of annual audited financial statements of year 2025 was conducted along with management analytical review, variance analysis and comparison with previous year(s).
- Auditor report shows that the financial statements are true and fair and the consolidated statements are free from any material misstatement. External auditor, was invited to the meeting who explained the external auditor, Deloitte was invited to the meeting who explained the external audit, scope and coverage, findings and their unqualified audit opinion. After audited by Deloitte, the audited financial statements were recommended to Board for approval and presenting it to the General Assembly for review and discussion.

Clarification of any Difference from Accounting Standards:

The financial statements of the Company during the fiscal year ending on 31 December 2025 were prepared in accordance with the International Financial Reporting Standards (IFRS) approved in the Kingdom of Saudi Arabia.

Accounting records, internal audit system and the Company's ability to continue its activity:

Based on the auditor's report, current market results and data, and future indicators, the Company acknowledges the following:

- That the account records were prepared in true and fair manner.
- The internal control system is on a sound basis and is effectively implemented.
- There is no doubt about the Company's ability to continue its activities.

Company's External Auditor's Appointment:

The 19th Ordinary General Assembly approved appointment of Deloitte as the External auditor for the company among those nominees based on the recommendation of the Audit Committee to review and audit quarter and annual financial statements.

Recommendation of the Board regarding the Company's External Auditor:

The Ordinary General Assembly approved appointing Deloitte as the External auditor for the company among those nominees based on the recommendation of the Audit Committee.

Recommendations of the Audit Committee Which are in Conflict with the Decisions of the Board of Directors, or Which the Board Refused to Adopt Regarding the Appointment and Dismissal of the Company's External Auditor, Determining his Fees and Evaluating his Performance or Appointing the Internal Auditor:

There was no recommendation by the Audit Committee that conflicted with the

decisions of the Board of Directors regarding the appointment of the Company's External Auditor, his dismissal, determination of his fees, evaluation of his performance, or the appointment of the Chief Internal Auditor.

The Results of the Annual Review of the Effectiveness of the Company's Internal Control Procedures, in Addition to the Audit Committee's Opinion on the Adequacy of the Company's Internal Control System:

- The Audit Committee reviews periodic reports on the evaluation of internal control procedures in terms of organization and application, and many periodic and special review processes have been implemented that would ensure the accuracy and effectiveness of performance and quality, in addition to contributing to the review of the initial financial statements and their approval based on the delegated powers granted to it by the Board of Directors, and coordinates the activities of the external supervisory authorities.
- The Audit Committee reviewed the reports, and there is no significant or fundamental weakness in the Company's internal control systems.

Recommendation of the Audit Committee Regarding the Need to Appoint an Internal Auditor in the Company:

The Company already has well established Internal audit team, led by Chief Internal Auditor, who reports to the Audit Committee periodically about its activities, internal control, special projects and activities assigned to it through internal audit report.

NOMINATION & REMUNERATION COMMITTEE

Nomination & Remuneration Committee Formation

The Charter of the Nomination & Remuneration Committee (NRC) was approved by the General Assembly and provides that NRC shall consist of number of members between three to five members, whether those members are from the Board (excluding Executive Directors) or persons other than the Board members either from shareholders or others to be appointed or reappointed by the Board.

Nomination & Remuneration Committee Functions

The functions of NRC are provided within the Corporate Governance Regulations and the Charter of the NRC, including the following:

- Reviewing the matters referred to it by the Board and submitting its recommendations to the Board to issue decisions in connection therewith, or taking decisions by itself, if so delegated by the Board;
- The Committee may seek assistance from any experts or specialists, whether internal or external, within the scope of its powers. This shall be included in the minutes of the Committee meeting together with the name of the expert and his relation to the Company or its Executive Management;

- Preparing a clear policy for the remunerations of the Board members and its committees and the Executive Management, and presenting such policy to the Board in preparation for approval by the General Assembly, provided that such policy follows standards that linked to performance, and disclosing and ensuring the implementation of such policy;
- Clarifying the relation between the paid remunerations and the adopted remuneration policy, and highlighting any material deviation from that policy.
- Periodically reviewing the remuneration policy and assessing its effectiveness in achieving its objectives;
- Providing recommendations to the Board in respect of the remunerations of its members, the committees members and Senior Executives, in accordance with the approved policy;
- Suggesting clear policies and standards for membership of the Board and the Executive Management;
- Providing recommendations to the Board for the nomination or re-nomination of its members in accordance with approved policies and standards, taking into account that nomination shall not include any person convicted of a crime involving moral turpitude or dishonesty;

- Preparing a description of the capabilities and qualifications required for membership of the Board and Executive Management positions;
- Determining the amount of time that the Board director shall allocate to the activities of the Board;
- Annually reviewing the skills and expertise required of the Board members and the Executive Management;
- Reviewing the structure of the Board and the Executive Management and providing recommendations regarding changes that may be made to such structure;
- Annually ensuring the independence of Independent Directors and the absence of any conflicts of interest if a Board member also acts as a member of the Board of directors of another Company;
- Providing job descriptions for the Executive, Non-Executive and Independent Directors and the Senior Executives;
- Setting up procedures to be followed if the position of a member of the Board or a Senior Executive becomes vacant;
- Determining the strengths and weaknesses of the Board and recommending remedial solutions in line with the Company's interest.

Nomination & Remuneration Committee Members



Mr. Khalifa A. Al-Mulhem*

Committee Member, Non-executive Member

Please see the biography of Mr. Khalifa A. Al Mulhem on page No. (66)



Eng. Nader S. Al-Dakheel*

Independent Member

Please see the biography of Eng. Nader S. Al-Dakheel on page No. (71).



Mr. Waleed M. Al-Jaafari*

Non-executive Member

Please see the biography of Mr. Waleed M. Al Jaafari on page No. (67)



Eng. Abdullatif K. Al-Mulhem*

Non-executive Member

Please see the biography of Eng. Abdullatif K. Al Mulhem on page No. (73)



Eng. Eric Eugeen Leys*

Independent Member

Please see the biography of Eng. Eric Eugeen Leys on page No. (74)



Dr. Badr O. Johar*

Non-Executive Member

Please see the biography of Dr. Badr O. Johar on page No. (76).



Mr. Abdulaziz A. Al-Molhem*

Non-Executive Member

Please see the biography of Mr. Abdulaziz A. Al-Molhem on page No. (75)

Meetings & Attendance of the Nomination & Remuneration Committee

The Board of Directors has formed Nomination & Remuneration Committee consisting of four members. The committee held (6) meetings during the year 2025:

✓ Attended * Not Attended

Name	Type of Membership	No. of Meetings					
		NRC#55 15/4/2025	NRC#56 3/8/2025	NRC#57 11/8/2025	NRC#58 16/7/2025	NRC#59 26/10/2025	NRC#60 15/12/2025
Eng. Nader S. Al-Dakheel	Chairman	x**	x**	x**	x**	✓	✓
Mr. Khalifa Al-Mulhem	Member	✓	✓	✓	✓	x***	x***
Mr. Waleed Al-Jaafari	Member	✓	✓	✓	✓	✓	✓
Eng. Abdullatif K. Al-Mulhem	Member	x**	x**	x**	x**	✓	✓
Eng. Eric Eugeen Leys	Member	x**	x**	x**	x**	✓	✓
Dr. Badr O. Johar	Member	✓	✓	✓	✓	x***	x***
Mr. Abdulaziz Al-Molhem	Member	✓	✓	✓	✓	x***	x***

**New Committee members who were appointed from 1st Oct 2025.

***Were not re-appointed in the current term from 1st Oct 2025.

EXECUTIVE COMMITTEE

Executive Committee Formation & Functions

The Board of Directors has formed from among its members an Executive Committee, consisting of five (5) members, with responsibilities that are summarized in making appropriate decisions about the Company's activities and the issues that the executive management does not have the authority to decide upon or approve according to the approved schedule of authority of the Company, and it also reviews the topics referred to it by the Company's Board of Directors for the purpose of examining them from all aspects and making recommendation to the Company's Board of Directors with its opinion in preparation for taking the appropriate decision by the Board.

Executive Committee Members, Meetings & Attendance

Members of the Executive Committee



Mr. Khalifa A. Al-Mulhem*

Committee Member,
Non-executive
Member

Please see the
biography of Mr. Khalifa
A. Al Mulhem on page
No. (66)

*Mr. Khalifa A. Al-Mulhem served as a Chairman of the Committee in the previous term from October 2022 ,1, to September 2025 ,30. He was appointed by the Board of Directors for the term starting October 2025 ,1, and ending September ,30 2029, as a Chairman of the Committee.



H.E. Eng. Abdallah I. Al Saadan*

Independent Member

Please see the
biography of H.E. Eng.
Abdallah I. Al Saadan on
page No. (68)

*H.E. Eng. Abdallah I. Al Saadan served as a member of the Committee in the previous term from October 2022 ,1, to September 2025 ,30. He was appointed as member of the Committee by the Board of Directors for the term starting October 2025 ,1, and ending September 2029 ,30.



Eng. Nader S. Al-Dakheel*

Independent Member

Please see the
biography of Eng. Nader
S. Al-Dakheel on
page No. (71).

*Eng. Nader S. Al-Dakheel was appointed by the Board of Directors as a new member of the Committee for the term beginning October 1, 2025, and ending September 30, 2029.



Eng. Mohammed K. Al-Mulhem*

Non-Executive Member

Please see the
biography of Eng. Eng.
Mohammed K. Al Mulhem
on page No. (72)

*Eng. Mohammed K. Al-Mulhem served as a member of the Committee in the previous term from October 2022 ,1, to September 2025 ,30. He was appointed as member of the Committee by the Board of Directors for the term starting October 2025 ,1, and ending September 2029 ,30.



Eng. Eric Eugene Leys

Independent Member

Please see the
biography of Eng. Eric
Eugeen Leys
on page No. (74)

*Eng. Eric Leys was appointed as a new member of the Committee by the Board of Directors for the term starting October 2025 ,1, and ending September 2029 ,30.



Mr. Abdulaziz A. Al-Molhem*

Non-Executive Member

Please see the biography
of Mr. Abdulaziz A.
Al-Molhem
on page No. (75)

*Mr. Abdulaziz A. AlMolhem served as a member of the Committee during the previous term from October 2022 ,1, to September 2025 ,30, and concluded his service at the end of that term.



Eng. Abdulaziz A. Al-Habardi*

Non-Executive Member

Please see the
biography of Eng.
Abdulaziz A. Al Habardi on
page No. (69)

*Eng. Abdulaziz A. Al-Habardi served as a member of the Committee during the previous term from October 2022 ,1, to September 2025 ,30, and concluded his service as member of the Committee at the end of that term.

Executive Committee Meetings & Attendance

The Board of Directors has formed the Executive Committee consisting of five members. The committee held (3) meeting during the year 2025:

✓ Attended ✗ Not Attended

No	Names	Type of Membership	ECM#72 13/5/2025	ECM#73 6/8/2025	ECM#74 15/9/2025
1	Eng. Nader S. Al-Dakheel	Chairman	✗*	✗*	✗*
2	Mr. Khalifa A. Al-Mulhem	Member	✓	✓	✓
3	H.E. Eng. Abdallah I. Al Saadan	Member	✓	✓	✓
4	Eng. Mohammed K. Al-Mulhem	Member	✓	✓	✓
5	Eng. Eric Eugeen Leys	Member	✗*	✗*	✗*
6	Eng. Abdulaziz A. Al-Habardi **	Member	✓	✓	✓
7	Mr. Abdulaziz A. Al-Molhem **	Member	✓	✓	✓

*New Committee members who were appointed from 1st Oct 2025, but no ECM meetings were held from 1st Oct until 31st Dec 2025.

**Were not re-appointed in the current term from 1st Oct 2025.



EXECUTIVE MANAGEMENT



Mamdouh H. Al Amri*

President & CEO

*appointed as President & CEO effective August 1, 2025.

Qualification & Work Experience:

A Chemical Engineer, graduated in 1996 from King Fahd University of Petroleum and Minerals. At Advanced, he is currently holding the position of Advanced Polyolefins Company CEO and Vice President of Projects, handling all Project-related activities of the company, and also held various positions as EHSS Manager, GM-Operations and GM-Administration. He has more than 29 years of experience in the Petrochemical sector and has also been involved in the commissioning and operations of various projects in Sabic affiliates.

Company Name	Legal Entity	Position	Location	Membership
Advanced Petrochemical Company	Listed Company	EVP, Manufacturing	Saudi Arabia	Current
Advanced Polyolefins Industry Company	Closed Joint Stock Company	CEO	Saudi Arabia	Current
Ulsan Polypropylene Company	LLC	Board Member	South Korea	Current
Advanced Global Investment Company	LLC	Board Member	Saudi Arabia	Current
Advanced Global Holding Company	LLC	Board Member	Luxembourg	Current



Abdulaziz S. Al-Ardhi

Chief Financial Officer

Qualification & Work Experience:

Holds a Bachelor's in Accounting from King Faisal University, and a Certified Public Accounting Fellowship (SOCPA). He has participated in several workshops with International Joint Ventures. Accomplishments of more than 15 years in the field of Finance, Accounting, Auditing, Shared Services and Digitalization.

Company Name	Legal Entity	Position	Location	Membership
Advanced Petrochemical Company	Listed Company	Chief Financial Officer	Saudi Arabia	Current
Advanced Global Marketing Company (AGMC)	Single Shareholder LLC	Board Member	Saudi Arabia	Current
SK Advanced Company	LLC	Board Member	South Korea	Current
Riyal Investment & Development Comany	Listed Company	Audit Committee Member	Saudi Arabia	Current
Ulsan Polypropylene Company	LCC	Board member	South Korea	Current
National Metal Manufacturing and Casting Company (Maadaniyah)	Listed Company	Audit Committee Member	Saudi Arabia	Previous
Advanced Petrochemical Company	Listed Company	Finance & Accounting Manager	Saudi Arabia	Previous
National Industrialization Company (Tasnee)	Listed Company	Manager Budgeting and Financial Management Reporting Consolidation	Saudi Arabia	Previous



Ali M. Al-Shahrani

Head of Operations

Qualification & Work Experience:

The Vice President of Operations, holding a Bachelor of Business Administration from Arab Open University, and has held various positions in Advanced including General Manager-Operations and General Manager-Technical. He has more than 29 years of experience in the Petrochemical and Refinery Sector. Has been involved in commissioning, operations, and engineering-related activities in new projects such as Refinery/ Ethylene/ Linear Alpha Olefins/ Propane Dehydrogenation, etc.

Company Name	Legal Entity	Position	Location	Membership
Advanced Petrochemical Company	Listed Company	Vice President of Operations	Saudi Arabia	Current
Advanced Petrochemical Company	Listed Company	General Manager of Operations	Saudi Arabia	Previous
SK Advanced Company	LLC	Board Member	South Korea	Previous



Fahad S. Al Matrafi*

President & CEO

*Eng. Fahad resigned from his position as President and CEO

effective July 31, 2025, and continued to serve as an advisor to the Board of Directors until August 31, 2025.

Qualification & Work Experience:

Completed Chemical Engineering in 1995 and Executive MBA program in 2006 from KFUPM. Mr. Al Matrafi has more than 29 years' experience in various fields of the Petrochemical business.

He joined Advanced Petrochemical Company in 2008 and held several positions viz. GM Operations, GM Supply Chain, GM Technical and VP Technical. Currently, he is the President & CEO of Advanced from August 2019 till date.

Company Name	Legal Entity	Position	Location	Membership
Advanced Petrochemical Company	Listed Company	President & CEO	Saudi Arabia	Current
Advanced Polyolefins Industry Company	Closed Joint Stock Company	Board Member	Saudi Arabia	Current
SK Advanced Company	LLC	Board Member	South Korea	Current
Advanced Global Investment Company	LLC	Board Member	Saudi Arabia	Current
Advanced Global Holding Company	LLC	Board Member	Luxembourg	Current
Ulsan Polypropylene Company	LLC	Board Member	South Korea	Previous



Mohammed S. Al-Otaibi*

Head of Shared Services

*Resigned effective November 30, 2025.

Qualification & Work Experience:

Joined Advanced in September 2020 and led Human Resources, Information Technology, Procurement, and Facility Management as Vice President of Shared Services. Also, he is the secretary of the Nomination and Remuneration Board Committee.

Prior to that, he served Tasnee Petrochemicals Company as General Manager, Human Resources where he played a significant role in establishing and enhancing shared services functions.

He has a Bachelor's Degree in Computer Engineering from KFUPM and an Executive Master of Business Administration from KFUPM. He has completed many leadership and executive development programs at CCL and MIT.

Company Name	Legal Entity	Position	Location	Membership
Advanced Petrochemical Company	Listed Company	Vice President of Shared Services	Saudi Arabia	Current
Advanced Petrochemical Company	Listed Company	General Manager of Shared Services	Saudi Arabia	Previous
TASNEE Petrochemical Company	Listed Company	Human Resources General Manager	Saudi Arabia	Previous



Abdullah A. Boaysha*

Head of Maintenance and Technical

*Resigned effective November 11, 2025.

Qualification & Work Experience:

A Mechanical Engineer. He has been the Vice President of Maintenance and Technical since July 2023, and the General Manager of the Technical division before that. Before joining Advanced Petrochemical Company in April 2020, he was a General Manager at Saudi Kayan (A Sabic Affiliate) since 2015.

Company Name	Legal Entity	Position	Location	Membership
Advanced Petrochemical Company	Listed Company	Vice President of Maintenance and Technical	Saudi Arabia	Current
Advanced Petrochemical Company	Listed Company	General Manager of Technical Division	Saudi Arabia	Previous
Saudi Kayan Company (A Sabic Affiliate)	Listed Company	General Manager of Maintenance Division	Saudi Arabia	Previous
Saudi Kayan Company (A Sabic Affiliate)	Listed Company	General Manager of Technical Division	Saudi Arabia	Previous
Saudi Butanol Company	Listed Company	Board Member	Saudi Arabia	Previous

Board Members, Committee Members & Executive Management Ownership

Board Members, Committee Members & Executive Management Ownership in Advanced Petrochemical Company

The following table illustrates the percentage of ownership by members of the Board of Directors, Committee Members and Executive Management, including their relatives, in Advanced Petrochemical Company and debt instruments, and any change in that interest during the fiscal year 2025:

Names	Capacity	At the Beginning of the Year 2025		At the End of the Year 2025		Net Change	Percentage Change
		No. of Shares	Debt Instruments	No. of Shares	Debt Instruments		
Board Members							
Mr. Khalifa Abdullatif Al-Mulhem	Chairman of the Board	14,814,019		14,982,524		168,505	1%
Mr. Waleed Mohammed Al-Jaafari	Vice Chairman of the Board	806,500		776,211		(30,289)	-4%
H.E. Eng. Abdallah Ibrahim Al-Saadon	Board Member	54,289		107,267		52,978	49%
Eng. Abdulaziz Abdullah Al-Habardi	Board Member	12,000		12,000		(1,000)	-8%
Eng. Abdulsalam Mazro Al-Mazro	Board Member	0		1,000		0	0%
Eng. Nader Saleh Al-Dakhil	Board Member	0		0		0	0%
Eng. Mohammed Khalifah Al-Mulhem	Board Member	178,794		210,794		32,000	15%
Eng. Abdullatif K. Al-Mulhem	Board Member	6,242,059		0		0	0%
Eng. Eric Eugeen Leys	Board Member	0		0		0	0%
Dr. Badr Osama Johar	Board Member	1		0		0	0%
Mr. Abdulaziz Abdullah Al-Molhem	Board Member	5,665		0		(5,665)	100%

Names	Capacity	At the Beginning of the Year 2025		At the End of the Year 2025		Net Change	Percentage Change
		No. of Shares	Debt Instruments	No. of Shares	Debt Instruments		
Committee Member							
Mr. Abdullah A. Buali	Audit Committee Chairman	0		0		0	0%
Mr. Khalid M. Al Eid	Committee Member						
Executive Management							
Mamdouh H. Al Amri	President & CEO	0		0		0	0%
Abdulaziz S. Al-Ardhi	CFO	0		0		0	0%
Ali M. Al-Shahrani	Head of Operations			0		0	0%
Fahad S. Al Matrafi*	CEO	0		0		0	0%
Mohammed S. Al-Otaibi**	Head of Shared Services	27,012		38,500		2,988	11%
Abdullah A. Boaysha***	Head of Maintenance & Technical	0		0		0	0%

*Resigned Effective July 31, 2025.

**resigned effective November 30, 2025.

***resigned effective November 11, 2025.

There is no interest, contractual securities or rights issue of the Board members, Senior Executives and their relatives on shares or debt instruments of the affiliates of the Company.

Remunerations and compensations for members of the Board of Directors

The following are details of the remunerations and compensations paid to Board members:

	Fixed remunerations							Variable remunerations						End-of-service award	Aggregate Amount	Expenses Allowance
	Specific amount	Allowance for attending Board meetings	Total Allowance for attending committee meetings	In-kind benefits	Remunerations for technical, managerial and consultative work	Remunerations of the chairman, Managing Director or Secretary, if a member	Total	Percentage of the profits	Periodic remunerations	Short-term incentive plans	Long-term incentive plans	Granted shares (insert the value)	Total			
First: Independent Members																
Dr. Badr O. Johar**	-	30,000	20,000	-	-	-	50,000	-	225,000	-	-	-	225,000	-	275,000	-
Eng. Abdulsalam M. Al-Mazro	6,000	54,000	45,000	-	-	-	105,000	-	400,000	-	-	-	400,000	-	505,000	16,375
Eng. Eric Eugeen Leys*	3,000	24,000	15,000	-	-	-	42,000	-	75,000	-	-	-	75,000	-	117,000	15,356
Eng. Nader S. Al-Dakheel	1,500	54,000	15,000	-	15,000	-	85,500	-	300,000	-	-	-	300,000	-	385,500	-
Total	10,500	162,000	95,000	-	15,000	-	282,500	-	1,000,000	-	-	-	1,000,000	-	1,282,500	31,731
Second: Non Executive Members																
Mr. Khalifa A. Al-Mulhem	-	48,000	30,000	-	-	-	78,000	-	300,000	-	-	-	300,000	-	378,000	-
Mr. Waleed M. Al-Jaafari	-	54,000	65,000	-	-	-	119,000	-	375,000	-	-	-	375,000	-	494,000	-
Eng. Mohammed K. Al-Mulhem	-	54,000	15,000	-	-	-	69,000	-	300,000	-	-	-	300,000	-	369,000	-
Mr. Abdulaziz A. Al-Mulhem**	-	30,000	65,000	-	-	-	95,000	-	300,000	-	-	-	300,000	-	395,000	-
Eng. Abdullatif K. Al-Mulhem*	1,500	24,000	30,000	-	-	-	55,500	-	100,000	-	-	-	100,000	-	155,500	-
Eng. Abdulaziz A. Al-Habardi	3,000	54,000	15,000	-	-	-	72,000	-	300,000	-	-	-	300,000	-	372,000	-
H.E. Eng. Abdallah I. Al Saadan	3,000	54,000	15,000	-	-	-	72,000	-	300,000	-	-	-	300,000	-	372,000	8,050
Total	7,500	318,000	235,000	-	-	-	560,500	-	1,975,000	-	-	-	1,975,000	-	2,535,500	8,050
Third: Executive Members																
None	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

*He was elected to the Board on 01 Oct 2025

** His membership in the Board was ended on September 30, 2025

Remunerations and compensations for Senior Executives:

Below are details of the remunerations and compensations paid to the Executive Management:

Item	Six Senior Executives including the CEO & CFO
Salaries & Compensation	8,936,110
Allowances	5,279,321
Annual Periodic Remunerations	4,597,886
Incentive Plans	4,393,218
Compensation & In-Kind Benefits	None
Total	23,206,535

Remuneration Policy for board members and executive management in the company:

The updated Remuneration Policy was disclosed in the announcement published on the Saudi Exchange website on March 20, 2022 when publishing the invitation to the Extraordinary General Assembly Meeting, as it was approved by the General Assembly.

Relationship between granted Remunerations and applicable Remuneration Policy

The Nominations and Remunerations Committee evaluates the remuneration of members of the Board of Directors in accordance with the criteria stipulated in the Remuneration Policy approved by the General Assembly, and there is no fundamental deviation from the Remuneration Policy.

Remunerations and compensations for members of the committees:

The following are details of the remunerations and compensations paid to Committees' members:

	Fixed Remuneration (Except for the allowance for attending Committee meetings)	Allowance for attending Committee meetings	Total
Audit Committee Members			
Mr. Abdullah A. Buali	100,000	40,000	140,000
Mr. Abdulaziz A. Al-Mulhem**	75,000	30,000	105,000
Mr. Waleed M. Al-Jaafari**	75,000	30,000	105,000
Eng. Abdullatif K. Al-Mulhem*	25,000	15,000	40,000
Eng. Abdulsalam M. Al-Mazro	100,000	45,000	145,000
Mr. Khalid M. Al Eid*	25,000	15,000	40,000
Total	400,000	175,000	575,000
Nomination and Remuneration Committee Members			
Mr. Khalifa A. Al-Mulhem**	-	15,000	15,000
Mr. Waleed M. Al-Jaafari	-	35,000	35,000
Mr. Abdulaziz A. Al-Mulhem**	-	20,000	20,000
Dr. Badr O. Johar**	-	20,000	20,000
Eng. Nader S. Al-Dakheel	-	21,000	21,000
Eng. Abdullatif K. Al-Mulhem*	-	15,000	15,000
Eng. Eric Eugeen Leys*	-	15,000	15,000
Total	-	141,000	141,000
Executive Committee Members			
Mr. Khalifa A. Al-Mulhem	-	15,000	15,000
Mr. Abdulaziz A. Al-Mulhem**	-	15,000	15,000
Eng. Nader S. Al-Dakheel***	-	9,000	9,000
Eng. Mohammed K. Al-Mulhem	-	15,000	15,000
Eng. Abdulaziz A. Al-Habardi**	-	15,000	15,000
H.E. Eng. Abdallah I. Al Saadan	-	15,000	15,000
Total	-	84,000	84,000

*He was elected to the committee on 01 Oct 2025

**His membership in the committee was ended on September 30, 2025

***He was appointed only as a Committee Participant

Board Members, Committee Members & Executive Management Ownership in the Affiliates of Advanced Petrochemical Company

Neither the Board Members, Committee Members, Executive Management officers, nor their relatives, have interest, contractual securities or rights issue on shares or debt instruments of the Company's affiliates.

Board Participation in the General Assembly Meeting

✓ Attended ✗ Not Attended

Name	No. of Meetings	
	Meeting on 29/04/2025	Meeting on 16/09/2025
Mr. Khalifa Abdullatif Al-Mulhem	✓	✓
Mr. Waleed Mohammed Al-Jaafari	✓	✓
H.E. Eng. Abdallah Ibrahim Al-Saadon	✓	✓
Eng. Abdulaziz Abdullah Al-Habardi	✓	✓
Eng. Abdulsalam Mazro Al-Mazro	✓	✓
Eng. Nader Saleh Al-Dakhil	✓	✓
Eng. Mohammed Khalifah Al-Mulhem	✓	✓
Mr. Abdulaziz Abdullah Al-Molhem	✓	✓
Dr. Badr Osama H. Johar	✓	✓

Also Mr. Abdullah A. Buali (Chairman of the Audit Committee attended all the meetings)

Procedure Taken by the Board Relating to Shareholders' Suggestions and Remarks on the Company and its Performance:

- The Chairman of the Board of Directors keeps the Board informed of any opinions, proposals or remarks raised by the shareholders about the Company and its performance.
- The Board discusses such opinions, proposals or remarks without the presence of the executive management.
- The Board members attend shareholders general assembly meeting where any questions or suggestions raised by shareholders are addressed.
- Investor Relations team also

provides the CEO with any suggestions raised by shareholders or investors on a timely basis.

- Providing effective communication channels that allow shareholders to continuously and periodically review the various aspects of the Company's businesses as well as any material developments.

A description of any interest in a class of voting shares held by persons (other than the company's directors, Senior Executives and their relatives) who have notified the Company of their holdings pursuant to the Rules on the Offer of Securities and Continuing Obligations, together with any change to such interests during 2025:

There was no interest in a class of voting shares held by persons who have notified the Company of such interests during 2025.

Waivers of Remunerations:

There are no waiver arrangements or agreements under which a member of the Company's Board of Directors or one of the Senior Executives has waived any bonuses.

Shareholders Waivers of Rights to Profits:

There were no arrangements or agreements whereby any of the shareholders waived their rights to profits during the year 2025.

Competing businesses with the Company:

There is no any competing business with the Company or any of its activities by any member of the Board.

Related Party Transaction

There is no interest for any member of the company's Board of Directors, senior executives, or any related person in the contracts and transactions entered into by the company.

Implementation of the Corporate Governance Regulations

Article/ Paragraph No.	Text of the Article/Paragraph	Reasons for Non-Compliance
37	Training	This is a guiding provision. However, the Company is developing programs for the recently-appointed Board members, committee members, and Executive Management to familiarize them with the progress of the Company's business and activities.
39	Assessment of the Board members	This is a guiding provision. However, the Nominations and Remuneration Committee decided during 2023 to conduct an evaluation for the Board Directors, its Committees and Directors' performance in order to uphold the highest standards of corporate governance and board under the direction of an independent external company, the GCC Board Directors Institute (GCC BDI). The next assessment will be taking place in 2026.
51/c	The chairman of the audit committee shall be an Independent Director	This is a guiding provision. However, the chairman of the Audit Committee is outside the Board of Directors and none of the issues affecting independence apply to the chairman.
67	Composition of the Risk Management Committee	
68	Competencies of the Risk Management Committee	These are guiding provisions. However, risk management is frequently reviewed during the meetings of the Audit Committee and Board of Directors.
69	Meetings of the Risk Management Committee	
80	Regulating the Relationship with Stakeholders	This is a guiding provision. The Bylaws of the Company, the policies and regulations approved by the General Assembly and the Board of Directors, and the relevant laws and regulations guarantee the protection and preservation of the rights of stakeholders.
85	Social Initiatives	This is a guiding provision. However, the Company is developing programs for social initiatives where the necessary methods for proposing social initiatives by the Company will be defined, including indicators, KPIs and awareness programs for the community
90	Disclosure of Remunerations	The Company is committed under Paragraph No. (4/b) of Article (90) of the Corporate Governance Regulations to the disclosure of the remunerations and compensations of senior executives in details. In order to protect the interests of the Company, its shareholders and its employees, and to avoid causing any harm that may result from disclosure, the details of the remunerations and compensations of senior executives were not presented as contained in Annex No. (1) concerning the remuneration of senior executives from the Corporate Governance Regulations.
92	Formation of a Corporate Governance Committee	This is a guiding provision. The Company's executive management, in coordination with the audit committee, works on developing corporate governance rules, monitoring their implementation, verifying their effectiveness, and amending them when needed.



INCENTIVE PROGRAMS FOR THE COMPANY'S EMPLOYEES:

Fostering Excellence through Human Capital Management:

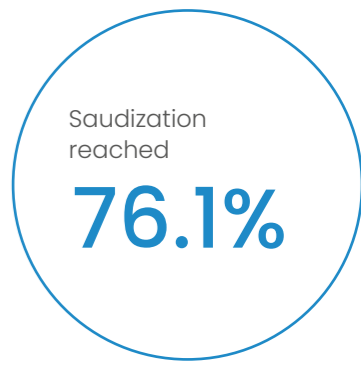
At Advanced, our people are the cornerstone of our success and the driving force behind our continued growth. The Human Capital Strategy is designed to retain, attract, and engage top-tier talent, leveraging innovative digital solutions and optimizing HR processes to maintain a competitive edge and uphold a culture of excellence.

In 2025, Saudization reached an outstanding 76.1%, emphasizing our commitment to empowering Saudi nationals with unparalleled career development opportunities. This milestone

reflects our efforts to cultivate a dynamic, people-centric work environment that inspires progress and fosters career growth.

Alongside talent development, Advanced has embraced continuous improvement through digitalization. Following the successful implementation of Phase I of HR Gate, powered by SAP's best-in-class cloud solutions, Phase II automated key HR services such as onboarding, learning and development, compensation, succession planning, and career development, reinforcing our commitment to innovation and efficiency in HR operations.

Through these combined efforts, Advanced continues to drive excellence, empowering its people and shaping a future-ready workforce.



Cultivating Talent and Enhancing Engagement:

In 2025, Advanced strengthened its commitment to employee growth and engagement through key initiatives. An Engagement Survey garnered an impressive 87% response rate, providing actionable insights to enhance the workplace culture.

To align with market standards, job titles for 57 Section Heads and Managers were modernized, ensuring clarity and competitiveness. Additionally, 31 employees were promoted internally as part of the new operating model, showcasing our focus on fostering career progression within the organization.

Pursuing Excellence in the Labor Award by Ministry of Human Resources and Social Development

In line with our commitment to sustaining a culture of excellence and adopting best-in-class practices, Advanced Petrochemicals participated in the Labor Award for the third consecutive year. This prestigious recognition is organized by the Ministry of Human Resources and Social Development.

This year, Advanced achieved an impressive 98.5% employee voting rate, reflecting our employees' trust and engagement as we continue to set benchmarks in excellence and innovation..

2025 Learning Journey:

To drive organizational excellence and establish Advanced Petrochemicals as a leading learning organization, we have designed and deployed targeted learning initiatives to accelerate workforce development across critical areas.

1. Well-being Programs:

As part of our ongoing dedication to employee well-being, Advanced invited public speakers to host two impactful

workshops: "Quality and Work Ethic" and "Personal Professionalism in Providing Shared Services." These sessions, attended by a total of 195 employees, offered valuable insights and strategies to enhance overall wellness. By addressing key aspects of work ethics and professionalism, these programs empowered employees to thrive both personally and professionally within the workplace, showcasing our commitment to fostering a supportive and healthy work environment.

2. Establishing Advanced Career Development Programs:

To reinforce our culture of talent development, Advanced subject matter experts have refined functional competencies to address the learning and development needs of each department. This approach ensures a clear and systematic competency assessment framework, enabling the identification of skill gaps and their integration into Individual Development Plans (IDPs). over 95% of employees have structured

IDPs, and 94% of IDP goals have been successfully implemented, reflecting our commitment to driving continuous professional growth and organizational excellence.

3. In-house Training Program:

Advanced Petrochemicals remains dedicated to fostering a learning-centric environment and enhancing workforce competencies. In 2025, over 344 employees were trained, accumulating more than 4426 training hours. Our In-House Training Programs covered a wide range of learning fields, including EHSS, technical expertise, professional development, and leadership training, aligning with our commitment to comprehensive skill enhancement.

4. E-Learning Courses:

In line with our ongoing commitment to employee development, we expanded our e-learning platform, enabling employees to access a wide variety of online training modules. In 2025, a total of 3,443 courses were completed by 428 employees, reflecting strong engagement

with the digital learning resources available. This achievement not only highlights the success of our e-learning initiative but also reinforces our commitment to providing flexible and accessible learning opportunities for all employees.

5. Cooperative and Summer Training Program:

Advanced remains committed to fostering the skills and competencies of the next generation. In 2025, the Company welcomed more than 20 Saudi college students into its Cooperative and Summer Training Program. Through a robust on-the-job training experience, participants gained valuable practical knowledge, preparing them for future career opportunities and contributing to the development of national talent.

Advanced Retention Program:

In order to recognize best performance within Advanced, new scheme of retention program was designed and implemented to retain our talents, attract competent candidates to join our organization toward realizing our growth journey

and continue to be one of top preferred employers among Petrochemical industry.

The news retention program is robustly linked with performance management system in order to drive pay for performance culture and includes the following components:

1. Employees Incentive Shares Program:

The Company designed incentive share program to retain and engage the Company's key talents to achieve quantum leap performance, drive culture for excellence and promote sense of belonging and loyalty according to clear criteria and forceful process.

2. Home Loan Program for Saudi Employees

The program aims to provide the opportunity for Saudi employees working for it and who meet the terms of the program to own housing units, within the framework of the approved policy to secure stability and comfort for its employees and motivate them to continue and work for the Company where eligible Saudi employee get fund from commercial banks and company support to fund the loan interest.

3. Saving Program

The Company took the initiative to create thrift and saving program (optional) in order to motivate the Company's employees and ensure a better future for them and their families, where the Company deducts a part of the salary based on the employee's desire in order to invest such contribution for the interest of the employee participating in the program. The Company chooses suitable areas to invest the program's funds in accordance with the Islamic investment requirements.

4. Home Ownership Program for Saudi Employees

The program aims to provide the opportunity for Saudi employees working for it and who meet the terms of the program to own housing units, within the framework of the approved policy to secure stability and comfort for its employees and motivate them to continue and work for the Company. The Company built 220 residential villas through two phases of the project in Jalmudah neighborhood In Jubail Industrial City, and housing units were handed over to Saudi employees In 2025, the Home Ownership Program (HOP) rate was reduced from 42% to 30% reinforcing the company's commitment to employee well-being.

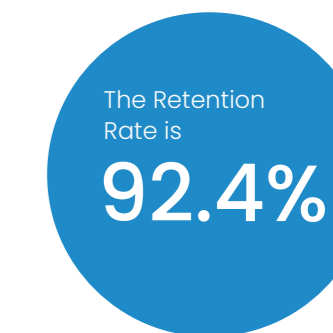
5. Master Degree Program

To provide opportunity for talented Saudi employees to upskill and diversify their knowledge and qualification by obtaining master degree in specialized field, which eventually reflects on work performance and business priorities.

6. Personal Loan Program

The program aims to provide employees option of personal loan from the company with zero interest with flexible repayment methods to enable employees fulfill their short term financial commitment.

At Advanced, the Human Capital Strategy is designed to continually embrace the sustenance of performance-focused, value-creating people excellence and competitiveness through human Capital – the most valuable assets – with a clear roadmap ahead.



Investor Communication

At Advanced, Investor Relations takes the lead in communicating with the financial community, particularly institutional investors, individual investors and analysts. In line with Capital Markets Authority (CMA) regulations and global best practices, the Investor Relations team strives to provide optimal disclosures and transparency to financial community on regular basis.

Investor Relations Activities

Throughout 2025, Advanced participated in multiple face-to-face and online conferences with investors and analysts. We conducted several site visits for analysts and institutional investors to our assets in Jubail Industrial City and meeting the executive management, where we hosted more than four international and local institutional investors.

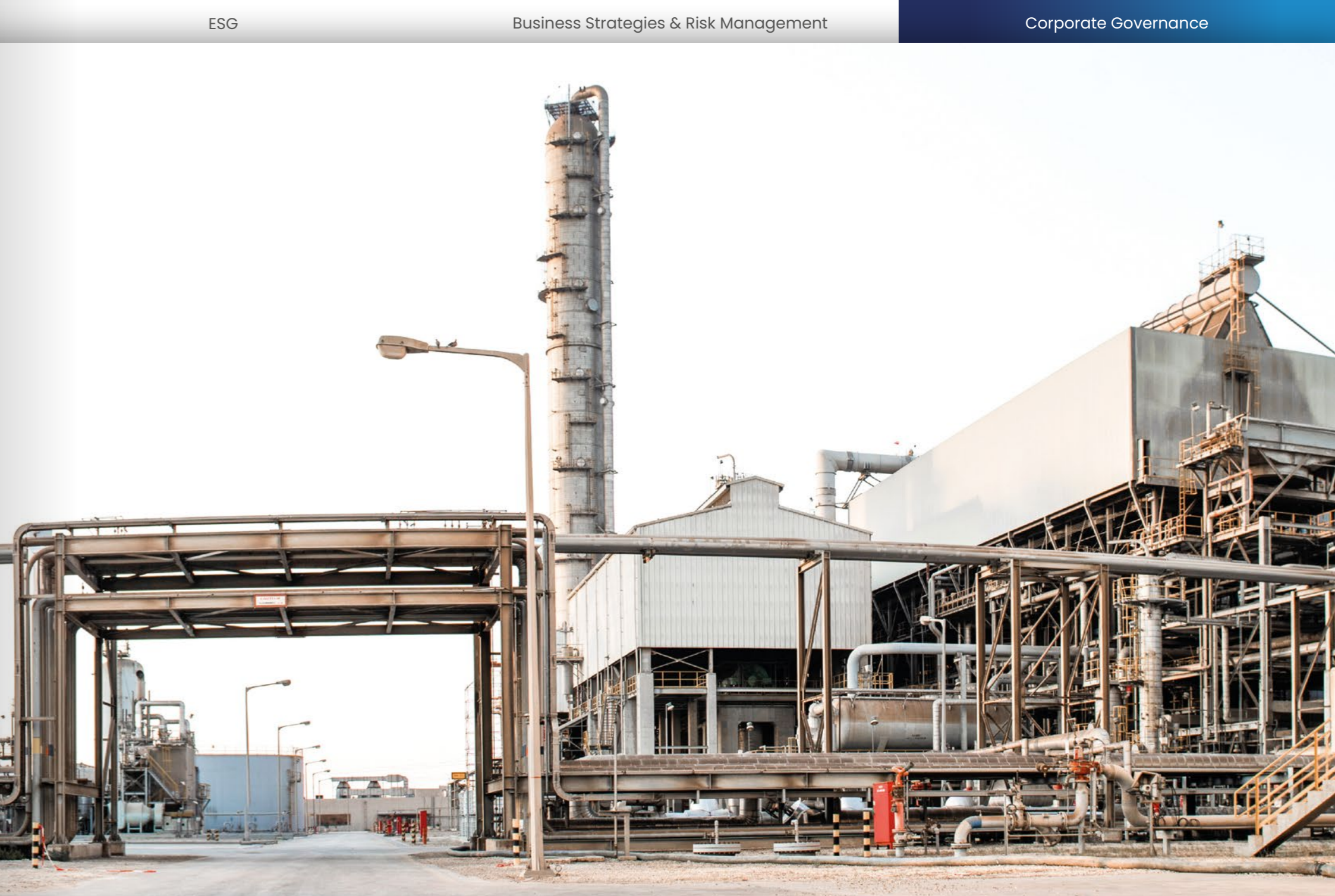
The Company's requests for the Shareholders Register

Number of Requests	Date of Request	Reasons for the Request
1	5-Jan-2025	Corporates Procedures
2	3-Feb-2025	Corporates Procedures
3	3-Mar-2025	Corporates Procedures
4	6-Apr-2025	Corporates Procedures
5	29-Apr-2025	General Assembly
6	4-May-2025	Corporates Procedures
7	2-Jun-2025	Corporates Procedures
8	30-Jun-2025	Corporates Procedures
9	2-Jul-2025	Corporates Procedures
10	4-Aug-2025	Corporates Procedures
11	2-Sep-2025	Corporates Procedures
12	16-Sep-2025	General Assembly
13	2-Oct-2025	Corporates Procedures
14	3-Nov-2025	Corporates Procedures
15	2-Dec-2025	Corporates Procedures

The Announcements of the Company during 2025:

No.	Date	Subject of the Announcement
1	27/2/2025	ADVANCED PETROCHEMICAL COMPANY ANNOUNCES ITS ANNUAL FINANCIAL RESULTS FOR THE PERIOD ENDED ON 31 DECEMBER 2024
2	27/3/2025	ADVANCED PETROCHEMICAL COMPANY INVITES ITS SHAREHOLDERS TO ATTEND THE 19th ORDINARY GENERAL ASSEMBLY MEETING (FIRST MEETING) VIA MODERN TECHNOLOGY MEANS (REMOTELY)
3	9/4/2025	ADVANCED PETROCHEMICAL COMPANY ANNOUNCES THE ESTIMATED FINANCIAL RESULTS FOR THE PERIOD ENDED ON 31 -03- 2025 (THREE MONTHS)
4	30/4/2025	ADVANCED PETROCHEMICAL COMPANY ANNOUNCES THE RESULTS OF THE 19th ORDINARY GENERAL ASSEMBLY MEETING (First MEETING) THROUGH MODERN TECHNOLOGY MEANS
5	30/4/2025	ADVANCED PETROCHEMICAL COMPANY ANNOUNCES ITS INTERIM FINANCIAL RESULTS FOR THE PERIOD ENDED ON 31 -03- 2025 (THREE MONTHS)
6	15/5/2025	ADVANCED PETROCHEMICAL COMPANY ANNOUNCES THE OPENING OF THE NOMINATION PERIOD FOR THE BOARD OF DIRECTORS' MEMBERSHIP FOR THE NEXT TERM
7	30/6/2025	ADVANCED PETROCHEMICAL COMPANY ANNOUNCES THE RESIGNATION AND APPOINTMENT OF CHIEF EXECUTIVE OFFICER
8	14/7/2025	ADVANCED PETROCHEMICAL COMPANY ANNOUNCES THE COMPLETION OF CONSTRUCTION AND SUCCESSFUL OPERATIONS OF ITS SUBSIDIARY'S PROPYLENE AND POLYPROPYLENE PRODUCTION PLANTS IN JUBAIL INDUSTRIAL CITY, KINGDOM OF SAUDI ARABIA
9	14/7/2025	ADVANCED PETROCHEMICAL COMPANY ANNOUNCES ITS ESTIMATED FINANCIAL RESULTS FOR THE PERIOD ENDED ON 30 June 2025 (SIX MONTHS)
10	27/7/2025	ADVANCED PETROCHEMICAL COMPANY ANNOUNCES ITS INTERIM FINANCIAL RESULTS FOR THE PERIOD ENDED ON 30 JUNE 2025 (SIX MONTHS)
11	10/8/2025	ADVANCED PETROCHEMICAL COMPANY INVITES ITS SHAREHOLDERS TO ATTEND THE 20th ORDINARY GENERAL ASSEMBLY MEETING (FIRST MEETING) VIA MODERN TECHNOLOGY MEANS (REMOTELY)
12	17/9/2025	ADVANCED PETROCHEMICAL COMPANY ANNOUNCES THE RESULTS OF THE 20th ORDINARY GENERAL ASSEMBLY MEETING (First MEETING) THROUGH MODERN TECHNOLOGY MEANS
13	2/10/2025	ADVANCED PETROCHEMICAL COMPANY ANNOUNCES RESOLUTION OF THE BOARD OF DIRECTORS TO APPOINT THE CHAIRMAN, VICE CHAIRMAN, THE FORMATION OF THE BOARD COMMITTEES, THE APPOINTMENT OF THE COMPANY'S REPRESENTATIVES TO THE CAPITAL MARKET AUTHORITY, THE SAUDI STOCK EXCHANGE (TAD-AWUL) AND THE SECURITIES DEPOSITORY CENTER COMPANY (EDAA), AND THE APPOINTMENT OF THE BOARD'S SECRETARY
14	2/10/2025	ADVANCED PETROCHEMICAL COMPANY ANNOUNCES THE FORMATION OF THE AUDIT COMMITTEE
15	16/10/2025	ADVANCED PETROCHEMICAL COMPANY ANNOUNCES ITS ESTIMATED FINANCIAL RESULTS FOR THE PERIOD ENDED ON 30 SEPTEMBER 2025 (NINE MONTHS)
16	27/10/2025	ADVANCED PETROCHEMICAL COMPANY ANNOUNCES ITS INTERIM FINANCIAL RESULTS FOR THE PERIOD ENDED ON 30 SEPTEMBER 2025 (NINE MONTHS)

Advanced Petrochemical
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