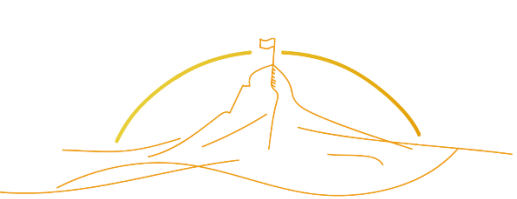


Board Report

Sahara International Petrochemical Company (Sipchem)

For the Fiscal Year 2025



Courage



Passion



Agility



Collaboration

**IN THE NAME OF ALLAH
THE MOST COMPASSIONATE, THE MOST MERCIFUL**

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Chairman's Message



Eng. Khalid A. Al-Zamil

Dear Shareholders,

The year 2025 remained challenging for the global petrochemical industry amid economic uncertainty, geopolitical developments, and continued pressure on margins. Despite this environment, Sipchem stayed focused on safe operations, reliability, financial discipline, and consistent customer service.

We continued to strengthen our market presence by deepening partnerships and improving performance across our operations and value chain. Digital transformation, research, and innovation remained key enablers to enhance efficiency and competitiveness, while sustainability and responsible care continued to guide our operational standards.

We also remained committed to developing our people through a safe workplace, targeted training, and attracting talented national competencies.

On behalf of the Board of Directors, I extend sincere thanks to the Custodian of the Two Holy Mosques, King Salman bin Abdulaziz Al Saud, and His Royal Highness the Crown Prince and Prime Minister, Prince Mohammed bin Salman bin Abdulaziz Al Saud—may God protect them—for their continued support of national industry.

I also thank our shareholders for their trust, our employees for their dedication, and our partners for their collaboration.

With God's help, we will continue strengthening Sipchem's resilience and delivering sustainable value in the years ahead

Khalid bin Abdullah Al-Zamil Chairman of the Board

1) Formation of the Board of Directors and Classification of Directors

Sipchem is distinguished by having a Board of Directors with a high level of expertise and competence in the field of petrochemicals. The Board consists of eleven members who were elected by the Ordinary General Assembly on November 25, 2025, for a four-year term extending to December 9, 2029. The new Board of Directors extends its sincere thanks to the previous Board members for their efforts and achievements during the 2025 financial year. The table below shows the classification of both current and former Board members.

S.N.	Name	Membership Nature	Membership Status
1	Eng. Khaled Abdullah Al-Zamil	Chairman of the Board	Non-Executive
2	Mr. Fahad Sulaiman Al-Rajhi	Vice Chairman of the Board	Non-Executive
3	Dr. Abdulrahman A. Al-Zamil *	Member	Non-Executive
4	Eng. Reyadh S. Ahmed	Member	Non-Executive
5	Eng. Saeed A. Basamah	Member	Non-Executive
6	Eng. Abdullah K. Al- Buainain	Member	Independent
7	Mr. Saeed O. Al-Esayi	Member	Independent
8	Mr. Ziad A. Al-Turki *	Member	Independent
9	Eng. Mosaed S. AlOhali *	Member	Independent
10	Mr. Feras M. Al-Abad	Member	Independent
11	Mr. Ahmad A. AL- Dakheel	Member	Independent
12	H. E. Eng. Osama A. Al-Zamil **	Member	Independent
13	Engr. Abdullah S. Al-Saadoon **	Member	Non-Executive
14	Engr. Ahmed A. Al-Saadi **	Member	Independent

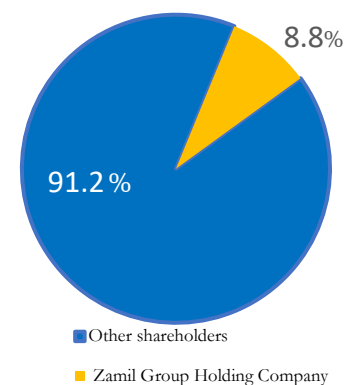
* Membership ended with the conclusion of the term on December 9, 2025.

** Appointment of new Board members based on the resolution of the Ordinary General Assembly dated November 25, 2025.

2) Description of Sipchem Activities

Sipchem is a Saudi public joint stock company listed on the Tadawul (Saudi Capital Market). Sipchem is actively investing in basic and intermediary petrochemical and chemical materials that can be utilized as feedstock for manufacturing a vast array of products that provide prosperity and welfare for humans. Sipchem is committed to implementing its activities in compliance with the highest quality standards in production, environmental preservation, employee safety, and community development.

Sipchem selected Jubail Industrial City, located in the Eastern Province of Saudi Arabia, to In 2025 AD, Sipchem manufacturing facilities achieved a total production of 3.64 million metric tons, compared to 3.95 million metric tons in 2024 AD. The net loss of 2025 AD amounted to SAR (860.5) million with a decline of 301.9% compared to net income SAR 426.1 million in 2024 AD. This decline in Sipchem profitability compared to the previous year is attributed to the decline in product prices, increase in feedstock prices (Natural Gas, Ethylene and Ethane prices etc) and decline in sales volumes resulting from planned periodic turnaround maintenance activities in certain affiliates. Additionally, an impairment loss of SR 300 million related to cash generating units of the Ethyl Acetate plant of SR 200 million and International Diol Company (subsidiaries of Sipchem) of SR 100 million have been recognized. Further, a provision of SR 91.4 million has been recognized to discontinue certain capital projects which contributed to decrease in gross profit. Furthermore, share of loss from investments in joint ventures and associates has decreased as compared to last year, mainly due to share of profit from one of the associates resulting from restructuring of debt, with Sipchem share of impact amounting to SR 429 million which was offset by share of loss as result of impairment in a joint venture amounting to SR 171 million, impairment & business combination impact has been recognized with Sipchem share amounting to SR 125 million and provision for capital project in a joint venture has been recognized with Sipchem share of impact amounting to SR 56 million. Overall, all of these have contributed to the reduction in profitability in current year compared to 2024 AD.



Year of establishment	1999
Company Type	Joint-stock Company
Sipchem Headquarters	Al-Khobar - KSA
Capital	SAR 7,333,333,320
Company Activity	Petrochemical & Chemical Industries, Basic and Intermediate
Number of shares	733,333,332 shares

3) Description of Sipchem's Plans and Strategies

Sipchem is committed to achieving sustainable growth amid rapid changes, while maintaining stable profitability levels and maximizing value for shareholders. The company has proactively pursued investment opportunities and implemented a number of growth strategies through its new projects. Over the past four years, Sipchem has been preparing for its growth strategy by balancing debt reduction, maintaining shareholder dividends, and allocating a portion of its profits to reserves. These efforts reflect the company's strong commitment to sustainable growth. In this context, Sipchem announced that it has received approval from the Ministry of Energy for the allocation of feedstock required to establish a joint petrochemical complex with LyondellBasell in Jubail Industrial City, Saudi Arabia. The complex will have an annual production capacity of 1.5 million metric tons of ethylene, in addition to 1.8 million metric tons of final derivatives, including commodity and specialty polymers. This project represents an important strategic step in Sipchem's growth trajectory and further strengthens its position in the petrochemical industry both locally and globally. It is expected to have a significant impact on the project's success and to maximize added value over the medium and long term. The project is currently undergoing a feasibility study. With regard to the Blue Ammonia Project, Sipchem continues to develop this world-class project with an annual capacity of 1.2 million tons, in line with the Kingdom's clean energy objectives and its efforts to reduce carbon emissions by 15 percent by 2030 and achieve carbon neutrality by 2050. Blue ammonia is emerging as a promising alternative to fossil fuels for power generation, energy storage, marine fuel, and as a hydrogen carrier.

Sipchem also seeks to enhance its profitability and expand into international markets through expansion projects at its existing plants. These include the Ethylene Vinyl Acetate Plant Expansion Project, which will increase production capacity by 70,000 tons to reach approximately 290,000 tons per year, in order to meet growing demand for ethylene vinyl acetate applications in packaging, cable insulation, solar cell encapsulation, and sports footwear manufacturing. The project is currently progressing through the engineering, procurement, and construction phase. In addition, the AlWaha Plant Expansion Project will add 72,000 tons of propylene and 150,000 tons of polypropylene, bringing total production capacity after the expansion to approximately 537,000 tons of propylene and 600,000 tons of polypropylene. This increase is expected to meet additional demand for polypropylene applications in industries such as packaging, healthcare, pipe production, automotive, and power generation. The project is also currently advancing through the engineering, procurement, and construction phase. In this regard, Sipchem aims to reduce manufacturing costs and increase productivity to meet global demand by applying advanced technologies and enhancing operational efficiency across its operations. The company is committed to delivering high-quality products while adhering to sustainable practices and innovation, ensuring that its operations are environmentally responsible and adaptable to changing market conditions. Through strategic partnerships and continuous improvement, Sipchem continues to expand its global presence and deliver exceptional value to its customers and shareholders.

4) Summary in form of a table regarding Sipchem's assets, liabilities, and results of its operations during the last five fiscal years

The key financial indicators for the year 2025 compared to the previous year are as follows:

- Revenues decreased to SAR 6,810 million during the year 2025, compared to SAR 7,061 million for the previous year with a decrease of 3.6%.
- Gross profit decreased to SAR 257 million during the year 2025, compared to SAR 1,439 million for the previous year, with a decrease of 82.2%.
- Net operational loss amounted to SAR (528) million in 2025, compared to net operational profit of SAR 683 million in the previous year, with a decrease of 177.4%.

- Net loss amounted to SAR (860) million during the year 2025, compared to net profit of SAR 426 million for the previous year, with a decrease of 301.9%.
- Loss per share reached SAR (1.19) during the year 2025, compared to Earnings per share SAR 0.59 for the previous year.

Assets, liabilities, and operating results for the last five financial years

Consolidated statement of financial position (Million Riyal)					
	2025	2024	2023	2022	2021
Non-current assets	16,353	17,188	17,701	18,052	18,548
Current assets	3,964	3,894	4,323	5,423	5,917
Total assets	20,317	21,082	22,024	23,475	24,465
Total Equity	14,333	15,970	16,422	16,737	15,722
Non-current liabilities	3,118	2,782	3,048	4,018	5,816
Current liabilities	2,866	2,330	2,554	2,720	2,927
Total liabilities and equity	20,317	21,082	22,024	23,475	24,465

A description of the impact of each activity on the size of Sipchem business and its contribution to the results:

Sectorial Analysis: The Company operates in the following sectors:

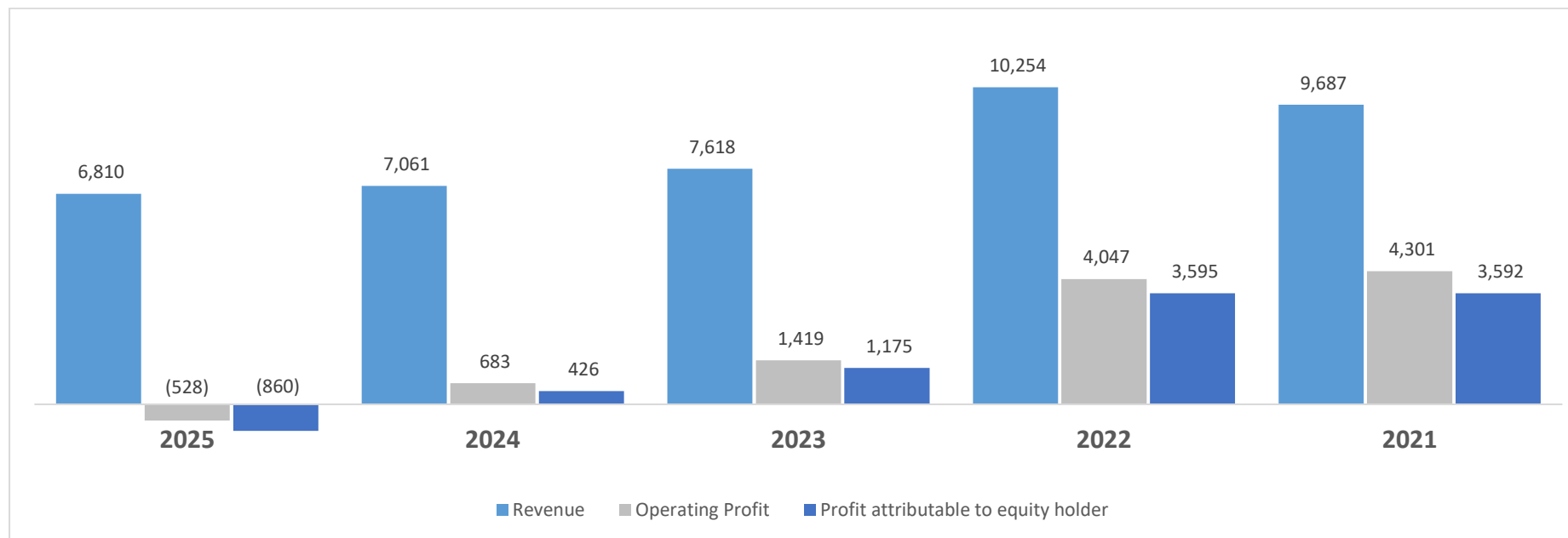
- Basic chemicals: They include Methanol, Butane products and Carbon Monoxide.
- Intermediate chemicals: They include Acetic Acid, Vinyl Acetate Monomer, Ethyl Acetate, Butyl Acetate, and utilities.
- Polymers: These include Low-density polyethylene, polyvinyl acetate, polyvinyl alcohol, PBT, polypropylene, EVA and electrical connecting wire products.
- Marketing: It includes trading revenues of Sipchem Marketing Company and its foreign subsidiaries.
- Companies and others: This include Sipchem and Toll manufacturing plant. This segment also includes Sahara's enabling functions and support activities.

Million Riyals	Basic chemicals	Intermediate chemicals	Polymers	Marketing	Companies and others	Inter segment transaction elimination	Total
	For the year ended 31 Dec. 2025						
Revenues	2,083	1,870	2,324	4,484	708	(4,659)	6,810
Gross profit/(loss)	448	(752)	54	197	108	202	257
Operating profit/(loss)	302	(897)	(102)	85	21	63	(528)
Share of profit from equity accounted investees	-	(8)	-	-	(1,204)	1,175	(37)
Profit/loss before zakat and tax	255	(914)	(184)	92	(810)	916	(645)
Total assets	3,540	3,992	5,622	1,313	23,900	(18,050)	20,317
Total liabilities	1,637	2,129	1,741	824	4,283	(4,630)	5,984
Capital expenses	108	76	247	4	218	-	653
Depreciation and amortization	244	299	330	8	30	-	911
Finance cost	50	66	87	2	49	(124)	130
Finance income	4	2	5	-	13	-	24
	For the year ended 31 Dec. 2024						
Revenues	2,220	2,148	2,261	4,851	434	(4,853)	7,061
Gross profit/(loss)	736	(79)	282	192	50	258	1,439
Operating profit/(loss)	585	(221)	121	109	23	66	683
Share of profit from equity accounted investees	-	41	-	-	(245)	53	(151)
Profit/loss before zakat and tax	541	(242)	36	109	(71)	75	448
Total assets	3,672	4,605	6,060	1,358	24,737	(19,350)	21,082
Total liabilities	1,484	1,932	1,913	901	3,230	(4,348)	5,112
Capital expenses	148	135	197	4	223	-	707
Depreciation and amortization	217	282	323	9	35	-	866
Finance cost	56	76	91	2	60	(134)	151
Finance income	7	9	6	-	33	-	55

Consolidated statement of profit or loss (Million Riyal)

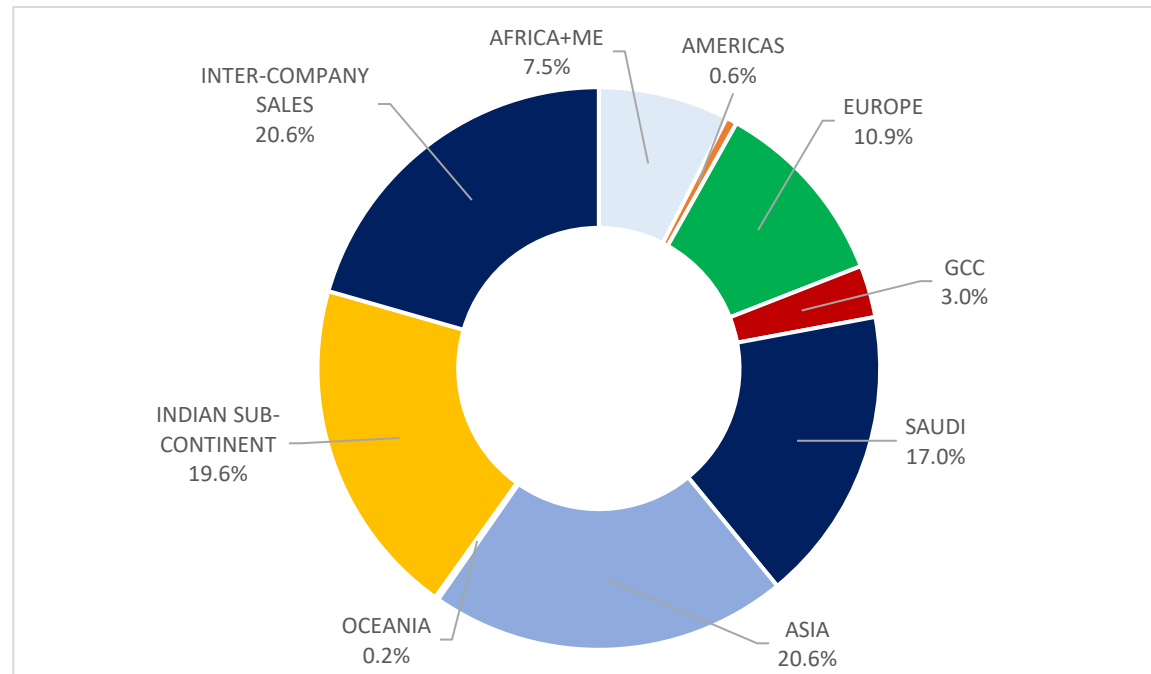
	2025	2024	2023	2022	2021
Revenues	6,810	7,061	7,618	10,254	9,687
Cost of sales	(6,553)	(5,621)	(5,450)	(5,415)	(4,344)
Gross profit	257	1,439	2,168	4,839	5,342
Selling and distribution costs	(212)	(240)	(234)	(296)	(230)
General and administrative expenses	(573)	(570)	(515)	(496)	(651)
Impairment of non-financial assets	-	-	-	-	(160)
Other operating income	-	53	-	-	-
Operating (loss) / profit	(528)	683	1,419	4,047	4,301
Share of profit from equity accounted investees	(37)	(151)	51	365	480
Finance Revenues	24	55	89	51	30
Finance costs	(130)	(151)	(211)	(245)	(315)
Other income / (expenses), net	26	12	15	(34)	(38)
(Loss) / profit before Zakat and income tax	(645)	448	1,364	4,184	4,457
Zakat and income tax expense	(127)	18	(8)	(231)	(449)
(Loss) / profit for the year	(772)	466	1,356	3,953	4,008
Profit yields to:					
Equity	(860)	426	1,175	3,595	3,592
Non- controlling interests	88	40	181	358	417
(Loss) / earnings per share from net profit yields to shareholders	(1.19)	0.59	1.62	4.96	4.94

Evolution of sales, operating profit and net profit for the last five years (Million Riyals)



5) Geographical analysis of total revenues of Sipchem and its subsidiaries

Sipchem's products are marketed and sold in all local markets, Middle East markets and international markets. The following chart shows the geographical distribution of Sipchem's sales during 2025:

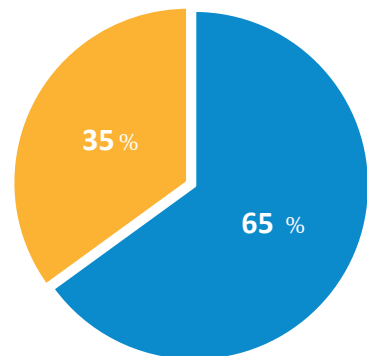


6) A description of the subsidiaries' activities and their impact on the size of Sipchem's business and its contribution to the results for 2025.

Million Riyals)			
Activity	Revenues	Percentage	
International Methanol Company	390	5.7%	
International Diol Company	60	0.9%	
International Acetyl Company Limited	34	0.5%	
International Vinyl Acetate Company	112	1.6%	
International Gases Company	52	0.8%	
Sipchem Marketing Company	4,484	65.8%	
International Polymers Company	318	4.7%	
Sipchem Chemicals Company	21	0.3%	
Sipchem Advanced Technologies Company	385	5.7%	
Sahara International Petrochemical Company	118	1.7%	
Al WAHA Petrochemicals Company	836	12.3%	
Total	6,810	100%	

Description of subsidiaries activities

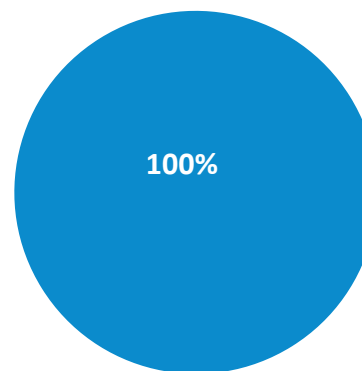
International Methanol Company



■ Sahara International Petrochemical Company - Sipchem

Year of establishment	2002
Company Type	Limited Liability Company
Sipchem Headquarters	Jubail Industrial City - Kingdom of Saudi Arabia
Capital	SAR 360.97 million
Company Activity	Production of Methanol (methyl alcohol)
Productive capacity	970,000 mtpa

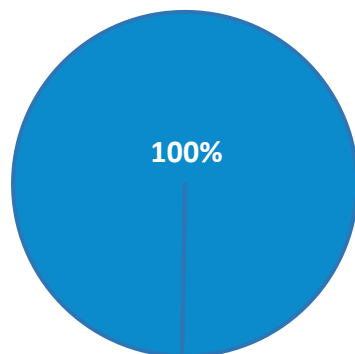
International Diol Company



■ Sahara International Petrochemical Company - Sipchem

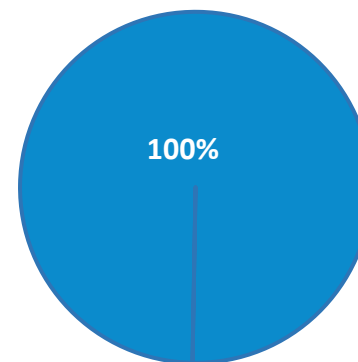
Year of establishment	2002
Company Type	Limited Liability Company
Sipchem Headquarters	Jubail Industrial City - Kingdom of Saudi Arabia
Capital	SAR 431.25 million
Company Activity	Production of Butanediol (BDO) and its derivatives, including Maleic Anhydride (Man), Tetrahydrofuran (THF) and Gamma Butyrolactone (GBL)
Productive capacity	40,000 mtpa of Maleic Anhydride (Man) 5,000 mtpa of Gamma Butyrolactone (GBL) 7.65,000 mtpa of Tetrahydrofuran (THF) 50,000 mtpa of Butanediol (BDO)

International Vinyl Acetate Company Ltd.



■ Sahara International Petrochemical Company - Sipchem

Sahara Petrochemical Company

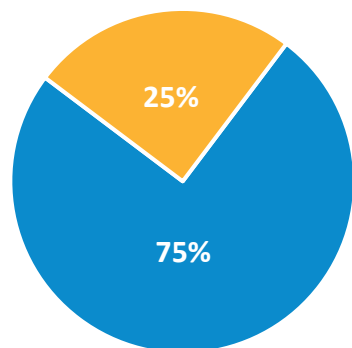


■ Sahara International Petrochemical Company - Sipchem

Year of establishment	2006
Company Type	Limited Liability Company
Sipchem Headquarters	Jubail Industrial City - Kingdom of Saudi Arabia
Capital	SAR 676 million
Company Activity	Production of Vinyl Acetate Monomer
Productive capacity	330.000 mtpa

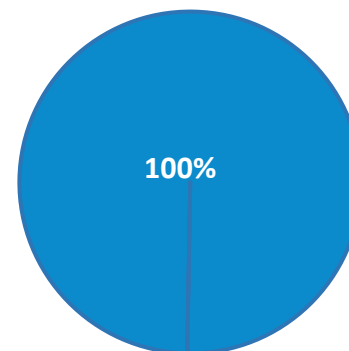
Year of establishment	2004
Company Type	Closed Joint Stock
Sipchem Headquarters	Al-Khobar - KSA
Capital	SAR 2,388 million
Company Activity	Operates as a holding company whose main activity is focused on the petrochemical sector

Al WAHA Petrochemical Company- AL WAHA



- Sahara International Petrochemical Company
- Basell Arabic Investissements S.A.S

International Acetyl Company Limited

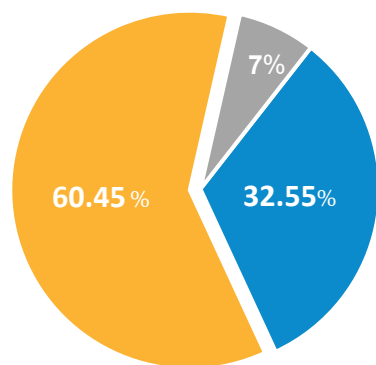


- Sahara International Petrochemical Company - Sipchem

Year of establishment	2006
Company Type	Limited Liability Company
Sipchem Headquarters	Jubail Industrial City - Kingdom of Saudi Arabia
Capital	SAR 1,660 million
Company Activity	Production of Propylene and Polypropylene
Productive capacity	450,000 mtpa of propylene 450,000 mtpa of polypropylene 1,080 mtpa of caustic soda 150 mtpa of mixed liquid hydrocarbons

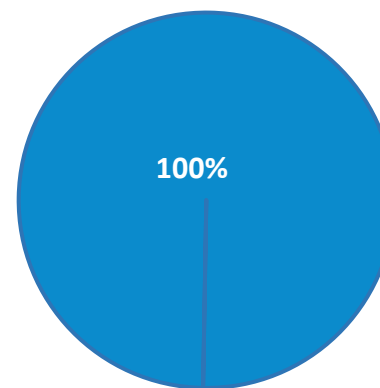
Year of establishment	2006
Company Type	Limited Liability Company
Sipchem Headquarters	Jubail Industrial City - Kingdom of Saudi Arabia
Capital	SAR 1,003 million
Company Activity	Production of Acetic Acid (AA) and Acetic Anhydride (AAn)
Productive capacity	460,000 mtpa of Acetic Acid 50,000 mtpa of Acetic Anhydride

Tasnee & Sahara Olefins Company (TSOC)



- Sahara Petrochemical Company - Sahara
- National Industrialization Company
- General Organization for Social Insurance

International Gases Company

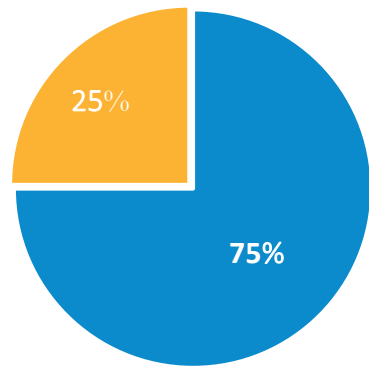


- Sahara International Petrochemical Company (Sipchem)

Year of establishment	2006
Company Type	Closed Joint Stock
Sipchem Headquarters	Jubail Industrial City - Kingdom of Saudi Arabia
Capital	SAR 2,830 million
Company Activity	Establishment, management, operation, ownership, and investment in industrial projects, particularly petrochemical and chemical industries, in addition to marketing their products and performing all related activities.

Year of establishment	2006
Company Type	Limited Liability Company
Sipchem Headquarters	Jubail Industrial City - Kingdom of Saudi Arabia
Capital	SAR 425.4 million
Company Activity	Production of Carbon Monoxide and Hydrogen
Productive capacity	345,000 mtpa of Carbon Monoxide 65,000 mtpa of Hydrogen

Saudi Ethylene and Polyethylene Company (SEPC)

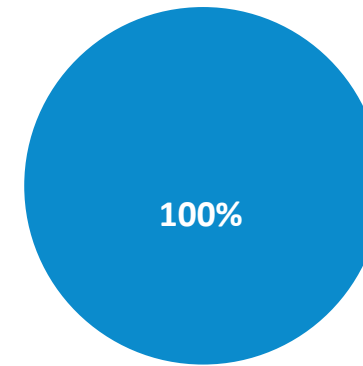


- Tasnee & Sahara Olefins Company (TSOC)
- BasellMoyen Orient Investissements SAS

Year of establishment	2006
Company Type	Limited Liability Company
Sipchem Headquarters	Jubail Industrial City - Kingdom of Saudi Arabia
Capital	SAR 2.737 millions
Company Activity	Production of propylene, ethylene, high density polyethylene, and low density polyethylene.
Productive capacity	285,000 mtpa of Propylene 1,000,000 mtpa of Ethylene 800,000 mtpa of Polyethylene

Sahara Petrochemicals Company indirectly owns 24.41% of Saudi Ethylene & Polyethylene Company.

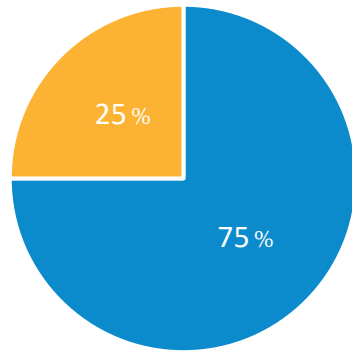
Sipchem Marketing Company



- Sahara International Petrochemical Company - ...

Year of establishment	2007
Company Type	Limited Liability Company
Sipchem Headquarters	Al-Khobar - KSA
Capital	SAR 2 millions
Company Activity	Marketing and sales of petrochemicals and plastics.

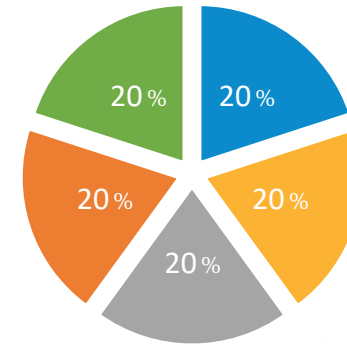
International Polymers Company



- Sahara International Petrochemical Company - Sipchem
- Korea's Hanwha Chemical Corp

Year of establishment	2009
Company Type	Limited Liability Company
Sipchem Headquarters	Jubail Industrial City - Kingdom of Saudi Arabia
Capital	SAR 703.2 million
Company Activity	Production of polyvinyl acetate, polyvinyl alcohol, polyethylene wax, low density polyethylene, and ethylene and vinyl acetate copolymers.
Productive capacity	200,000 mtpa of ethylene and vinyl acetate copolymers. 125,000 mtpa of Polyvinyl acetate 40,000 mtpa of Low Density Polyethylene 4,000 mtpa of Polyvinyl alcohol 200 mtpa of polyethylene wax

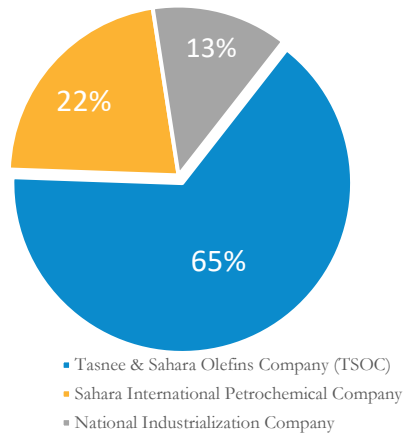
International Utility Company



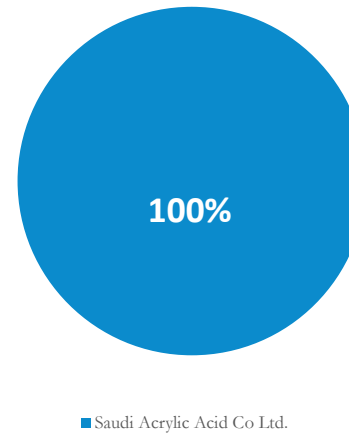
- International Methanol Company
- International Acetyl Company
- International Gases Company
- International Vinyl Acetate Company Ltd
- International Dialysis Company

Year of establishment	2009
Company Type	Limited Liability Company
Sipchem Headquarters	Jubail Industrial City - Kingdom of Saudi Arabia
Capital	SAR 2 millions
Company Activity	Management, operation, and maintenance of utilities, and facilities for Sipchem's subsidiaries.

Saudi Acrylic Acid Company (SAAC)



Saudi Acrylic Monomer Co. Ltd. (SAMCO)



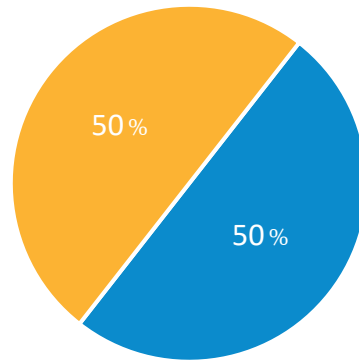
Year of establishment	2009
Company Type	Limited Liability Company
Sipchem Headquarters	Jubail Industrial City - Kingdom of Saudi Arabia
Capital	SAR 1,777 million
Company Activity	Establishment, management, operation and ownership of acrylic acid and its derivatives production projects, and petrochemical and chemical industrial projects.

Based on Sahara Petrochemical Company's ownership percentage in Tasnee Sahara Olefins Co. (TSOC), which is 32.55%, Sahara holds an indirect additional ownership percentage of 21.16 in Saudi Acrylic Acid Company (SAAC), thus reflected in Sahara's total equity to be 43.16%.

Year of establishment	2009
Company Type	Limited Liability Company
Sipchem Headquarters	Jubail Industrial City - Kingdom of Saudi Arabia
Capital	SAR 1,084.5 million
Company Activity	Acrylic Acid, Butyl Acrylic, Diethylhexyl Acrylic, and Glacial Acrylic Acid
Productive capacity	180,000 mtpa of Butyl Acrylic 70,000 mtpa of Glacial Acrylic Acid

Based on Sahara Petrochemical Company's ownership percentage in Saudi Acrylic Acid Company (SAAC), which is 43.16

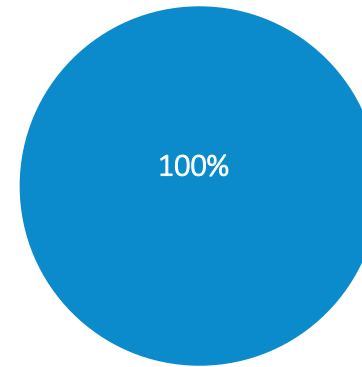
Sahara and Ma'aden Petrochemicals Company (SAMAPCO)



- Sahara Petrochemical Company - Sahara
- Saudi Arabian Mining Company - MA'ADEN

Year of establishment	2011
Company Type	Limited Liability Company
Sipchem Headquarters	Jubail Industrial City - Kingdom of Saudi Arabia
Capital	SAR 900 million
Company Activity	Production of Caustic Soda, Chlorine, and Ethylene Dichloride
Productive capacity	300,000 mtpa of Ethylene Dichloride 250,000 mtpa of Caustic Soda 220,000 mtpa of Liquid Chlorine 25,000 mtpa of Hydrochloric Acid

Sipchem Chemicals Company

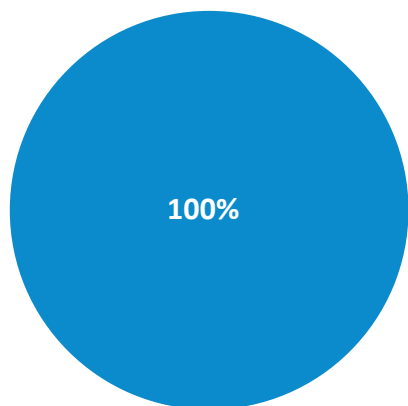


- Sahara International Petrochemical Company - Sipchem

Year of establishment	2011
Company Type	Limited Liability Company
Sipchem Headquarters	Jubail Industrial City - Kingdom of Saudi Arabia
Capital	SAR 266 million
Company Activity	Production of ethyl acetate, butylacetate, polybutylene terephthalate, and tetrahydrofuran
Productive capacity	100,000 mtpa of Ethyl Acetate 50,000 mtpa of n-Butyl acetate 68,000 mtpa of n-Butyl acetate 3568 mtpa of tetrahydrofuran

On March 19, 2025, Sahara International Petrochemical Company announced that the Board of Directors had decided to suspend production operations at Chemicals' ethyl acetate plant until further notice.

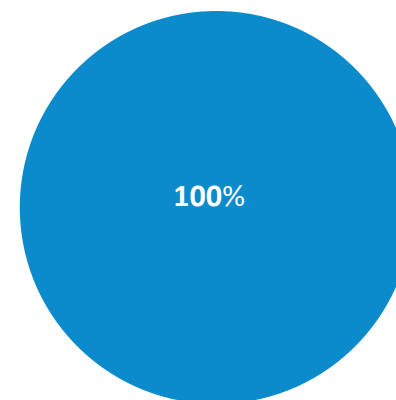
Saudi Advanced Technologies Company (Wahaj)



■ Sahara International Petrochemical Company - Sipchem

Year of establishment	2018
Company Type	Limited Liability Company
Sipchem Headquarters	Riyadh - KSA
Capital	SAR 105.950 million
Company Activity	Metal formation by hammering, pistons, casting, rolling, making structures for motor vehicles, making parts, accessories and engines for motor vehicles.

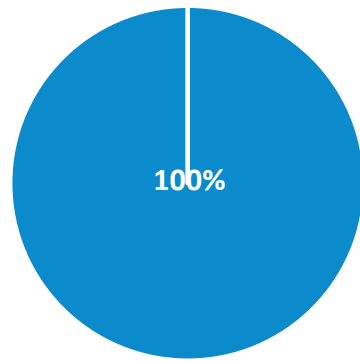
Sipchem Europe Cooperative UA and its Subsidiaries



■ Sahara International Petrochemical Company - Sipchem

Year of establishment	2011
Company Type	Limited Liability Company
Sipchem Headquarters	Lotre, Switzerland
Capital	CHF 1,000,000
Company Activity	Providing administrative support in marketing and logistics activities

Saudi Acrylic Polymer Company (SAPCO)

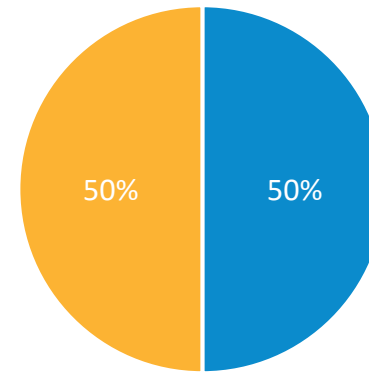


■ Saudi Acrylic Acid Co Ltd.

Year of establishment	of 2012
Company Type	Limited Liability Company
Sipchem Headquarters	Jubail Industrial City - Kingdom of Saudi Arabia
Capital	SAR 416.4 million
Company Activity	Ownership, management, and operation of super absorbent polymers plant within the integrated acrylics complex project
Productive capacity	80, 000 mtpa of super absorbent polymers

Sahara Petrochemical Company holds a 43.16% share of Saudi Acrylic Polymers Co.

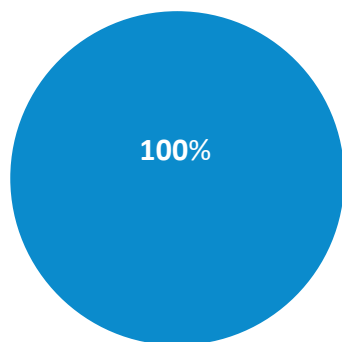
Gulf Advanced Cable Insulation Company



■ Sipchem ■ Korea's Hanhwa Chemical Corp

Year of establishment	of 2012
Company Type	Limited Liability Company
Sipchem Headquarters	Jubail Industrial City - Kingdom of Saudi Arabia
Capital	SAR 57.24 million
Company Activity	Cable insulation polymers products
Productive capacity	25,000 mtpa of polyethylene granules

Saudi Specialized Products Company

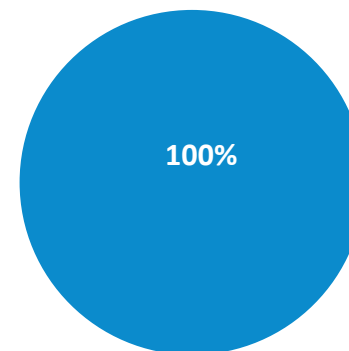


■ Sahara International Petrochemical Company - Sipchem

Year of establishment	2013
Company Type	Limited Liability Company
Sipchem Headquarters	Hail - KSA
Capital	SAR 56.320 million
Company Activity	Ethylene Vinyl Acetate Films
Productive capacity	4,000 mtpa of solar cell films

on June 30, 2024, Sipchem announced on Tadawul website the full and final settlement of the insurance action against Chubb Arabia Cooperative Insurance Company. This settlement covered all damages resulting from Sipchem plant fire, which occurred on August 29, 2022. The total settlement amount reached SAR 53 million.

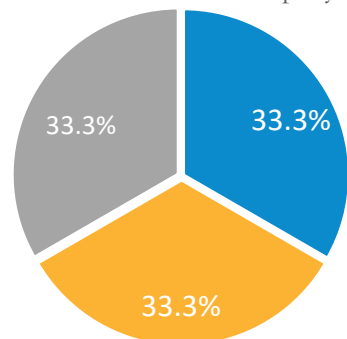
Sipchem Asia Pte Ltd



■ Sahara International Petrochemical Company - ...

Year of establishment	2013
Company Type	Limited Liability Company
Sipchem Headquarters	Singapore
Capital	SAR 752,970
Company Activity	Marketing Sipchem's products in Asia

Saudi Butanol Company (SABUCO)

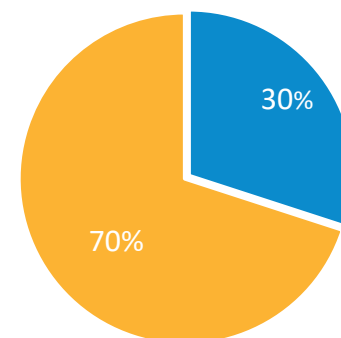


- Sadara Chemicals Company
- Saudi Acrylic Acid Company (SAAC)
- Saudi Kayan Petrochemical Company

Year of establishment	2013
Company Type	Limited Liability Company
Sipchem Headquarters	Jubail Industrial City - Kingdom of Saudi Arabia
Capital	SAR 486 million
Company Activity	Production of n-butanol and isobutanol
Productive capacity	330,000 mtpa of n-butanol 10,400 mtpa off iso-butanol

By virtue of Sahara's aggregate 43.16% equity stake in SAAC, Sahara owns an indirect equity stake of 14.38% in SABUCO.

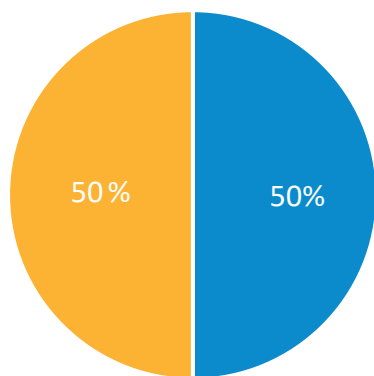
Khair Inorganic Chemical Industries (InoChem)



- Sahara International Petrochemical Company
- Other shareholders

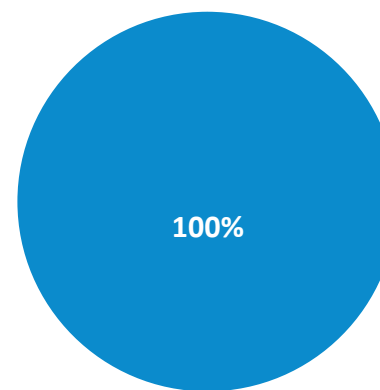
Year of establishment	2016
Company Type	Closed Joint Stock
Sipchem Headquarters	Ras Al-Khair – Saudi Arabia
Capital	SAR 1200 million
Company Activity	Production of soda and sodium chloride
Productive capacity	300,000 mtpa of Soda Ash 384,000 mtpa of sodium chloride

Linde Sipchem Industrial Gases Co.



- Sahara International Petrochemical Company - Sipchem
- Linde Holding Netherlands

Sipchem Innovent SA



- Sahara International Petrochemical Company - Sipchem

Year of establishment	2022
Company Type	Limited Liability Company
Sipchem Headquarters	Jubail Industrial City - Kingdom of Saudi Arabia
Capital	SAR 5 million
Company Activity	Production of primary gases and industrial gases

Year of establishment	2023
Company Type	Limited Liability Company
Sipchem Headquarters	Lotre, Switzerland
Capital	USD 300 thousand
Company Activity	Innovation, research, development, venture capital, and investment in general

7) Provisions of Corporate Governance Regulations applied and provisions not applied.

In implementation of the Corporate Governance Regulations issued by the Saudi Capital Market Authority, Sahara International Petrochemical Company "Sipchem" has adopted all regulations, policies, and procedures that fall within the powers of the Board of Directors and the General Assembly.

Sipchem applies all provisions mentioned in Corporate Governance Regulations issued by CMA, except for the below provisions:

Article No.	Article	Notes
67	Formulation of Risk Management Committee (indicative article)	The Board of Directors has assigned the responsibilities for the Risk Management processes and regulations to the Board's Audit Committee, which shall be responsible for developing and implementing risk management processes and regulations, to serve as a framework for Sipchem. The CEO shall chair the Risk Management's Internal Executive Committee. The key roles of the Senior Management shall be assigned to the members of the Committee and Sipchem's Risk Management Department shall submit its reports to the Audit Committee.
68	Terms of Reference of the Risk Management Committee (Guiding Article)	
69	Meetings of the Risk Management Committee (Guiding Article)	
84	Social Responsibility (Guiding Article)	Sipchem implements programs aimed at highlighting and sustaining the role of social responsibility, which cover areas that focus on the society. Sipchem is working according to a specific strategy in social responsibility.
85	Social Activity Initiatives	In 2025, the company committed to performance indicators that reflect its interest in this field, through the following indicators: 1- The number of programs and initiatives implemented in the field of community service, 2- The number of beneficiaries of the programs and initiatives implemented in the field of community service, 3- The extent of coverage of cities and governorates of the Kingdom of Saudi Arabia, 4- The number of volunteer programs implemented by the company's employees through its internal programs designed in cooperation with partners in the non-profit sector, 5- The number of volunteer hours implemented by the company's employees.
90	Disclosure of Remunerations	Sipchem is committed to the disclosure of the remunerations of Board and Committee Members in details. Sipchem has also committed to disclosing the remuneration of senior executives in total in accordance with the statutory requirements contained in subparagraph (b) of Paragraph No. (4) of Article (90) of the Corporate Governance Regulations, in order to protect the interests of Sipchem, its shareholders, and its employees, and to avoid causing any harm that may result from disclosure. The details were not presented as contained in Annex No. (1) concerning the remuneration of senior executives from the Corporate Governance Regulations.

8) Names, current and previous positions, qualifications, and experience of Board members, committee members, and executive management.

A. Board Members:

S.N.	Name	Current positions	Previous Positions	Qualification	Expertise
1	Eng. Khalid A. Al-Zamil	Chairman of Sipchem Board of Directors Chairman Sipchem Board of Directors (Closed Joint Stock Company) Board Chairman of Al-Waha Petrochemical Company Board Chairman of International Methanol Company Board Chairman of Zamil Group Holding Company Board Chairman of Middle East Battery Company	CEO - Zamil Group Holding Company Board Chairman of Zamil Industrial Investment Company Board Chairman of Zamil Steel Company	Bachelor's degree in Civil Engineering	More than 40 years of experience in industry, investment, management, and strategic planning.
2	Mr. Fahad Sulaiman Al-Rajhi	Board Chairman of Yanbu Cement Company Vice Chairman of Sahara International Petrochemical Company (Sipchem) and Chairman of the Executive Committee Founder and Chairman of Saudi German Co. for Nonwoven Products (SGN). Founder and Chairman of Advanced Flexible Packaging Co. (Ad Flex) Board Member of King Abdullah International Foundation for Humanitarian Activities and Member of its Executive Committee. Board Member of International Methanol Company Founder and Board Member of Al Rajhi Ekhwan Group Vice Chairman of Musharaka Capital Company	-	Bachelor of Industrial Management - King Fahd University of Petroleum and Minerals	More than 42 years of diverse experience in corporate board management, holding executive and leadership roles, company establishment, and investment management across various sectors.
3	Eng. Reyadh S. Ahmed	Board Member of Sipchem Board Chairman of Meezan Bank Vice Chairman of Privatization Holding Company Board Chairman of Noor Financial Investment Chairman and CEO of Ikarus Petroleum Industries Chairman of Middle East Complex for Engineering, Electronics & Heavy Industries PLC (MEC)	Vice Chairman of Airport International Group Company Board Member of Karachi Electric Supply Corp. Board Member of Saja'a Gas Private Ltd, (Saj'Gas) Board Member of United Gas Derivatives Company	B.Sc. Chemical Engineering MA Chemical Engineering	Businessman

		Board Member of National Combined Industries Holding Co for Energy (KSCC) Chairman and CEO of Gas & Oil Field Services Company (GOFSCO) Board Member of Durrah Real Estate Company Board Chairman of Proclad Group Limited	Board Member of Kuwait Rocks Company Vice Chairman of Eastern United Petroleum Services (EUPS)		
4	Mr. Saeed A. Basamh	Board Member, Sahara International Petrochemical Company (Sipchem). Vice Chairman of the Board, Saudi Dairy and Foodstuff Company (SADAFCO). Chairman of the Board, AlKhair Inorganic Chemical Industries Company (INOCHEM). Board Member, International Medical Center (IMC). Board Member, Basamh Trading & Industries Group. Board Member, Mudar Investment Company. Board Member, Al-Samh Trading Co. Ltd. Chairman of the Board, Samhaa Investment Company. Board Member, Hala Supporting Logistics Services Company. Board Member, Masader Al-Mustaqbal Company. Chairman of the Board, Estidamat Al-Athar Holding Company. Board Member, Sanwan Al-Gharbia Real Estate Investment & Development Company. Board Member, Onswan Investment Real Estate Company. Board Member, Wast Al-Janoub Investment Company.	-	Bachelor's of Business Administration Marketing and Logistics Specialization The Ohio State University 1991 - USA	Businessman
5	Dr. Abdul Rahman Abdullah Al-Zamil *	Board Member of Sipchem (up to 9 Dec 2025) Board Member of Zamil Group Holding Company	Board Chairman of Zamil Group Holding Company Board Chairman of Zamil Industrial Investment Company	Bachelor of laws PhD in International Relations	He worked as Deputy Governor of the General Electricity Corporation, then as Deputy Minister of Commerce, then as Member of Saudi Shura Council for three sessions.

			Board Member of Sahara International Petrochemical Company Board Chairman of National Energy Company Board Chairman of Saudi Advanced Technologies Company (Wahaj)		
6	Eng. Saeed O. Al-Esayi	<ul style="list-style-type: none"> - Member of the Board of Directors – Sahara International Petrochemical Company (Sipchem) - Chairman – Omar Kassem Alesayi & Co. - Chairman – Omar Kassem Alesayi Marketing Co. - Chairman – Alesayi Motors - Board Member – Omar Kassem Alesayi Group - Board Member – United Carton Industries Company - Chairman – Periodic Vehicle Inspection Company 	<ul style="list-style-type: none"> - Board Member – Yanbu Cement Company - Board Member – Al Rajhi Bank - Board Member – Sahara Petrochemicals Company 	Bachelor's degree in Industrial Engineering	<ul style="list-style-type: none"> - General Manager then Chairman – Alesayi Motors and Omar Kassem Alesayi & Co. Ltd.
7	Mr. Ziad A. Al-Turki *	<ul style="list-style-type: none"> - Board Member – Sahara International Petrochemical Company (Sipchem) – until Dec 9, 2025 - Chairman – Abdulrahman Ali Al-Turki Trading & Contracting - Chairman – Sons of Abdulrahman Al-Turki Trading & Contracting - Chairman – ATCO Marine Services Ltd. - Chairman – Tamam Integrated Commercial Co. - Chairman – Al-Murjan Integrated Investment - Vice Chairman – Honeywell Turki Arabia Ltd. - Vice Chairman – Rockwell Saudi Arabia Ltd. - Board Member – Dhahran Exhibitions Co. until Apr 21, 2025 - Board Member – Ramky Turki Environmental Services Ltd. - Member – Investcorp Global Partners 	<ul style="list-style-type: none"> - Vice Chairman – Abdulrahman Al-Turki Trading & Contracting - Board Member – Samina Capital Ltd., Dubai - Vice Chairman – Redland Arabia Industrial Services Ltd. - Chairman – Keller Turki Ltd. 	Diploma in Social Sciences	<ul style="list-style-type: none"> - Vice Chairman – ATCO Group - Board Member – Dhahran International Exhibitions (Dhahran Expo) - Strategic Partner – Investcorp, Bahrain - Board Member – Samina Capital, Dubai - Vice Chairman – Redland Arabia Industrial Services Ltd. - Chairman – Keller Turki Ltd. Board Chairman of KELLER TURKI CO LTD

8	Eng. Abdullah K. Al-Buainain	<ul style="list-style-type: none"> - Board Member – Sahara International Petrochemical Company (Sipchem) - Chairman of Audit Committee – Sipchem - Executive Committee Member – Sipchem - Board Member – Basic Chemical Industries (BCI) 	<ul style="list-style-type: none"> - CEO – Marafiq - Chairman – Marafiq Subsidiaries - Various roles in SABIC and Al-Razi 	Bachelor's degree in Mechanical Engineering	<ul style="list-style-type: none"> - SABIC – Petrochemicals: Operations, Maintenance, Projects - Board Member – Subsidiaries of SABIC - President – Al-Razi - CEO – Marafiq and Chairman of its subsidiaries
9	Eng. Musaed Suleiman Al-Ohali *	<ul style="list-style-type: none"> - Board Member – Sahara International Petrochemical Company (Sipchem) - Chairman – National Company for Industry - Board Member – Qudrati Daycare - Board Member – Al-Wasael Industrial Co. (since Dec 2024) - Board Member – Binladin Global Holding Co. (since Dec 2024) 	<ul style="list-style-type: none"> - CEO – Maaden - Senior Executive Advisor – SABIC - Board Member – Saudi Military Industries (until Feb 2024) 	MA of Chemical Engineering	<ul style="list-style-type: none"> - Career progression in SADAFA – SABIC – Maaden
10	Mr. Firas Mazen AlAbad	<ul style="list-style-type: none"> - Board Member – Sahara International Petrochemical Company (Sipchem) - Portfolio Manager – Hassana Investment Co. 	<ul style="list-style-type: none"> - Financial Analyst – Hassana Investment Co. - Portfolio Manager – Public Investment Fund 	Master in Finance BSc in Finance	<ul style="list-style-type: none"> - Portfolio Manager – Hassana Investment Co. - Portfolio Manager – Public Investment Fund - Financial Analyst – Hassana Investment Co.
11	Mr. Ahmed Ali AlDakhil	<ul style="list-style-type: none"> - Board Member – Sahara International Petrochemical Company (Sipchem) - Executive Committee Member – Arab Mills Co. - Board Member – Middle East Electrical Industries - Chairman – Al-Ufuq Holding - Chairman – Saudi Business Council for Central Asia, Azerbaijan & Georgia - Managing Director – KFB Group - Chairman – Nominations & Rewards Committee – Sipchem - Board Member – Mushafi Holding 	<ul style="list-style-type: none"> - Leadership roles in listed and unlisted companies in Saudi Arabia 	BsC in Industrial Management, King Fahd University of Petroleum and Minerals - Advanced Project Systems Program – Toyo Engineering	<ul style="list-style-type: none"> - Held senior leadership roles in listed and unlisted companies in Saudi Arabia

		Academy (Japan)			
12	H. E. Eng. Osama A. Al-Zamil **	<ul style="list-style-type: none"> - Board Member – Sahara International Petrochemical Company (Sipchem) - Founder & Chairman – Awaz Consulting - Founder & Chairman – Osama Al-Zamil Investment - Founder & Chairman – Awaz Trade & Services - Board Member – Saudi Authority for Intellectual Property - Board Member – Guardian Glass Saudi Arabia - Board Member – Al-Bawani Holding - Board Member – Saudi German Company (SGN) - Board Member – Human Resources Co. - Board Member – Advanced Flexible Packaging Co. - Board Member – Fritschix Arabia - Board Member – Al-Eissa Holding - Board Member – Al-Eissa Beverages - Board Member – Saudi Bio-Acids Co. 	<ul style="list-style-type: none"> - Deputy Minister – Ministry of Industry and Mineral Resources - Vice President of Business Development – Zamil Group - Vice President – Zamil Group (Riyadh Office) - President – Zamil Group (Riyadh Office) - Chairman – Zamil Chemical & Plastic Industries (ChemPlast) - Chairman – Tatweer Industrial Co. - Board Member – Sahara Petrochemicals - Board Member – National Energy Co. - Marketing & Business Analyst – SABIC - Chairman – National Industrial Committee (Council of Chambers) - Board Member – Riyadh Chamber of Commerce - Chairman – Industry, Energy & Minerals Committee – Riyadh Chamber 	<ul style="list-style-type: none"> - Master’s in Business Administration - Bachelor’s in Industrial Engineering 	<ul style="list-style-type: none"> - Extensive leadership experience in industrial and investment development in Saudi Arabia - Led and participated in national industrial and commercial committees - Leadership roles in major private and public sector entities
13	Engr. Abdullah S. Al-Saadoon **	<ul style="list-style-type: none"> - Board Member – Sahara International Petrochemical Company (Sipchem) 	<ul style="list-style-type: none"> - CEO – Sahara International Petrochemical Company (Sipchem) - Chief Operating Officer – Sipchem 	<ul style="list-style-type: none"> - Bachelor’s in Chemical Engineering 	<ul style="list-style-type: none"> - Extensive experience in the petrochemical sector: operational management, executive leadership, strategy development

			<ul style="list-style-type: none"> - Leadership roles – International Petrochemical Company - Technical & leadership roles – SABIC - Technical roles – Saline Water Conversion Corporation 	
14	Engr. Ahmed A. Al-Saadi **	<ul style="list-style-type: none"> - Board Member – Sahara International Petrochemical Company (Sipchem) - Board Member – GAMI (Committees: Nominations, Rewards, Risk) 	<ul style="list-style-type: none"> - Chairman – Sadara Chemicals - Chairman – SAMREF Refinery - Board Member – SASREF Refinery - Executive VP for Technical Services – Aramco - VP for Gas Operations – Aramco - VP for Pipelines, Distribution & Marine Operations – Aramco - Chief Engineer (GM) – Aramco - CEO – Aramco Gulf Operations & Khafji Joint Operations - Director of R&D Center – Aramco 	<ul style="list-style-type: none"> - Executive Master’s in Administrative Development - Bachelor’s in Chemical Engineering
				<ul style="list-style-type: none"> - Extensive leadership experience in the energy and petrochemical sectors – senior executive roles at Saudi Aramco - Oversaw major strategic projects and led cross-functional teams - Developed innovative solutions to enhance industrial operational efficiency

* Membership ended with the conclusion of the term on December 9, 2025.

** Appointment of new Board members based on the resolution of the Ordinary General Assembly dated November 25, 2025.

b) Committees' members:
Executive Committee

S.N.	Name	Current positions	Previous Positions	Qualification	Expertise
1	Mr. Fahad S. Al-Rajhi				
2	Eng. Reyadh S. Ahmed *				
3	Mr. Saeed O. Al-Esayi *				
4	Eng. Abdullah K. Al Buainain				
5	Eng. Musaed S. Al-Ohali *				
6	H. E. Eng. Osama A. Al-Zamil **				
7	Eng. Abdullah S. Al-Saadoon **				
8	Eng. Ahmed A. Al-Saadi **				

As mentioned above in Item (A) of Board Members

* Membership ended with the conclusion of the Board's term on December 9, 2025.

** Appointed to the Executive Committee by a Board of Directors' resolution dated December 11, 2025, coinciding with the new Board term.

Audit Committee:

S.N.	Name	Current positions	Previous Positions	Qualification	Expertise
1	Eng. Abdullah Khalifa Al Buainain				
2	Mr. Mohamed Farhan AlNader *	<ul style="list-style-type: none"> - Member of the Audit Committee – Sahara International Petrochemical Company (Sipchem) until 9 Dec 2025 - Board Member – Princess Nourah Bint Abdulrahman University Endowment - Board Member – Saudi Real Estate Company - Audit Committee Member – Sulaiman Al Rajhi Holding Company - Audit Committee Member – eXtra - Audit Committee Member – Bank Albilad 		<ul style="list-style-type: none"> - Bachelor's in Accounting - MBA in Business Administration and Finance - American CPA - Saudi SOCPA 	More than 20 years in accounting and finance

As mentioned above in Item (A) of Board Members

3

**Dr. Muhammad Faraj
AlKinani**

- Founder & CEO – Development Allies Foundation
 - General Supervisor of Investment – Research Support & Educational Programs Fund at KFUPM
 - Board Member & Chairman of Audit and Investment Committee – Dhahran Techno Valley Holding Company
 - Chairman – Dhahran Techno Valley Business Services Company
 - Board Member & Chairman of Credit & Risk Committee – SRC (Saudi Real Estate Refinance Company)
 - Board Member & Chairman of Nominations Committee – Arab National Bank
 - Board & Committee Member – Financial Academy
 - Board Member & Investment Committee Member – Environmental Fund
 - Board Member & Audit Committee Member – Business Oasis Complex
 - Audit Committee Member – Sahara International Petrochemical Company (Sipchem)
 - Audit Committee Member – Aircraft Leasing Company
 - Investment Committee Member – Agricultural Development Fund
 - Audit Committee Member – Leejam Sports
 - Board Member – Al-Maqam Al-Thabit Investment Company
 - Bachelor’s in Financial Management – KFUPM
 - Master’s in Finance – University of Colorado Denver, USA
 - PhD in Finance – University of Oklahoma, USA
 - CFA Charterholder since 2010
 - Dean of the Faculty of Industrial Management at King Fahd University of Petroleum and Minerals.
 - Head of the Finance and Economics Department at King Fahd University of Petroleum and Minerals.
- Executive leadership and board roles across banking, investment, real estate and public sectors

Mr. Abdulaziz Abdullah Al-Nuaim**

- Audit Committee Member – Sahara International Petrochemical Company (Sipchem)
- Audit Committee Member – Yanbu Cement
- Audit Committee Member – Moteb bin Abdulaziz Foundation
- Chairman of Audit Committee – Down Syndrome Charity Association (DSCA)
- Board Member – Tabuk Municipality Investment Gateway
- Board Member – Israr Holding Company
- Audit Committee Member – Transport General Authority
- Chairman – Ryanda Professional Consulting
- Audit Committee Member – Facilities Management Company (FMCO)
- Advisory Board Member – Ardent Consulting
- Audit Committee Member – Alamar Foods
- Managing Partner & Board Member – KPMG Professional Services
- Certified Public Accountant (SOCPA)
- Vice Chairman – Al-Sa’idan Real Estate Audit Committee
- Independent Board Member – Public Offering Fund, Plaza Fund, Saudi Equities Fund – Mulkia Investment
- Head of Internal Audit – OPEC Fund for International Development (Vienna)
- CEO – ERA National Real Estate Group
- Senior Financial Analyst – Saudi Industrial Development Fund
- MBA – University of Oregon, USA
- Bachelor’s in Accounting – King Saud University

30+ years across leading entities in Saudi Arabia with leadership and board roles in diverse sectors

* Membership ended with the conclusion of the Board’s term on December 9, 2025.

** Appointed to the Audit Committee by a Board of Directors’ resolution dated December 11, 2025, coinciding with the new Board term.

Nomination and Remuneration Committee

S.N.	Name	Current positions	Previous Positions	Qualification	Expertise
1	Mr. Ahmed Ali AlDakhil				
2	Eng. Saeed A. Basamah				
3	Mr. Firas Mazen AlAbad				
4	Mr. Ziad A. Al-Turki *				

As mentioned above in Item (A) of Board Members

* Membership ended with the conclusion of the Board's term on December 9, 2025.

** Appointed to the Nomination and Remuneration Committee by a Board of Directors' resolution dated December 11, 2025, coinciding with the new Board term.

Governance Committee

S.N.	Name	Current positions	Previous Positions	Qualification	Expertise
1	Mr. Abdulaziz A. bin Dayel *	<ul style="list-style-type: none"> - CEO Advisor at the Saudi Authority for Industrial Cities and Technology Zones (MODON) - Board Member of Al-Mujtama Al-Raida Medical Company - Audit Committee Member – Sipchem 	<ul style="list-style-type: none"> - Executive Director - Munajem Group - Executive Director of Sales & Marketing in Mawaridh Holding Group - Managing Director – Tihama Advertising, Public Relations and Marketing Co. - General Secretary of the Board of Directors of GOSI Counselor/ General Organization for Social Insurance - Board Member of AlGharbia Farms – Chairman of the Nominations and Remunerations Committee - Chairman of Sipchem Board of Directors - Chairman of the Nominations and Remuneration Committee – Sahara International Petrochemical Company (Sipchem) - Board Member – Tabuk Agricultural Development Company (TADCO) (until June 2024) - Nominations Committee Chairman - Tabuk Agricultural Development Company (TADCO) (until June 2024) - - Audit Committee Member- Tabuk Agricultural 	Bachelor's of Business Administration	He worked in Samba Financial Group, where he held several positions. Then, he moved to Riyadh Bank as Director of the Central Region, then Managing Director of Tihama Company, then the Executive Director of Mawaridh Holding Group, then CEO of Munajem Group, then an advisor at the General Organization for Social Insurance.

Development Company
(TADCO) (until June 2024)

2	Mr. Turki M. Al Marzouq	<ul style="list-style-type: none"> - Chairman – Al-Ruwais Global Real Estate Development - Member – Governance, Risk & Compliance Committee – King Abdullah Humanitarian Foundation - Member – Governance Committee – Sahara International Petrochemical Company (Sipchem) - Member – Audit Committee – Saudi Paralympic Olympic Committee - Member – Governance & Nomination Committee – Baha Food Industries 	<ul style="list-style-type: none"> - Governance Consultant – GOSI - Director – Local Investment Support – Hassana Investment Company - Chairman – Resan Arabia Real Estate Development - Audit Committee Member – Tabuk Cement - Audit Committee Member – Resan Arabia - Board Member – Safwa Cement - Board Member – Saudi Arabian Poultry Production Company - Director – Corporate Governance – Public Pension Agency 	<ul style="list-style-type: none"> - Bachelor’s in Accounting - Diploma in Corporate Governance 	24+ years in management, finance, investment, governance, and board committees
3	Mr. Faisal M. Al-Modlij	<ul style="list-style-type: none"> - Senior VP – Board & Committees Affairs, PIF Projects - Governance Committee Member – Sipchem 	<ul style="list-style-type: none"> - CEO – Governance, Risk & Compliance – Tatweer Al-Balad Company - GM – Corporate Affairs & Governance – Sipchem - Secretary General – Board of Directors – Sipchem & subsidiaries 	<ul style="list-style-type: none"> - Bachelor’s in Management Information Systems 	25+ years in legal affairs, investor relations, governance, and corporate affairs
4	Dr. Faisal Ahmed Al-Qadi**	<ul style="list-style-type: none"> - Governance Committee Member – Sipchem - Vice Chairman & Managing Director – Al-Qadi Trading & Industry - Board Member – Al-Qadi Projects Holding 	<ul style="list-style-type: none"> - Vice Chairman – Sahara Net - Audit Committee Member – Sahara Net - Vice Chairman – Namzaja - Chairman – Engine Projects Company - Visiting Professor – various universities 	<ul style="list-style-type: none"> - PhD in Entrepreneurship – IE University - MBA – IE University - Bachelor’s in Business Administration – 	20+ years in executive leadership, board memberships, governance, advisory and academic roles

- Board Member – Dammam Valley
- Chairman – Faiour
- Chairman – Edhka' Al-Uloom Education Company
- Chairman – Shabab Mujtama'i Endowment Advisory Council
- Chairman – Automechanika Riyadh Advisory Council
- Business Development Analyst – Motorola
- Multiple executive roles in Al-Qadi companies
- Advisory Board Member – Vision Ventures
- Member – National Business Youth Council – Saudi Chambers
- American University of Sharjah

Executive Management

S.N.	Name	Current positions	Previous Positions	Qualification	Expertise
1	Eng. Ibrahim Abdulaziz Al Al-Rushood	CEO	VP Manufacturing	Bachelor of Electrical Engineering	After he joined Sipchem in 2004, he progressed through several senior leadership positions and is currently responsible for managing and leading 14 Sipchem subsidiaries. He was also appointed Vice President of Operations after the 2019 merger. He currently serves as the CEO of Sipchem. Before joining Sipchem, he worked at Saudi Aramco for over 10 years in consulting services and project management.
	*Eng. Abdullah S. Al-Saadoon	CEO	COO	Bachelor's degree in chemical Engineering	He held several positions in SABIC in the petrochemical industry. He moved to Sahara International Petrochemical Company (Sipchem) and progressed until he became Sipchem's COO after merger with

					Sahara Petrochemicals Company. He then was appointed as CEO of Sipchem in 2021.
2	Mr. Rushdi K. Al-Dulijan	VP Finance	Executive Vice-President of Finance and Information Technology at Sahara Petrochemicals Company	Bachelor's degree of Accounting	After joining Sahara International Petrochemical Company (Sipchem) as CFO in 2011, he was in charge of Finance and IT sections until he was progressed through various position until he became the Vice President of Finance in Sipchem. Before joining Sipchem, he worked at the Saudi Electricity Company, where he held several positions in auditing and financial control.
3	Eng. Ibrahim Abdulaziz Al Al-Rushood	VP Manufacturing	VP Operations	Bachelor of Electrical Engineering	After he joined Sipchem in 2004, he progressed through several senior leadership positions and is currently responsible for managing and leading 14 Sipchem subsidiaries. He was also appointed Vice President of Operations after the 2019 merger. Before joining Sipchem, he worked at Saudi Aramco for over 10 years in consulting services and project management.
4	Eng. Matar Atshan Al Dhefiri	VP Commercial	Vice President of Marketing and Sales	Bachelor's degree in chemical Engineering - MA of Natural Gas Engineering and Management	After joining Sipchem, he held several senior leading positions, including Sales, Marketing, Strategy, Business Development, and supply chains. Before joining Sipchem, he worked for Saudi Aramco for more than 10 years, where he held a number of technical positions, including Senior Operations Engineer, Operations and production Engineer, and construction engineer.

5	Eng. Omar Salem Bahobail	VP, shared services	VP, Integration Management Office	Bachelor's degree in chemical Engineering	Upon joining Sipchem in 2004 as the General Director of Al-Waha, he progressed to the position of Director and CEO of Al-Wah, and then to Vice President of Shared Services. Prior to joining Sipchem, he worked at SABIC for more than 10 years, holding various positions.
6	Mr. Fahad Mansour Al-Ohaly	General Manager of Corporate Communication and Corporate Affairs Secretary General of the Board of Directors and affiliated committees	Manager, Corporate Communication	B.S in Business Administration	After joining Sipchem in 2008, he held several positions, including in financial management, sales and marketing management, and corporate communication management. He is currently the General Manager of Corporate Communication and Corporate Affairs and the Secretary General of the Board of Directors and affiliated committees.
7	Eng. Saad Abdullah Al-Olyan	VP, Manufacturing	GM, Operations, Intermediate Industries	Bachelor's degree in Mechanical Engineering, Master's degree in Project Management Engineering	After joined Sahara Petrochemicals Company as Operations Manager at SAMAPCO in 2011, progressing to General Manager of Operations for both SAMAPCO and Al-Waha. Following the merger with Sipchem in 2019, he assumed the position of General Manager of Operations for Intermediate Industries until his appointment as Executive Vice President of Manufacturing in 2025. Prior to joining Sipchem, he worked at SABIC and Ma'aden for over 10 years, holding managerial positions in the operations and engineering sectors.
8	Mr. Abdulrahman Ali Al-Thunyan	VP, - Business and Project Development	General Manager – Business Development	Master of Engineering Management	After joining Sipchem in 2022, he progressed through several positions in business development

management. Prior to joining Sipchem, he worked at Saudi Aramco. He also worked at Sadara, where he held several senior leadership positions in supply chain management, commercial affairs, corporate planning, and business development.

*Eng. Abdullah Al-Saadoun resigned from his position as CEO on November 1, 2025, and Engineer Ibrahim Al- Al-Rushood was appointed as the company's new CEO.

9) Any affiliations of Board members with other companies, both within and outside Kingdom, as board members or managers.

Member Name	Names of companies in which the member of the Board of Directors is a member of their current boards of directors or of their directors	Inside/outside KSA	Legal entity (joint stock company/ listed joint stock company/ unlisted joint stock company/ limited liability company)	Names of companies in which the member of the Board of Directors is a member of their previous boards of directors or of their directors	Inside/outside KSA	Legal entity (joint stock company/ listed joint stock company/ unlisted joint stock company/ limited liability company)
Eng. Khalid A. Al-Zamil	Sahara International Petrochemical Company. (Sipchem) Sahara Petrochemical Company International Methanol Company Waha Petrochemical Company Zamil Group Holding Company	Within the Kingdom	Listed Joint Stock Company Closed Joint Stock Limited Liability Company Limited Liability Company Closed Joint Stock Limited Liability Company	Zamil Industrial Investment Co. Zamil Steel Company	Within the Kingdom	A Listed Joint Stock Company Limited Liability Company

	Middle East Battery Company (MEBCO)					
Mr. Fahad Sulaiman Al-Rajhi	Sahara International Petrochemical Company. Yanbu Cement Company Al Rajhi Ekhwan Group Advanced Flexible Packaging Co. (Ad Flex) Musharaka Capital Company Saudi German Company for Nonwoven Products International Methanol Company King Abdullah International Foundation for Humanitarian Activities	Within the Kingdom	A Listed Joint Stock Company A Listed Joint Stock Company Closed Joint Stock Limited Liability Company Closed Joint Stock Limited Liability Company Public Interest	Saudi Cement Company Saudi Industrial Investment Group (SIIG) Al Watania for Industries Company	Within the Kingdom	A Listed Joint Stock Company A Listed Joint Stock Company Closed Joint Stock
	Sahara International Petrochemical Company. Saudi Dairy Company (SADAFCO): Khair Inorganic Chemical Industries (InoChem) International Medical Center Company Basamh Group Madr Investment Company Al Samah Trading Company Ltd. Samha Investment Company Hala Supply Chain Services Co. Future Resources Company Sustainable Impact Holding Company Sanwan Al-Gharbiyah Real Estate Investment & Development	Within the Kingdom	A Listed Joint Stock Company A Listed Joint Stock Company Closed Joint Stock Closed Joint Stock Closed Joint Stock Closed Joint Stock Limited Liability Company Limited Liability Company Limited Liability Company Gulf Capital Limited Liability Company / Holding Company Limited Liability Company	-	-	-

	Onwan Real Estate Investment Company Wast Al-Janoub Investment Company		Limited Liability Company Limited Liability Company			
Eng. Reyadh S. Ahmed	Sahara International Petrochemical Company.	Within the Kingdom	A Listed Joint Stock Company	- Karachi Electric Supply Corp.		
	Meezan Bank Privatization Holding Company	Outside the Kingdom	A Listed Joint Stock Company	- Gas & Oil Field Services Company (GOFSCO)		A Listed Joint Stock Company
	Noor Financial Investment Company (Noor)	Outside the Kingdom	A Listed Joint Stock Company	- Sajaa Gas Private Ltd Co.	Outside the Kingdom	Closed Joint Stock
	Ikarus Petroleum Industries (IKAR)	Outside the Kingdom	A Listed Joint Stock Company	- United Gas Supply Company		Closed Joint Stock
	Middle East Complex for Engineering, Electronics & Heavy Industries PLC (MEC)	Outside the Kingdom	Closed Joint Stock Listed Joint Stock Company	- Kuwait Rocks Company		Closed Joint Stock
	Ikarus Heavy Industries	Outside the Kingdom	Closed Joint Stock	- Eastern United Petroleum Services		Closed Joint Stock
					- Zamil Group Holding Company - Zamil Industrial Investment Co. - Sahara International Petrochemical Company - National Power Company - National Chemical Transport Company - Saudi Advanced Technologies Company (Wahaj)	Within the Kingdom
Dr. Abdul Rahman Abdullah Al-Zamil	Sahara International Petrochemical Company(Sipchem) (up to 9 Dec 2025)	Within the Kingdom	A Listed Joint Stock Company			
Mr. Saeed O. Al-Esayi	Sahara International Petrochemical Company.	Within the Kingdom	A Listed Joint Stock Company Closed Joint Stock Closed Joint Stock	- Sahara International Petrochemical Company	Within the Kingdom	Listed Joint Stock Company A Listed Joint Stock Company

	Omar Qasem Al-Essayi & Partners Marketing Company Limited Alesayi Motors Omar Kassem Alesayi & Partners Co. Ltd. Omar Kassem Alesayi group United Carton Industry Co. Vehicle Periodic Inspection Company (MVPI)		Closed Joint Stock Closed Joint Stock Closed Joint Stock Closed Joint Stock	- Yanbu Cement Company - Al-Rajhi Bank	A Listed Joint Stock Company
Mr. Ziad A. Al-Turki	A. A. Turki Co. for Trading & Contracting Abdulrahman Ali Alturki Sons for Trading & Contracting Company ATCO Marine Services Co. Ltd. Tamam Integrated Trading Co. Ltd. Al-Murjan Integrated Investment Company Honeywell Turki Arabia Ltd Rockwell Saudi Arabia Limited Sahara International Petrochemical Company "Sipchem" until 9 Dec 2025 Dhahran International Exhibitions Company "Dhahran Expo" until 21 April 2025 Ramki Al Turki Environmental Services Co. Ltd Member of the Senior Partners Group of Investcorp Holdings	Within the Kingdom Within the Kingdom Outside the Kingdom Within the Kingdom Within the Kingdom Within the Kingdom Within the Kingdom Within the Kingdom Within the Kingdom Within the Kingdom Within the Kingdom Outside the Kingdom	Limited Liability Company Limited Liability Company Limited Liability Company Limited Liability Company Limited Liability Company Limited Liability Company Limited Liability Company A Listed Joint Stock Company Closed Joint Stock Limited Liability Company Holding Company	- Samena Capital Company - United Constructors Contracting Co. LTD (UCCL) - Redland Industrial Services -Arabia- Ltd. - Keller Turki Company Ltd	Outside the Kingdom Within the Kingdom Within the Kingdom Within the Kingdom Within the Kingdom
Eng. Abdullah Khalifa Al Buainain	Sahara International Petrochemical Company (Sipchem)	Within the Kingdom	A Listed Joint Stock Company	-	-

					Within the Kingdom	
Mr. Firas Mazen AlAbad	Sahara International Petrochemical Company (Sipchem).	Within the Kingdom	A Listed Joint Stock Company	-	-	-
Mr. Ahmed Ali AlDakhil	Sahara International Petrochemical Company (Sipchem). Middle East Company for Electrical Industries Managing Director of KFP Group Al-Ufuq Holding Company Mashafi Holding Company Lupus Berger Saudi Arabia	Within the Kingdom	A Listed Joint Stock Company Closed Joint Stock Limited Liability Company Closed Joint Stock Limited Liability Company Limited Liability Company	Al Watania for Industries Company Al Rajhi International for Investment Al-Rajhi International Investment Company (RAII) (Egypt Branch) Arabian Mills Company	Within the Kingdom	Closed Joint Stock Limited Liability Company Closed Joint Stock A Listed Joint Stock Company
H. E. Eng. Osama Al-Zamil	Sahara International Petrochemical Company (SIPCHEM) Founder of the Board – Awaz Professional Consulting Chairman and Founder of the Board of Directors of Osama Abdulaziz Abdullah Al-Zamil Investment Company Chairman and Founder of the Board of Directors of Awaz Trade Services Saudi Authority for Intellectual Property – Board Member and Executive Committee Member Board Member – Guardian Glass Saudi International Limited Board Member – Al Bawani Holding Company	Within the Kingdom	Listed Joint Company Limited Liability Company Limited Liability Company Limited Liability Company Closed Joint Company Limited Liability Company Closed Joint Company Limited Liability Company Listed Joint Company Limited Liability Company Limited Liability Company			

	Board Member – Saudi German Company (SGN)		Limited Liability Company		
	Board Member – Human Resources Company		Limited Liability Company		
	Board Member – Advanced Flexible Packaging Company		Unlisted Joint Company		
	Board Member – FreshWickes Arabia Limited				
	Board Member – Alesayah Holding Company				
	Board Member – Al-Esayi Refreshments Company				
	Board Member – Saudi Bioacids Company				
				Sahara Petrochemicals Company	Closed Joint Company
				Tasnee Sahara Olefins Company	Unlisted Joint Company
				International Methanol Company	Limited liability Company
				Linde Sipchem Industrial Gases Company	Limited liability Company
				Al-Waha Petrochemicals Company	Limited liability Company
Eng. Abdullah Saif Al-Saadoon	Sahara International Petrochemical Company (SIPCHEM)	Within the Kingdom	Listed Joint Company	International Polymers Company	Limited liability Company
				International Acetyls Company	Limited liability Company
				International Vinyl Acetate Company	Limited liability Company
				Sipchem Marketing Company	Limited liability Company
				Gulf Advanced Cable Insulation Company	Limited liability Company
				Innovate SA	Limited liability Company
				Al Khair Inorganic Chemicals Industries Company	Unlisted Joint Company

				Sipchem Europe Sahara & Maaden Petrochemicals Company (SAMAPCO) International Gases Company International Utilities Company Saudi Advanced Technologies Company (Wahaj) Saudi Ethylene & Polyethylene Company		Limited liability company Limited liability company Limited liability company Limited liability company Limited liability company Limited liability company
Eng. Ahmed bin Abdulrahman Al- Saadi	Sofon Maritime Saudi Cement Company Binladin International Holding Company	Within the Kingdom	Limited Liability Company Listed Joint Company Closed Joint Company	Chairman of the Board of Directors of Sadara Chemical Company Chairman of the Board of Directors of SAMREF Refinery Company Member of the Board of Directors of SAMREF Refinery Company	Within the Kingdom	Limited Liability Company Limited Liability Company Limited Liability Company

10) Measures taken by Board, especially non-executive members, to inform them about shareholders proposals and feedback regarding Company and its performance.

With the exception of inquiries raised at the 25th Ordinary General Assembly held on May 21, 2025, the company has not received any further inquiries or comments regarding the company and its performance. The Investor Relations Department meets with shareholders and investors throughout the year according to a schedule to review the latest developments in the company's business. The Chairman of the Board informs the Board members of the proposals, comments, and opinions of shareholders and investors through:

Periodic Board meetings, even without the presence of any executive member, if necessary. Article (36) of the company's Articles of Association outlines procedures that guarantee all shareholders the right to discuss matters, request information, and direct questions to the Board members and the auditors. The Chairman and members of the Board of Directors respond to all inquiries related to the company's business.

11) Brief Description of Committees' Terms of Reference.

a. Audit Committee:

The main purpose of the Audit Committee is to assist the Board in regulatory supervising for the financial reporting processes, monitoring the sufficiency and efficiency of internal control system, overseeing internal audit activities and achieving its effectiveness in implementing the works and tasks entrusted to it.

The members have experience and competence that qualify them to actively participate in the work of the Audit Committee. Terms of reference of the Committee include, in particular:

First: Reports and Financial Statements:

- Analyzing Sipchem quarterly and annual financial statements before submitting the same to the Board and provide opinions and recommendations on their integrity, clarity and transparency.
- Providing its technical opinion at the Board's request regarding whether the Board's report and financial statements are fair, balanced and understandable and contain information that allows shareholders and investors to evaluate the financial position, performance, business model and strategy of the Sipchem Group.
- Analyzing any important or unusual matters contained in the reports and financial statements.
- Carefully investigate any issue raised by Sipchem's CFO, whoever assumes his duties, Sipchem's external auditor.
- Examining accounting estimates in relation to important matters stated in financial reports and statements.
- Considering Company accounting policies and submitting its opinion and recommendations to the Board.

Second: Internal Audit:

- Examine and review Sipchem's internal and financial control methods and systems and risk management systems.
- Analyzing and examining internal audit reports and following up on implementation of corrective actions regarding observations contained in such reports.
- Supervising and monitoring the performance and activities of the Internal Audit Department of Sipchem, to verify the availability of human and material resources necessary for its effectiveness
- Providing recommendation to the Board regarding appointment or dismissal of the Group's Internal Audit Head and suggest the due remuneration.

Third: Auditor:

- Recommending to the Board to nominate and dismiss the external auditors, determine their remuneration, evaluate their performance after verifying their independence and review the scope of their work and their contract terms.

- Verifying independence, understanding and fairness of the external auditor and effectiveness of external audit works and activities, considering the relevant rules and standards.
- Reviewing Sipchem's external auditor plan and the plan's activities and ensure that the external auditor does not provide any technical or administrative work that goes beyond the scope of external audit duties.
- Responding to all inquiries of Company external auditor.
- Examining and reviewing external auditors reports and their comments on the financial statements and reports as well as follow-up actions taken in this regard.

Fourth: Compliance Verification:

- Reviewing results of reports by supervisory or regulatory authorities (if any) and ensure that Sipchem has taken all necessary measures in this regard.
- Ensuring that Sipchem complies to the relevant laws, regulations, policies and instructions.
- Reviewing the contracts and transactions to be concluded by Sipchem with the related parties and submit relevant recommendations to the Board of Directors.
- Informing the Board of any important matters that it deems necessary to take action and make recommendations on the steps / actions that may be taken.

❖ Members of the Audit Committee and Attendance Record of Audit Committee Meetings:

❖ S.N.	Name	Membership Nature	Number of Meetings during 2025: six meetings						Total Attendance
			First 17/03/2025	Second 07/05/2025	Third 13/05/2025	Fourth 20/07/2025	Fifth 21/10/2025	Sixth 05/11/2025	
1	Eng. Abdullah Khalifa Al Buainain	Committee Chairman:	Attended	Attended	Attended	Attended	Attended	Attended	6
2	Dr. Muhammad Faraj AlKinani	Committee Member	Attended	Attended	Attended	Attended	Attended	Attended	6
3	Mr. Mohamed Farhan AlNader *	Committee Member	Attended	Attended	Attended	Attended	Attended	Attended	6
4	Mr. Abdulaziz AlNaim **	Committee Member	Not Applicable						

* Membership ended with the conclusion of the Board's term on 9 December 2025.

** Appointment to the Audit Committee was made pursuant to the Board resolution dated 11 December 2025, in conjunction with the new Board term.

b. Nomination and Remuneration Committee:

❖ Terms of reference of Nomination and Remuneration Committee

First: In terms of Remuneration:

- Prepare a clear policy for remunerations of the Board members, its committees and Executive Management, and present such policy to the Board to review it in preparation for approval by the General Assembly. Such policy shall follow performance related standards, disclose and ensure implementation thereof, including:
- Clarify the relation between the paid remunerations and applicable remuneration policy and highlight any material deviation from that policy.
- Periodically review remuneration policy and assess its effectiveness in achieving objectives thereof.
- Provide recommendations to Board in respect of remunerations of its members, committees members and senior executives, in accordance with approved policy.
- Supervise performance assessment of senior executives against Company annual objectives and goals related to business units and sectors and within the framework of assessment and remuneration system approved by Company and provide recommendation to Board on due incentives and remunerations.
- Assess HR programs, including talent acquisition and retention programs, performance management programs, succession plans, comprehensive incentive and reward programs and diversity recruitment programs to enrich cumulative expertise, so that Sipchem can improve the overall institutional performance culture.

Second: In terms of nominations:

- Proposing clear policies and standards for membership of the Board of Directors and Executive Management.
- Recommending to the Board of Directors the nomination and re-nomination of members in accordance with the approved policies and standards, taking into account the non-nomination of any person who has already been convicted of breach of trust.
- Preparing description of capabilities and qualifications required for Board membership and Executive Management positions.
- Determine time to be allocated by member for Board business.
- Annual review of required skills or appropriate expertise for Board membership and Executive Management positions.
- Reviewing the structure of the Board and the Executive Management and make recommendations on changes that can be made.
- Annual check to ensure independence of independent members and that there is no conflict of interest if a member serves on the board of another company.
- Developing job descriptions for executive, non-executive and independent members and senior executives.
- Developing special procedures when the position of a Board Member or a Senior Executive becomes vacant.
- Identifying weaknesses and strengths of the Board and the subordinate committees and proposing solutions to address them in line with the Sipchem's interest.
- The Committee shall examine the topics of its competence or those referred to it by the Board and shall submit its recommendations to the Board for decision-making.
- Ensuring Sipchem's compliance with the procedures of nomination for Board membership stipulated in the Corporate Governance Regulations and the requirements set by CMA, taking into account that, the number of nominees to the Board whose names are presented to the General Assembly may exceed the number of available seats to give a chance to the General Assembly to select the Board members from among those nominees

- Providing an appropriate level of training and onboarding to new board members on Sipchem functions and achievements so that they can perform their work with the required efficiency.
- Considering and recommending on conflicts of interest for those wishing to nominate for Board membership.

❖ **Members of the Nomination and Remuneration Committee and Attendance Record of Committee Meetings:**

❖ S.N.	Name	Membership Nature	Number of Meetings during 2025: Four meetings				Total Attendance
			First 03/03/2025	Second 03/06/2025	Third 10/09/2025	Fourth 20/11/2025	
1	Mr. Ahmad A. AL-Dakheel	Committee Chairman:	Attended	Attended	Attended	Attended	4
2	Eng. Saeed A. Basmah	Committee Member	Attended	Attended	Attended	Attended	4
3	Mr. Feras M. Al-Abad	Committee Member	Attended	Attended	Attended	Attended	4
4	Mr. Ziad A. Al-Turki *	Committee Member	Attended	Attended	Did not attend	Attended	3
5	Eng. Reyadh S. Ahmed **	Committee Member	Not Applicable				

* Membership ended with the conclusion of the Board's term on 9 December 2025.

** Appointment to the NRC was made pursuant to the Board resolution dated 11 December 2025, in conjunction with the new Board terms.

Executive Committee:

❖ **Terms of reference, Tasks and Responsibility of the Committee:**

- Study the issues referred to the Committee by the Board of Directors and take appropriate decisions regarding them as delegated by the board.
- Supervise the development of Sipchem's short, medium and long-term strategic plans and submit them to the Board for approval.
- Follow-up on and ensure implementation of Sipchem's overall strategy and its effectiveness in achieving the desired objectives, as well as review and update the same from time to time.
- Supervise the annual budgeting of Sipchem, review the proposals submitted by the Executive Management and submit recommendations to the Board for approval.
- Follow up on actual performance of Sipchem and submit the necessary recommendations to the Board
- Study investment opportunities, whether in the area of buying shares or stakes in existing companies, or the acquisition of companies operating in the same field as Sipchem, and provide the necessary recommendations thereon to the Board.
- Provide the Board with periodic reports on the Committee's work results

- The Committee periodically reviews and reassesses the suitability of these regulations, makes the proposed amendments and submits them to the Board.

❖ **Members of the Executive Committee and Attendance Record of Committee Meetings:**

❖ S.N.	Name	Membership Nature	Number of Meetings during 2025: four meetings				Total Attendance
			First 27/02/2025	Second 16/06/2025	Third 08/09/2025	Fourth 18/11/2025	
1	Mr. Fahad Sulaiman Al-Rajhi	Committee Chairman:	Attended	Attended	Attended	Attended	4
2	Eng. Reyadh S. Ahmed *	Did not attend	Attended	Attended	Attended	Attended	3
3	Mr. Saeed O. Al-Esayi *	Committee Member	Attended	Attended	Attended	Attended	4
4	Eng. Abdullah Khalifa Al Buainain	Committee Member	Attended	Attended	Attended	Attended	4
5	Eng. Musaed Suleiman Al-Ohali *	Committee Member	Attended	Attended	Attended	Attended	4
6	H. E. Eng. Osama A. Al-Zamil **	Committee Member			Not Applicable		
7	Engr. Abdullah S. Al-Saadoon **	Committee Member			Not Applicable		
8	Engr. Ahmed A. Al-Saadi **	Committee Member			Not Applicable		

* Membership ended with the conclusion of the Board's term on 9 December 2025.

** Appointment to the Executive Committee was made pursuant to the Board resolution dated 11 December 2025, in conjunction with the new Board term.

d. Governance Committee:

❖ **Terms of reference, Tasks and Responsibility of the Committee:**

- Reviewing and updating Sipchem's Governance Regulations and its annexes in accordance with the regulatory requirements and best practices.
- Reviewing and developing codes of professional conduct representing Sipchem values, and other internal policies and procedures in accordance with applicable best practices.
- Keeping the Board members informed of developments of Corporate Governance and best practices.
- Annually reviewing the Board report to ensure that Sipchem's obligations are in accordance with the relevant laws and regulations and submit a recommendation to the Board for approval to be presented to the Ordinary General Assembly for approval.
- Recommending to the Board everything that would enhance Sipchem's corporate governance practices

❖ **Members of the Governance Committee and Attendance Record of Governance Committee Meetings:**

❖		Number of Meetings during 2025: Three meetings				Total Attendance
S.N.	Name	Membership Nature	First 20/02/2025	Second 01/06/2025	Third 11/09/2025	
1	Mr. Abdulaziz A. bin Dayel ⁽¹⁾	Committee Chairman	Attended	Attended	Attended	3
2	Mr. Turki M. Al Marzouq ⁽²⁾	Committee Member / Committee Chairman ⁽²⁾	Attended	Attended	Attended	3
3	Mr. Faisal M. Al Mudlij	Committee Member	Attended	Attended	Attended	3
4	Dr. Faisal A. Al-Kadi ⁽³⁾	Committee Member			Not Applicable	

- (1) Membership ended with the conclusion of the Board's term on 9 December 2025.
- (2) He was appointed as Chairman of the Governance Committee pursuant to the Board resolution dated 11 December 2025, in conjunction with the new Board term.
- (3) He was appointed to the Governance Committee pursuant to the Board resolution dated 11 December 2025, in conjunction with the new

12) Means that the Board relied upon in evaluating board members.

The company evaluates board members at least once during each board session. In September 2024, the board, in collaboration with an accredited company specializing in board and governance, evaluated the board's practices for the year 2023.

13) Disclose the remuneration of the Board members and Executive Management

Controls on Remuneration of Board and Committees Members:

Nomination and Remuneration Committee shall recommend to Board the remuneration of Board members and Committee members, as follows:

- ❖ Sipchem shall take into account the consistency of remuneration with Sipchem's strategy and objectives.
- ❖ Sipchem shall take into consideration practices of other companies and prevailing trends in labor market in determining remuneration, while avoiding the resulting unjustified increase in remuneration and compensation, under the provisions of Companies Law and Implementing Regulations thereof.
- ❖ Remuneration shall be reasonably sufficient to attract board members with appropriate competence and experience.
- ❖ Remuneration shall be fair and proportional to competencies, duties and responsibilities carried out by members of Board or committees, and shall be in line with Board objectives to be realized during a fiscal year.
- ❖ Remuneration of Board members may vary based on different responsibilities assigned to each member in addition to other considerations.
- ❖ Board members may not vote on Board members remuneration item at General Assembly Meeting of shareholders.

Sipchem shall disclose remuneration of Board, committees' members and Senior Executives in Board Annual Report in accordance with the relevant regulations. Board Report submitted to Ordinary General Assembly shall include a comprehensive statement of all remuneration, allowances and other benefits granted to Board members during a fiscal year. Report shall include a statement of all amounts received by Board members in their capacity as employees or managers, or in return for technical or administrative duties or consultations. It shall also include a statement of the number of Council sessions and the number of sessions attended by each member from the date of the last meeting of the General Assembly.

Remuneration of Board and Committees Members Mechanism

- ❖ Sipchem's articles of association and the remuneration and compensation policy of the Board of Directors and executive management determine the annual remuneration of members of the Board of Directors, and the committee regulations determine the remuneration and allowances of their members in proportion to the nature of Sipchem's business, provided that what each member obtains does not exceed the limits stipulated in the Companies Law and its regulations.
- ❖ Remuneration shall be based on recommendations of Sipchem's Nomination and Remuneration Committee.
- ❖ Remuneration of Board and committees members shall be granted based on their participation in meetings and number of meetings they attend.

- ❖ Attendance allowance and other benefits related to Board meetings and relevant committee shall be paid immediately after each meeting.
- ❖ Annual remuneration for members of Board and committees is paid in full after the Board's approval.
- ❖ 6. Remuneration of independent board members shall not be a percentage of profit realized by Company or be based directly or indirectly on Company profitability.

Details of Remuneration of Board Chairman and Board Members, and Committees Members

❖ Board Members' Remuneration

- ❖ 1. Board shall determine, based on recommendations of Nomination and Remuneration Committee, annual remuneration of Board and committees members.
- ❖ Board members remuneration shall be a certain amount, meeting attendance allowance, in-kind benefits, or a certain percentage of net profits, noting that two or more of such benefits may be combined pursuant to Companies Law provisions and Regulations thereof. In case remuneration of Board members is a percentage of profits, such percentage shall not exceed 10%.
- ❖ Board and committee members residing outside Sipchem headquarters, whether inside or outside Kingdom, are entitled to compensation for travel costs to attend Board meetings. These costs include a round trip ticket from the place of residence to meeting venue as well as costs associated with accommodation, transportation and attendance allowance.
- ❖ Upon Nomination and Remuneration Committee recommendation and after Board approval, the Board Member shall be entitled to an annual remuneration of not more than SAR 300,000 in return for his membership in Board in accordance with eligibility mechanism set forth in remuneration policy.
- ❖ 5. Upon Nomination and Remuneration Committee recommendation and after Board approval, Board member participating in Board committees shall be entitled to an annual remuneration not exceeding SAR 100,000 in return for his membership in Board committees whether the member is a participant in one or more committees,
- ❖ 6. Upon Nomination and Remuneration Committee recommendation and after approval of Board, a member of the Audit Committee, whether from within or outside Board, shall be entitled to the remuneration of the Committee membership, amounting to SAR 150,000.
- ❖ 7. If a Board member or a member from outside Board has a membership in the Audit Committee and one of the other committees, only the Audit Committee membership remuneration will be paid thereto.
- ❖ Upon Nomination and Remuneration Committee recommendation, Board shall determine the remuneration of membership in the committees in which the member is appointed from outside Board for his membership in each committee, in an amount of SAR 100,000.
- ❖ 9. Board may, Upon Nomination and Remuneration Committee recommendation, from time to time, review annual remuneration of Board member referred to above in light of the variables related to performance.

Board Members' Remuneration:

Board Member	Fixed Remuneration							Variable Remuneration						End of service gratuity	Aggregate amount	Expenses allowances (transportation, accommodation)
	Specific amount	Allowance for attending Board sessions	Total allowance for attending committee meetings	In-kind benefits	Remunerations for technical, managerial, and consultative work	Reward for Board Chairman or Managing Director or Secretary if he was one of the members	Total:	Percentage of Profits	Periodic remunerations	Short-term incentive plans	Long-term incentive plans	Shares awarded	Total:			
Eng. Khaled A. ZAMIL	-	15,000	-	-	-	-	15,000	-	300,000	-	-	-	315,000	-	-	-
Mr. Fahad S. Al-Rajhi	-	15,000	12,000	-	-	-	27,000	-	400,000	-	-	-	427,000	-	-	9,200
Dr. Abdulrahman A. Al-Zamil ⁽²⁾	-	9,000	-	-	-	-	9,000	-	225,000	-	-	-	234,000	-	-	-
Eng. Saeed O. Al-Esayi	-	15,000	12,000	-	-	-	27,000	-	400,000	-	-	-	427,000	-	-	-
Eng. Reyadh S. Ahmed	-	15,000	9,000	-	-	-	24,000	-	375,000	-	-	-	399,000	-	-	-
Mr. Saeed A. Basamh	-	15,000	12,000	-	-	-	27,000	-	400,000	-	-	-	427,000	-	-	1,000
Mr. Ziad A. Al-Turki ⁽²⁾	-	12,000	9,000	-	-	-	21,000	-	375,000	-	-	-	396,000	-	-	-
Eng. Abdullah K. Al-Buainain	-	15,000	30,000	-	-	-	45,000	-	450,000	-	-	-	495,000	-	-	9,900
Eng. Mosaed S, AlOhalı ⁽²⁾	-	12,000	12,000	-	-	-	24,000	-	400,000	-	-	-	424,000	-	-	22,460
Mr. Feras M. Al-Abad	-	15,000	12,000	-	-	-	27,000	-	400,000	-	-	-	427,000	-	-	-
Mr. Ahmed A. Al-Dakheel	-	15,000	12,000	-	-	-	27,000	-	400,000	-	-	-	427,000	-	-	21,140
H. E. Eng. Osama A. Al-Zamil ⁽³⁾		3,000	-				3,000		-				3,000			-
Engr. Abdullah S. Al-Saadoon ⁽³⁾		3,000	-				3,000		-				3,000			-
Engr. Ahmed A. Al-Saadi ⁽³⁾		3,000	-				3,000		-				3,000			-
Total:	-	162,000	120,000	-	-	-	282,000	-	4,125,000	-	-	-	4,407,000	-	-	63,700

(1) The above table represents the Board members' remuneration for the year 2025 in accordance with the Board of Directors and Executive Management Remuneration Policy approved by the General Assembly on 21 May 2024.

(2) Membership ended with the conclusion of the term on 9 December 2025.

(3) Members of the new term are entitled to a single meeting attendance allowance for the Board meeting held on 11 December 2025, in accordance with the Board of Directors and Executive Management Remuneration Policy.

Committee Members' Remunerations:

	Fixed Remuneration	Session attendance allowance	Total:
Audit Committee Members (2)			
Eng. Abdullah K. Al-Buainain	150,000	18,000	168,000
Mr. Mohammed F. Al-Kanani	150,000	18,000	168,000
Mr. Mohammad F. Al-Nader	150,000	18,000	168,000
Total:	450,000	54,000	504,000
Executive Committee members			
Fahad Sulaiman Al-Rajhi	100,000	12,000	112,000
Eng. Reyadh S. Ahmed	75,000	9,000	84,000
Mr. Saeed O. Al-Esayi	100,000	12,000	112,000
Eng. Abdullah K. Al-Buainain	N/A (1)	12,000	12,000
Eng. Mosaed Suliman AlOhali	100,000	12,000	112,000
Total:	375,000	57,000	432,000
Nomination And Remuneration Committee Members			
Mr. Ahmed Ali Al-Dakheel	100,000	12,000	112,000
Mr. Ziad A. Al-Turki	75,000	9,000	84,000
Eng. Saeed A. Basamh	100,000	12,000	112,000
Mr. Feras Mazin Al-Abad	100,000	12,000	112,000
Total:	375,000	45,000	420,000
Governance Committee Members			
Mr. Abdulaziz A. bin Dayel	100,000	9,000	109,000
Mr. Turki M. Al-Marzouq	100,000	9,000	109,000
Faisal Mohammed Al-Mudlaj	100,000	9,000	109,000
Total:	300,000	27,000	327,000

(1) Board and Executive Management Remuneration Policy If a Board member or a member from outside Board has a membership in the Audit Committee and one of the other committees, only the Audit Committee membership remuneration will be paid thereto.

Senior Executives Remunerations mechanism

- Board shall determine types of remuneration granted to Sipchem senior executives based on recommendations of Nomination and Remuneration Committee - such as fixed remuneration, performance-based remuneration, and incentives.
- Remuneration is intended to promote competitiveness required to attract and retain qualified and competent employees and to maintain the highest level of skills that Sipchem needs.

Remunerations of Senior Executives - Five of Senior Executives who have received the highest remunerations from Sipchem, including CEO and CFO as detailed in the below table:

	Fixed Remuneration				Variable Remuneration					End of service gratuity	Total Executives Remuneration for the Period	Aggregate amount
	Salaries	Allowances	In-kind benefits	Total:	Periodic remunerations	Profits	Short-term incentive plans	Long-term incentive plans	Granted shares (Insert the details)			
Senior Executives Remunerations including CEO and CFO	9,502,031.00	2,726,960.48		12,228,991.48				11,276,796.50		11,276,796.50	2,300,301.20	25,806,089.18

14) Any Penalties, Sanctions, or Precautionary Measures

There are no penalties, sanctions, precautionary measures or precautionary attachment imposed on Sipchem by CMA or any other supervisory, regulatory or judicial authority.

15) Results of the annual review of the effectiveness of Sipchem's internal control procedures

The Internal Audit Department of Sipchem provides assurance and consulting services independently and objectively to add value, improve operations and achieve the strategic goals of Sipchem.

The Internal Audit Department assists Sipchem in achieving its goals through evaluating and improving the effectiveness of the internal control system, risk management and governance processes.

The Internal Audit Department follows a risk-based audit methodology, through which audit work is directed toward the most impactful and highest-risk activities and operations of Sipchem. In accordance with best professional practices, Sipchem's annual audit plan is developed accordingly.

The scope of work of the Internal Audit Department at Sipchem includes the review of activities, operations, risk management procedures, internal control systems, information systems, governance processes, as well as assistance in the detection and protection against fraudulent activities. All activities, functions, departments, and branches of Sipchem and its subsidiaries fall within the scope of the Internal Audit Department.

During 2025, the Internal Audit Department carried out several periodic and special audits in accordance with the annual audit plan approved by the Audit Committee, with the aim of providing reasonable assurance on the effectiveness and efficiency of internal controls and risk management at Sipchem, with a focus on high-risk activities and functions.

The Internal Audit Department also provides consulting services, in collaboration with Executive Management, to enhance the efficiency and effectiveness of Sipchem's various operations, in addition to contributing to the audit of the interim and annual financial statements.

Audit Committee's opinion on the adequacy of Sipchem's internal control system

The internal audit activities and processes referred to above did not identify any significant observations during 2025 and demonstrated the adequacy and effectiveness of the internal control system, as well as the existence of sound risk management and effective governance processes.

16) Recommendation made by the Audit Committee on the need for the appointment of an internal auditor in Sipchem.

The Committee did not make any recommendation, as Sipchem already has an Internal Audit Department performing internal audit activities.

17) Recommendations of the Audit Committee that conflicted with Board decisions, or were not adopted by the Board regarding the appointment or dismissal of the external auditor, fee determination, performance evaluation, or appointment of the internal auditor, including justifications and reasons for the disagreement.

There is no contradiction between the Audit Committee's recommendations and the Board's decisions.

18) Details of Social Contributions

In alignment with our vision to empower individuals and foster a more aware and thriving society, Sahara International Petrochemical Company (“Sipchem”) continued to play a leading role in corporate social responsibility throughout 2025 via its core program, “Sipchem Cares.” Launched during the year with a portfolio of high-impact and innovative initiatives inspired by evolving community needs, the program reflects Sipchem’s unwavering commitment to the principles of social contribution and sustainability.

During 2025, Sipchem’s community engagement efforts spanned several key areas, including community development, education, culture, health, environmental and stewardship, as well as youth empowerment and entrepreneurship. These initiatives were developed and implemented in close collaboration with partners from the public sector and non-profit organizations, reaching multiple regions across the Kingdom, particularly the Eastern Province, and addressing diverse demographic segments through programs designed to deliver measurable and sustainable outcomes.

Recognizing that sustained excellence is driven by informed decision-making, Sipchem’s social responsibility initiatives were underpinned by comprehensive data analysis and insights obtained from national platforms and reliable reports. In parallel, the Company strengthened its strategic partnerships with more than 30 non-profit organizations, in addition to various government entities and community institutions, to ensure the delivery of high-quality, differentiated initiatives aligned with national development priorities.

In recognition of these efforts, Sipchem was honored—independently—with the Princess Seetah bint Abdul Aziz Award for Excellence in Social Work in its thirteenth cycle for the “Sipchem Cares” program, underscoring the Company’s humanitarian values and its ability to generate meaningful and sustainable social impact.

Furthermore, Sipchem was awarded the Corporate Social Responsibility Award 2025 – Gold Category from Ministry of Human Resources and Social Development, in acknowledgment of its integrated and structured approach to community engagement. In the same year, the Company also received recognition at the Responsible Care Conference organized by the Gulf Petrochemicals and Chemicals Association (GPCA) achieving third place in the Community Awareness Award for the initiative “Empowering Orphaned Families and Widows and Improving Their Quality of Life,” which reflects Sipchem’s ongoing commitment to inclusive community development.

Sipchem believes that long-term value creation extends beyond financial performance to include the positive and lasting impact it delivers to society. Accordingly, the Company continues to actively engage its employees in community initiatives, positioning them as key contributors to positive social change and as participants in a broader national effort grounded in solidarity, responsibility, and social synergy.

During 2025, Sipchem contributed to the implementation of a broad range of social projects, achieving coverage exceeding 78% of initiatives across all regions of the Kingdom. Since 2007, the Company's community programs have reached nearly 4 million beneficiaries, demonstrating the scale and depth of its social impact. In 2025 alone, Sipchem implemented more than 25 community initiatives and recorded over 24,000 volunteer hours, with the active participation of employees and partners from the non-profit sector.

This report affirms Sipchem's commitment in 2025 to an integrated corporate social responsibility framework that emphasizes innovation, advances sustainability, and aligns with the Company's long-term strategic objectives. Community development remains a fundamental pillar of Sipchem's identity and a core component of its contribution toward building a resilient and prosperous nation aligned with the aspirations of its citizens.

19) Statement of dates of general assemblies of shareholders held during 2025 and names of Board members present.

Sipchem held two Ordinary General Assemblies on 21 May 2025 and 25 November 2025, respectively. Below is the attendance record of the Board members

S.N.	Name	OGM (25) 21/05/2025	OGM (26) 25/11/2025
1	Eng. Khaled Abdullah Al-Zamil	Attended	Attended
2	Mr. Fahad Sulaiman Al-Rajhi	Attended	Attended
3	Dr. Abdulrahman A. Al-Zamil	Attended	Attended
4	Eng. Reyadh S. Ahmed	Attended	Attended
5	Mr. Saeed A. Basamah	Attended	Attended
6	Eng. Abdullah Khalifa Al Buainain	Attended	Attended
7	Eng. Saeed O. Al-Esayi	Attended	Attended
8	Mr. Ziad A. Al-Turki	Attended	Did not attend
9	Eng. Mosaed S. AlOhali	Attended	Attended
10	Mr. Feras M. Al-Abad	Attended	Attended
11	Mr. Ahmad A. AL- Dakheel	Attended	Attended

20) Information on any risks facing the company.

Risk management is an integral part of Sipchem’s strategy to achieve organizational objectives to maximize the shareholder value by taking the calculated risk. Integrating enterprise risk management practices across an organization improves decision-making in governance, strategy, objective-setting, and day-to-day operations.

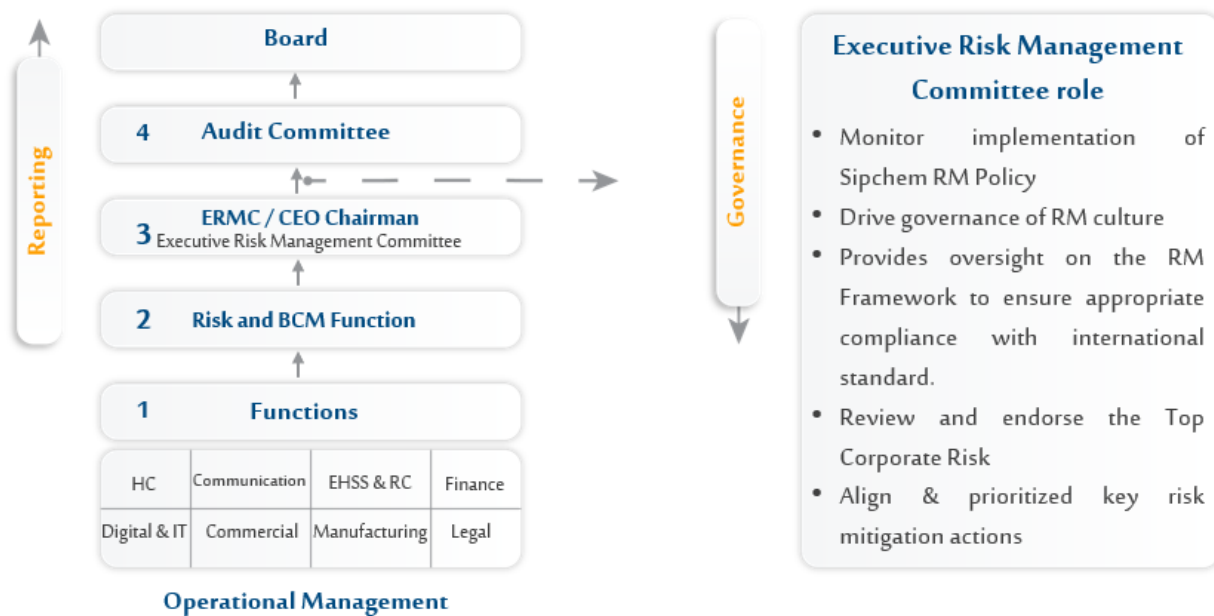
The Board, as part of its role in providing strategic oversight and supervision of the Company, is responsible for protecting investors’ interests by maintaining effective risk management and internal control systems. The Executive Risk Management Committee is fostering a culture of risk management using leading standards through the risk management department. Accordingly, the department concerned implements, identifies, evaluates, and develops appropriate procedures for dealing with risk management practices in the normal course of business activities or managing risks that may affect the organizational strategies.

Based on the leading practices and regulations of CMA, Sipchem’s governance structure of the risk management system is as follows:

Sipchem Risk Management Governance With Clear Reporting lines – Ensure Active Monitoring of Risk Management practices at all key levels across organization

Layers of risk reporting:

1. Functions report Risk and Mitigation Controls
2. Executive Risk Management Committee (ERMC) validation
3. Report key risks to Audit Committee (AC)
4. Report final risks to Board of Directors



Implementation of the Risk Management System and Organizational Structure:

Sipchem's Board of Directors has assigned the responsibility of Sipchem's risk management systems and processes to the Audit Committee. The Audit Committee is responsible for leadership, direction, and oversight with respect to the Company's risk appetite, risk tolerance, risk framework, and risk strategy as well as governance of strategic, financial, operational, and environmental, social and governance (ESG) related risks. The Executive Risk Management Committee (ERMC) is responsible for developing and implementing risk management systems and processes as a framework for the Company. Sipchem's risk management functionally reports to the Executive Risk Management Committee.

Sipchem's Risk Management Policies and Practices:

Sipchem developed a risk management policy to govern the risk management activities within Sipchem & its affiliates. Furthermore, the policy was approved by the Board to establish the tone within the organization for promoting risk culture and formalizing consistent risk management processes and practices.

Sipchem Risk Management Framework:

Sipchem implemented a comprehensive risk management framework through a system based on ISO 31000 principles and guidelines (accompanied by ISO 22301 business continuity Management), consistently informed the Board about critical strategic, financial, operational and compliance risks and align with strategic objective to ensure safety of its people and assets, and continuity of products or services delivery in the event of crisis/disaster.

Emerging Risks

Sipchem monitors and discloses the emerging drivers across its landscape alongside material risk factors. Emerging risks are adaptive, forward-looking exposures that may not be fully identified or are known but are not yet well understood. For Sipchem, key drivers include sustainability/ESG transitions (tightening low-carbon and circular-economy requirements), AI and digital transformation (automation, data governance, IT/OT convergence and residual cybersecurity), and supply-chain/maritime route volatility (reconfigured shipping lanes and logistics constraints affecting feedstock and deliveries). As these dynamics can accelerate, we maintain horizon scanning, KRIs, and agile responses.

Risk Factors for Sipchem & its Affiliates

Sipchem is exposed to various risks, threats, and opportunities that may affect the achievement of its strategic, operational, and financial objectives. While the Company maintains a risk management framework to monitor and mitigate such factors, there is no assurance that all risks will be prevented or that opportunities will be realized. Management continuously monitors these factors and implements appropriate controls and mitigation measures to support resilient performance.

- **Geopolitical Environment**
Regional geopolitical instability may result from sanctions or unexpected political conflicts, which may lead to a decline of revenues and shareholder values.
- **Cybersecurity Threat**
Cybersecurity incidents [IT/OT] may cause disruptions in manufacturing processes, ERP transactions, data losses and reputational damages further cause sustained disruption to critical physical and digital infrastructure.
- **Corporate EHSS & Process Safety Management**
Sipchem's operations carry significant process safety risks, where a major incident could result in output loss, casualties, financial losses, and reputational damage.
- **Sustainability / ESG**
Significant delay in acknowledging required changes to existing assets, business volume and business model adaptation for sustainability is impacting organizational change (globally) and scrutiny on operational resilience, products and services.
- **Succession Challenges**
This challenge is the ability to attract and retain the best talent and address the challenges of employee succession and competencies in new areas such as digitalization and sustainability.
- **Evolving Technologies**
The company's framework is characterized by a strategic response to evolving technologies (e.g. non-fossil plastics strategy) as well as market trends (circular economy) that may jeopardize the supply and demand fundamentals of the key value chain.
- **Supply Chain / Distribution Failure**
Interruptions in the flow of materials and services from suppliers can impede timely product delivery and disrupt operational continuity, resulting in delays, elevated costs, and potential damage to reputation.
- **Capital Investment Growth Projects / Value Creation from M&A Deals**
In pursuing capital investment for growth projects and Merger and acquisition deals SIPCHEM may face risks from market volatility, regulatory uncertainties, integration challenges, and the potential for strategic misalignment.
- **Liquidity Crunch**

Liquidity crises in the Saudi Capital Market may cause an increase in base rates/profit margins, a focus on the exposure of local bank financing, which may lead to high loan cost/excessive lending.

- **Digital Transformation & Artificial Intelligence**

The risk arises from the digital transformation and AI deployment in petrochemical operations; immature technologies, inconsistent AI behavior, and cybersecurity threats could trigger operational disruption, financial losses, and reputational damage.

21) Significant differences in operating results from previous year results:

STATEMENTS	2025	2024	Change +/-	% of change
Sales/ Revenue	6,809.75	7,060.59	(250.84)	-3.55%
Gross profit	256.71	1,439.50	(1,182.79)	-82.17%
Operating (loss) / profit	(528.30)	682.92	(1,211.22)	-177.36%
Net (loss) / profit yields to shareholders	(860.46)	426.14	(1,286.60)	-301.92%

During 2025, the net profit decreased by 301.92% compared to 2024. This is attributed mainly to:

- Decrease in Revenue resulting mainly from decline in selling prices for company's products and lower sales volume
- Increase in feedstock prices resulting mainly from increase in prices of Natural Gas, Ethane and Ethylene.
- Decline in sales volumes resulting from planned periodic turnaround maintenance activities in certain affiliates.
- An impairment loss of SR 300 million related to cash generating units of the Ethyl Acetate plant of SR 200 million and International Diol Company (subsidiaries of Sipchem) of SR 100 million have been recognized. Further, a provision of SR 91.4 million has been recognized to discontinue certain capital projects.
- Share of loss from investments in joint ventures and associates has decreased as compared to last year, mainly due to share of profit from one of the associates resulting from restructuring of debt, with Sipchem share of impact amounting to SR 429 million which was offset by share of loss as result of impairment in a joint venture amounting to SR 171 million, an impairment & business combination impact with Sipchem share amounting to SR 125 million and provision for capital project in a joint venture with Sipchem share of impact amounting to SR 56 million.

22) Clarification of any difference for the accounting standards approved by the Saudi Authority for Auditors and Accountants.

There is no difference from the approved accounting standards.

23) Each subsidiary's name, share capital, percentage of Sipchem's shareholding therein, main activity, country of operations, and country of incorporation.

Subsidiary's name	Capital SAR 1 million	Percentage of the company's ownership	Main Activity	Country of operations	Country of incorporation
International Methanol Company	360.97	65%	Production of Methanol (methyl alcohol)	Kingdom of Saudi Arabia	Kingdom of Saudi Arabia
International Diol Company	431.25	100%	Production of Butanediol (BDO), Maleic Anhydride (MAN), Tetrahydrofuran (THF) and gamma-Butyrolactone (GBL)	Kingdom of Saudi Arabia	Kingdom of Saudi Arabia
Sahara Petrochemicals Company	2,388	100%	It operates as a holding company whose main activity is concentrated in the petrochemical sector	Kingdom of Saudi Arabia	Kingdom of Saudi Arabia
International Vinyl Acetate Company Ltd.	676	100%	Production of Vinyl Acetate Monomer	Kingdom of Saudi Arabia	Kingdom of Saudi Arabia
Al WAHA Petrochemicals Company	1,660	75%	Production of propylene and polypropylene	Kingdom of Saudi Arabia	Kingdom of Saudi Arabia
International Acetyl Company Limited (IAC)	1,003	100%	Production of Acetic Acid (AA) and Acetic Anhydride (AAn)	Kingdom of Saudi Arabia	Kingdom of Saudi Arabia
Tasnee & Sahara Olefins Company (TSOC)	2,830	32.55%	Establishment, management, operation, ownership and investment in industrial projects, particularly petrochemical and chemical industries in addition to marketing their products and performing all related activities.	Kingdom of Saudi Arabia	Kingdom of Saudi Arabia

International Gases Company	425.4	100%	Production of carbon monoxide and hydrogen	Kingdom of Saudi Arabia	Kingdom of Saudi Arabia
Saudi Ethylene and Polyethylene Company (SEPC)	2,737.5	24.41%	Production of propylene, ethylene, high-density polyethylene and low-density polyethylene.	Kingdom of Saudi Arabia	Kingdom of Saudi Arabia
Sipchem Marketing Company	2	100%	Marketing and sales of petrochemicals and plastics	Kingdom of Saudi Arabia	Kingdom of Saudi Arabia
Saudi Acrylic Acid Company (SAAC)	1,777	43.16%	Establishment, management, operation and ownership of acrylic acid and its derivatives production projects, and petrochemical and chemical industrial projects.	Kingdom of Saudi Arabia	Kingdom of Saudi Arabia
Saudi Acrylic Monomer Co. Ltd. (SAMCO)	1,084.5	32.37%	Production of acrylic acid derivatives: Acrylic Acid Butyl Acrylic Diethylhexyl Acrylic Glacial Acrylic Acid	Kingdom of Saudi Arabia	Kingdom of Saudi Arabia
International Utilities Company (IUC)	2	91.20%	Management, operation and maintenance of utilities and facilities for Sipchem's subsidiaries.	Kingdom of Saudi Arabia	Kingdom of Saudi Arabia
International Polymers Company	703	75%	Production of Polyvinyl acetate, Polyvinyl alcohol, polyethylene wax, Low-Density Polyethylene and ethylene and vinyl acetate copolymers.	Kingdom of Saudi Arabia	Kingdom of Saudi Arabia
Saudi Acrylic Polymer Company (SAPCO)	416.4	43.16%	Ownership, management and operation of super absorbent polymers plant within the integrated acrylics complex project	Kingdom of Saudi Arabia	Kingdom of Saudi Arabia

Sahara & Ma'aden Petrochemicals Company (SAMAPCO)	900	50%	Design, construction, ownership and operation of an integrated plant for the production of chlorine, caustic soda, and ethylene dichloride	Kingdom of Saudi Arabia	Kingdom of Saudi Arabia
Sipchem Chemicals Company	266	100%	Production of Ethyl Acetate, Butyl Acetate, Polybutylene Terephthalate, and Tetrahydrofuran	Kingdom of Saudi Arabia	Kingdom of Saudi Arabia
Saudi Butanol Company (SABUCO)	486	14.38%	Production of n-butanol and isobutanol	Kingdom of Saudi Arabia	Kingdom of Saudi Arabia
Gulf Advanced Cable Insulation Company	57	50%	Cable Insulation Polymers products	Kingdom of Saudi Arabia	Kingdom of Saudi Arabia
Khair Inorganic Chemical Industries (INOCHEM)	1200	30%	Production of sodium carbonate, dense vs light soda ash, calcium chloride and calcium carbonate	Kingdom of Saudi Arabia	Kingdom of Saudi Arabia
Saudi Specialized Products Company (Wahaj)	56	100%	Production of metal molds used for plastics industries and maintenance of metal molds in addition to producing transparent films.	Kingdom of Saudi Arabia	Kingdom of Saudi Arabia
Sipchem Asia Pte Ltd	0.752	100%	Marketing Sipchem's products in Asia	Singapore	Singapore
Saudi Advanced Technologies Company	5	100%	Metal formation by hammering, pistons, casting, rolling, making structures for motor vehicles, making parts, accessories and engines for motor vehicles.	Kingdom of Saudi Arabia	Kingdom of Saudi Arabia
Linde Sipchem Industrial Gas Company	5	50%	Production of Raw Gases and Industrial Gases	Kingdom of Saudi Arabia	Kingdom of Saudi Arabia

Sipchem Europe Cooperative U.A and its subsidiaries	Million CHF	100%	Provide administrative support to the logistic and marketing aspects	Switzerland	Switzerland
Sipchem Innovent S.A	\$ 300	100%	Innovation, research and development, venture capital, and investment in general	Switzerland	Switzerland

24) Details of shares and debt instruments issued for each subsidiary

There are no debt instruments convertible into shares or any subscription notes or similar rights issued or granted by the Company during 2025. There are also no rights of transfer or subscription under debt instruments convertible into shares, option rights, warrants or similar rights issued or granted by the Company during the year 2025.

25) A description of Sipchem's dividend policy.

The annual net profits of Sipchem are distributed according to Article (48) of Sipchem's articles of association, after deducting all general expenses and other costs as follows:

- The Ordinary General Assembly may, based on a proposal by the Board, set aside a percentage of the annual net profits to be as a consensual reserve allocated for specific purpose(s) for the benefit of Sipchem.
- The Ordinary General Assembly may decide to form other reserves, to the extent that achieves the interest of Sipchem or ensures the distribution of fixed profits as much as possible to the shareholders. The aforementioned General Assembly may also allocate amounts from the net profits to establish social institutions for Sipchem's employees or to support existing institutions.
- After that, a percentage of no less than (5%) of Sipchem's paid-up capital shall be distributed to the shareholders.

Sipchem may also distribute profits to its shareholders periodically, quarterly or semi-annually, if its financial capabilities permit, provided that Sipchem, when doing so, adheres to the conditions, controls and instructions issued about the same by the competent authorities.

Dividends scheduled to be distributed to shareholders subject to Article (44) of Sipchem Bylaws shall be paid at the designated place and within the timeframe determined by the Board in accordance with instructions issued by the Ministry of Commerce and CMA.

Sipchem's Board of Directors has made its Recommendations on the First half and the Second half of the financial year 2025 as follows:

	Profit ratios distributed during the year		Proposed year-end dividend profit ratios	Gross Profit
	July 17, 2025	December 15, 2025		
Ratio	5%	5%	10%	-
Total	362,560,996	362,560,996	-	725,121,992

26) Description of any interest in a class of voting shares held by persons (other than Sipchem Directors, Senior Executives and their relatives) who have notified Sipchem of their holdings pursuant to Article 85 of Registration and Listing Rules, and any change to such rights during the financial year 2025.

Sipchem did not receive notice of any interests belonging to persons in the voting shares or a change in such rights.

27) A description of any interest, contractually based securities, and subscription rights of Sipchem Board Members, Senior Executives and their Relatives in the shares or debt instruments of Sipchem or any of its Affiliates, together with any change to such interest or rights during 2025

A description of any interests held by the Board Members, their wives and adolescent children in the shares or debt instruments of the Issuer:

S.N.	Name:	Shares as in January 1, 2025		Shares as in December 31, 2025		Net Change	Change ratio	Ownership and Ownership Change of First-Degree Relatives
		Numbers	Ownership percentage:	Numbers	Ownership percentage:			
1	Eng. Khalid A. Al-Zamil	334,240	0,04558%	334,240	0,04558%	0	0	-
2	Dr. Abdulrahman A. Al-Zamil	692,533	0,094%	692,533	0,094%	0	0	-
3	Mr. Fahad Sulaiman Al-Rajhi	7,121,201	%0,971	7,121,201	%0,971	0	0	-
4	Mr. Saeed O. Al-Esayi	7,077,885	0,9651%	7,077,885	0,9651%	0	0	-
5	Eng. Reyadh S. Ahmed	0	%0	0	%0	0	0	-
6	Eng. Mosaed S. AlOhali	0	0%	0	0%	0	0	-
7	Eng. Saeed A. Basamah	0	%0	0	%0	0	0	-
8	Mr. Ziad A. Al-Turki	995,000	0,1356%	995,000	0,1356%	0	0	-
9	Mr. Feras M. Al-Abad	0	%0	0	%0	0	0	-
10	Mr. Ahmed bin Ali Al-Dakhil	168	0,00002%	168	0,00002%	0	0	-
11	H. E. Eng. Osama A. Al-Zamil	1671	0.00022%	1671	0.00022%	0	0	-
12	Eng. Abdullah S. Al- Sadoon	70,000	0.01363%	100,000	0.01363%	30,000	45%	
13	Eng. Ahamad A. Al- Saadi	15,000	0.00204%	15,000	0.00204%	0	0	
14	Eng. Abdullah K. Al- Buainain	49,000	0.00668%	49,000	0.00668%	0	0	

A description of any interests held by the Senior Executives, their wives and adolescent children in the shares or debt instruments of the Issuer:

S.N.	Name:	Shares as in January 1, 2025		Shares as in December 31, 2025		Net Change	Change ratio	Ownership and Ownership Change of First- Degree Relatives
		Numbers	Ownership percentage:	Numbers	Ownership percentage:			
1	Eng. Ibrahim Abdul Aziz Al Rashood	51,222	0.0069	61,222	0.0083	10,000	20%	-
2	Eng. Mater A Al-Dhafeeri	50,000	0.0068	50,000	0.0068	0	0	-
3	Mr. Rushdi Khalid Al-Dulijan	0	0%	0	0%	0	0	-
4	Eng. Omar Salem Bajubail	21,000	0.00286	21,000	0.00286	0	0	-
5	Mr. Fahad M. Al- Ohaly	87,000	0.0118	97,439	0.011328	10,439	10%	-
6	Eng. Saad Abdullah Al-Olyan	0	0%	0	0%	0	0	-
7	Mr. Abdulrahman Ali Al-Thunaian	0	0%	0	0%	0	0	-

There is no interest in contractual securities and subscription rights belonging to the Board members, senior executives, and their relatives in the shares or debt instruments of subsidiary companies.

28) Information Related to Any Loans owed by the Company (Million Riyals)

Sahara International Petrochemical Company								
Loan lender	Loan Tenor	Principal amount of loan	Beginning of the year balance	Reclassification	Withdrawals made during the year	Payments made during the year	End of the year balance	
Commercial banks Long-term loans	5-7	4,675	878	-	660	192	1,346	
Commercial banks Short-term loans	6 months	250	-	-	300	50	250	

International Diol Company								
Loan lender	Loan Tenor	Principal amount of loan	Beginning of the year balance	Reclassification	Withdrawals made during the year	Payments made during the year	End of the year balance	
Long-term loans from Partners	unspecified	740	511	-	86	-	597	

International Gases Company							
Loan lender	Loan Tenor	Principal amount of loan	Beginning of the year balance	Reclassification	Withdrawals made during the year	Payments made during the year	End of the year balance
Commercial banks Long-term loans	4	300	46	-	-	46	-

International Polymers Company							
Loan lender	Loan Tenor	Principal amount of loan	Beginning of the year balance	Reclassification	Withdrawals made during the year	Payments made during the year	End of the year balance
Commercial banks Long-term loans	5	700	511	-	-	56	455
Commercial banks Short-term loans	6 months	-	100	-	110	210	-

Sipchem Chemicals Company							
Loan lender	Loan Tenor	Principal amount of loan	Beginning of the year balance	Reclassification	Withdrawals made during the year	Payments made during the year	End of the year balance
Long-term loans from Partners	Unspecified	834	783	-	-	86	698

Information Related to Any Loans owed by the Company (Million Riyals)

Gulf Advanced Cable Insulation Company							
Loan lender	Loan Tenor	Principal amount of loan	Beginning of the year balance	Reclassification	Withdrawals made during the year	Payments made during the year	End of the year balance
Long-term loans from Partners	Unspecified	3	1.6	-	-	0.1	1.5

Saudi Specialized Products Company							
Loan lender	Loan Tenor	Principal amount of loan	Beginning of the year balance	Reclassification	Withdrawals made during the year	Payments made during the year	End of the year balance
Long-term loans from Partners	Unspecified	-	-	-	-	-	-

Saudi Advanced Technologies							
Loan lender	Loan Tenor	Principal amount of loan	Beginning of the year balance	Reclassification	Withdrawals made during the year	Payments made during the year	End of the year balance
Short-term loans from Partners	Unspecified	206	164	-	11	-	175
Long-term loans from Partners	Unspecified	312	312	-	-	-	312
Commercial loan from SIDF	10	27	23	-	-	-	23

Sahara and Ma'aden Petrochemicals Company SAMAPCO							
Loan lender	Loan Tenor	Principal amount of loan	Beginning of the year balance	Reclassification	Withdrawals made during the year	Payments made during the year	End of the year balance
Commercial banks Long-term loans	11.6	2,250	1,502	-	-	56	1,446
Commercial banks Short-term loans	6 months	200	50	-	150	-	200

Al Waha Petrochemical Company							
Loan lender	Loan Tenor	Principal amount of loan	Beginning of the year balance	Reclassification	Withdrawals made during the year	Payments made during the year	End of the year balance
Commercial banks Long-term loans	12	1,964	625	-	975	683	916
Commercial banks Short-term loans	1	-	84	-	131	215	-

29) Description of the categories and numbers of any convertible debt instruments and any contractual securities, subscription right notes, or similar rights issued or granted by Sipchem during the financial year, together with an explanation of Any compensation received by Sipchem in return.

N/A

30) A description of any conversion or subscription rights under convertible debt instruments, contractual securities, subscription rights, or similar instruments issued or granted by Sipchem.

N/A

31) A description of any redemption, purchase, or cancellation by Sipchem of redeemable debt instruments, including the value of remaining securities, distinguishing between securities purchased by Sipchem and those purchased by its subsidiaries.

N/A

32) The number and dates of Board meetings held during the financial year 2025 and the attendance record of each meeting listing names of the attendees.

The Board of Directors of Sahara International Petrochemicals Company held Five meetings during the year 2025, and the following table shows the attendance and date of each meeting:

S.N.	Name	1 st Meeting 18/03/2025	2 nd Meeting 25/06/2025	3 rd Meeting 16/09/2025	4 th Meeting 25/11/2025	5 th Meeting 11/12/2025	Total Attendance
1)	Eng. Khaled A. Al-Zamil	Attended	Attended	Attended	Attended	Attended	5
2)	Mr. Fahad S. Al-Rajhi	Attended	Attended	Attended	Attended	Attended	5
3)	Dr. Abdulrahman A. Al-Zamil ⁽¹⁾	Attended	Did Not Attend	Attended	Attended	N/A	3
4)	Eng. Reyadh S. Ahmed	Attended	Attended	Attended	Attended	Attended	5
5)	Mr. Saeed A. Basamah	Attended	Attended	Attended	Attended	Attended	5
6)	Eng. Abdullah K. Al Buainain	Attended	Attended	Attended	Attended	Attended	5
7)	Eng. Saeed O. Al-Esayi	Attended	Attended	Attended	Attended	Attended	5
8)	Mr. Ziad A. Al-Turki ⁽¹⁾	Attended	Attended	Attended	Attended	N/A	4
9)	Eng. Mosaed S. AlOhali ⁽¹⁾	Attended	Attended	Attended	Attended	N/A	4
10)	Mr. Feras M. Al-Abad	Attended	Attended	Attended	Attended	Attended	5
11)	Mr. Ahmad A. AL- Dakheel	Attended	Attended	Attended	Attended	Attended	5
12)	H. E. Eng. Osama A. Al-Zamil ⁽²⁾	N/A	N/A	N/A	N/A	Attended	1
13)	Eng. Abdullah S. AlSaadoon ⁽²⁾	N/A	N/A	N/A	N/A	Attended	1
14)	Eng. Ahmed A. AlSaadi ⁽²⁾	N/A	N/A	N/A	N/A	Attended	1

(1) The membership ended with the conclusion of the Board term on 9 December 2025.

(2) The membership commenced with the beginning of the Board term on 10 December 2025.

33) The number of requests made by Sipchem for the shareholders' register, along with the dates and reasons for those requests.

S.N.	Request Date	Request reasons
1	05 Jan 2025	Company needs
2	02 Feb 2025	Company needs
3	04 Mar 2025	Company needs
4	09 Apr 2025	Company needs
5	04 May 2025	Company needs
6	20 May 2025	General Assembly
7	02 Jun 2025	Company needs
8	08 Jul 2025	Company needs
9	05 Aug 2025	Company needs
10	03 Sep 2025	Company needs
11	02 Oct 2025	Company needs
12	29 Oct 2025	Company needs
13	20 Nov 2025	Company needs
14	25 Nov 2025	General Assembly
15	07 Dec 2025	Company needs

34) Description of any Transactions between Sipchem and Related Parties

Transactions with the related parties represent transactions with the shareholders, the sister companies, associate companies, partners, the Board of Directors and the entities wholly or jointly controlled or materially influenced by the related parties. The Group conducted the following transactions with the related parties during 2025:

Name	Nature of the transaction	Relationship
Japan- Arabia Methanol Company Limited ("JAMC")	Sales	shareholder in a subsidiary
Hanwha Chemical Malaysia Sdn Bhd ("Hanwha")	Sales	shareholder in a subsidiary

Sahara and Ma'aden Petrochemicals Company ("SAMAPCO")	Joint Services Cost, Employee Unit Ownership Program Cost, transfer of property, plant and equipment	A joint-venture of a subsidiary
National Manufacturing Company ("Tasnee")	Acquisition of Feedstock supplies rights and marketing arrangements	Shareholder in an associate company
Basell Arabia Investments Limited and its associates ("Lyondell Basell")	Sales, Joint Services Cost, Employee Unit Ownership Program Cost, transfer of property, plant and equipment	Shareholder in joint operations of a subsidiary
Saudi Ethylene & Polyethylene Company ("SEPC")	Acquisition of Feedstock supplies	Associate Company
Linde Sipchem Industrial Gases Company ("LSIG")	Finance cost on shareholder loan, Expense paid on behalf of joint-venture	A joint-venture
Gulf Advanced Cable Insulation Company ("GACP")	Finance cost on shareholder loan, Joint Services Cost, Expense paid on behalf of joint-venture	A joint-venture

The Company and non-controlling equity shareholders have provided loans to group companies to support their operations and comply with debt requirements. Long-term loans carry financing charges at market rates and have specified maturity dates according to agreed upon repayment schedules.

The prices and terms of the above transactions are approved by the Board of Directors of Group's subsidiaries. The above transactions resulted in the following balances with the related parties as at December 31, 2025 and 2024:

- **Trade receivables:**

Million Riyals

Names	2025	2024
LyondellBasell Industries NV and an associate company	116	312
Hanwa Chemical Malaysia SDN. BHD.	42	50
Japan- Arabia Methanol Company Limited	36	16
Total	194	378

- **Prepayments and other current assets**

(Million Riyals)

Name	2025	2024
SAMAPCO	169	52
LyondellBasell Industries NV	10	7
Linde Sipchem Industrial Gases Company	13	13

Gulf Advanced Cable Insulation Company	0	2
Total	192	74

- **Accrued Expenses and Other Current Liabilities**

Million Riyals

Name	2025	2024
SAMAPCO	39	81
LyondellBasell Industries NV	57	49
Hanwa Chemical Malaysia SDN. BHD.	0	6
Gulf Advanced Cable Insulation Company	0	0
Total	96	136

35) Information related to any business or contracts which Sipchem is a party thereto, or a director of Sipchem Board of Directors, its senior executives or any person related to any of them has an interest therein, including names of those involved in the business or contracts and the nature, conditions, duration and amount of these businesses or contracts. If there are no such businesses or contracts, Sipchem shall submit a declaration of the same.

Not applicable.

36) A description of any arrangement or agreement under which a Director or a Senior Executive of has waived any salary or compensation;

There are no arrangements or agreement made under which a Board Member or a Senior Executive waived any remuneration.

37) Statement of any arrangement or agreement under which a shareholder of Sipchem waived their rights to dividends.

There is no arrangement or agreement whereupon a Company's shareholder waived any rights to profits.

38) Statement of Regular Paid and Payable Payments of Any Zakat, Taxes, Fees or Any Other Payables that Were Not Paid Until the End of the Annual Fiscal Period with a Brief Description of the Same and Description of the Reasons.

Regulatory due payments:

Million Riyals					
STATEMENT	Payments made during the year 2025	Outstanding and unpaid up to the end of annual fiscal year		Brief description	Reasons
ZATCA	72.6	94.4		Zakat	Obligatory
ZATCA	35.1	(2.8)		Tax	Obligatory
GOSI	75.7	6.5		Subscriptions	Obligatory
Labor Office Fees	-	-		Fees	Obligatory

39) Statement of any investments or reserves established for the benefit of Sipchem employees.

Sipchem's success is mainly attributed to its distinguished ability and constant endeavors to attract qualified personnel. Sipchem has been successful in creating an environment in which employees are proud to work; a very professional transparent one, which encourages high performance and effective engagement at all levels of management in all of Sipchem's subsidiaries. Sipchem cares about ensuring its personnel's job satisfaction to help them achieve their career ambition; Sipchem pays attention to the job development and training programs, both technical and administrative, to raise levels of efficiency, and loyalty and create a fair and competitive environment inside the Company. The table below shows the number and percentage of employees in Sipchem and its subsidiaries as of the end of 2025 compared to 2024:

Employees	2024		2025	
	Number	Percentage	Number	Percentage
Saudis	1,258	84.60%	1,311	85.63%
Non-Saudis	229	15.40%	220	14.36%
Total	1,487		1,531	

The following are some of the achievements of the Human Resources Department during 2025:

1. Talent Management and Development:

A. E-Learning Program

Sipchem implemented an online training system, which included more than 5,000 training courses in management, leadership, work skills, security and safety, and computer programs. Approximately 1,267 employees attended these courses. It is worth mentioning that the content of these training materials was prepared by global universities and educational institutions. In 2025, the company achieved more than 35,744 training hours.

B. Internal Training Courses Program

The talent management department organized over (105) training courses in various fields such as Safety, security, and personal skills in collaboration with some departments, attended by more than 2,266 participants from most departments of the company. In 2025, the company achieved more than 25,288 training hours.

C. Talent Assessment:

Sipchem continued its talent assessment activities, focusing on successors and promotion candidates. Two campaigns were conducted in 2025; one after the succession planning talent reviews (Q2), and one prior to the promotion cycle (Q3).

D. Succession planning:

Building on its continued commitment to talent development, Sipchem further strengthened its succession planning framework during 2025 through a combination of planned and ad hoc talent reviews across all leadership tiers. These initiatives resulted in a renewed and dynamic successor pool, and selected successors were enrolled in the Sipchem leadership development program, including classroom training, coaching, and mentoring. In addition, Sipchem implemented rotational assignments and promotions involving 46 successors, reinforcing leadership readiness and ensuring a strong pipeline of capable future leaders.

E. Sipchem Leadership Development Program:

Sipchem's Leadership Development Program is designed to advance the company's mission of staying at the forefront of the industry by developing strong, visionary leaders. This program focuses on fostering leadership qualities that drive collaboration, excellence, and growth within the organization. Through targeted initiatives, it

equips participants with the skills to overcome challenges, inspire teams, and lead with a strategic vision. The program underscores Sipchem's commitment to developing leadership talent that will guide the company toward sustainable success and innovation, with (82) trained during 2025.

F. Mentorship Program:

In 2025, mentoring was embedded within the Sipchem Leadership Development Program (SLDP), with awareness sessions held for participants and their line managers—unlike in 2024, when it operated separately. The initiative focuses on developing leadership capabilities and enhancing technical and functional skills. Through structured mentoring, participants were supported in navigating challenges, managing change, and strengthening overall performance.

G. Professional Development Plan Program (PDP):

In 2025, Sipchem attracted more than 35 Saudi employees from university graduates in various specialties as part of a development program to determine the career path for recent university graduates.

H. Qualification Program for Technicians and Technical Staff:

Sipchem provides training and development opportunities for employees in the field of manufacturing and operation, including training courses and on-the-job training. Sipchem issues certificates and grants rewards related to the successful completion of each stage of the program.

I. Cooperative training program:

The Human Resources team, in collaboration with several departments at Sipchem, has trained over 124 trainees in 2025 from various universities and colleges in the Kingdom. The trainees have successfully completed the cooperative training programs.

2. Employees' Incentive Programs

A. Home Ownership Program for Saudi Employees:

The program aims to give a chance to Sipchem's Saudi employees, who meet the program conditions, to own housing units in light of Sipchem policy of assuring comfort and stability for its employees and motivating them to continue their services with Sipchem.

B. Housing loan program through the bank for Saudi employees.

Sipchem aims through this system to provide financial solutions through approved banks for its Saudi employees who meet the conditions, whereby Sipchem bears the interest on a monthly basis according to the repayment period and based on agreed criteria with the bank. This program included 20 beneficiaries in 2025, aiming to ensure stability and comfort for employees and their families and to encourage them to continue working in its service as they are a cornerstone of the company's strategic pillars.

C. Employees Share Ownership Incentive Program:

Sipchem implemented an Employee Incentive Program aimed at encouraging Sipchem's and subsidiaries' employees to maintain and improve their work performance and put up their utmost efforts to serve Sipchem's interests and achieve its objectives. The program also contributes to attracting highly qualified personnel in the field of petrochemicals.

The program is currently managed by Al Bilad Securities and Investment Co., through a special portfolio opened for the program in 2010. In 2024, a total of 349,701 shares were transferred to eligible employees, and the total number of shares for the program as of December 31, 2024, was 8,592,106 shares.

D. Savings Program:

Sipchem initiated an Islamic Shariah-compliant savings program to motivate its employees and enhance their loyalty to Sipchem hence improving the work performance, attracting well-qualified Saudi employees and motivating them to continue their services. The program aimed at helping Saudi employees accumulate their savings to be utilized upon retirement or the end of services. Sipchem takes a part of the subscribed employee's salary and may invest these savings according to his desire. Sipchem has the right to manage this investment in the way that it believes to be beneficial for the program subscriber in accordance with the best available Islamic Shariah-compliant investment portfolio. Also, Sipchem has the right to invest the subscriber's savings in investment activities in cooperation with specialized companies and banks in accordance with the criteria of Islamic investment in a manner that can attain benefits for the subscribers provided that such investments are in low-risk Islamic portfolios. The saving program was activated in 2011. It is managed by Bank AlJazira and it was reviewed, audited and approved by the Sharia Committee of Bank AlJazira.

40) Board Resolutions:

The Board of Directors is keen to ensure the professional performance of Sipchem during the year 2025. Accordingly, the Board of Directors confirms the following:

- 1) Proper books of accounts have been maintained.
- 2) The internal control system is properly developed and effectively implemented.
- 3) There is no significant doubt regarding Sipchem's ability to continue its activity.
- 4) The consolidated financial statements have been prepared in accordance with the accounting standards and regulations issued by the Saudi Organization for Certified Public Accountants and in accordance with the relevant requirements of the Companies Law and Sipchem's Articles of Association regarding the preparation and publication of financial statements.
- 5) There is no contract to which Sipchem is a party and where there is or there was a fundamental interest of a member of the Board of Directors, CEO or CFO or any person related to any of them.
- 6) There is no arrangement or agreement under which a member of Sipchem's board of directors or a senior executive, waived any salary or compensation
- 7) There is no arrangement or agreement whereupon a Sipchem's shareholder waived any rights to profits.
- 8) No member of the board shall engage in any competitive activities with Sipchem's business.

41) If the Auditor's Report Includes Reservations on the Annual Financial Statements, the Board Report Must Clarify Those Reservations, Their Reasons, and Any Information Related Thereto.

Auditor's report does not include any reservations on the annual financial statements.

42) If the Board Recommends Changing the Auditor Before the End of the Auditor's Term of Service, the Report Must Contain this Matter, Along With the Recommendation for the Change.

The Board did not recommend to change the auditor.

43) External audit services remuneration disclosure:

No non-assurance services were performed by PwC for the Group. However, during 2025, assurance related services performed by PwC for the group amounts to Saudi Riyals 2.3 million (including out of pocket expenses) as per terms of engagement letter.

44) Disclosure of details of Treasury shares held by the Company and details of the uses of these shares:

Number of treasury shares held by the Company	Value (SAR per share)	Date of retention	Use details
8,211,341	SAR 301,766,781	20 October 2022	Sipchem's shares were bought back as treasury shares, because the Board considers that the share price in the market is less than its fair value.

Conclusion

At the end of our report, the Board of Directors would like to express its gratitude and thanks to the Custodian of the Two Holy Mosques and HRH Crown Prince, for their care and support for the petrochemical sector in Saudi Arabia. Also, the Board appreciates the sincere efforts of the governmental bodies for their continuous support. The Board also extends its appreciation and thanks to the shareholders and all Company staff members for their sincere efforts and dedication to support Sipchem's efforts to attain its goals, promote its competitiveness and preserve its gains and interests. We pray to God to bless our efforts, as we are filled with hope to continue to develop the performance and enhance the capabilities of Sipchem in order to support the economic and social development system of the Kingdom.



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