



المتقدمة
Advanced

الشركة المتقدمة للبتر وكيمائيات Advanced Petrochemical Company

Suppliers Code of Conduct

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Message from President & CEO to Suppliers

Dear Valued Supplier,

At Advanced Petrochemical Company, we are committed to maintaining high ethical standards in our business. Together, we share the responsibility of implementing the standards of corporate conduct included in our Suppliers' 'Code of Conduct'.

The purpose of this Code of Conduct is to ensure that we fulfill our ethical commitments to our company and stakeholders. This Code of Conduct sets the general principles of conducting business with Advanced, which serve as a foundation for Advanced Petrochemical Company's policies and guidelines.

Advanced requires compliance with this Code of Conduct by all suppliers of goods or services, and we expect you to communicate the same to all applicable individuals, sub-contractors and third parties to guide their interactions with Advanced.

We highly value your cooperation and implementation of this Code of Conduct, and we look forward to doing successful business with your respected establishment.

Fahad S. Al-Matrafi

President & CEO

Advanced Petrochemical Company

Purpose & Scope

This Suppliers Code of Conduct (the "Code") describes the standards and principles of Advanced Petrochemical Company and its affiliates (hereinafter referred to as "ADVANCED", "we" and the "Company") applied to all individuals and entities who supply goods and services to ADVANCED (hereinafter referred to as "Suppliers") and their employees, directors, representatives and subcontractors when dealing or conducting business with ADVANCED.

We expect Suppliers to commit to, and act in accordance with the Code and comply with all laws and regulations applicable to the goods and services being provided.

While it is not possible to cover all situations to which the Code applies, it is imperative that all actions and working relationships shall be conducted based on fairness, honesty, integrity, respect, confidentiality and professionalism.

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Suppliers are requested to communicate these expectations to their employees, directors, suppliers and business partners who may provide goods or services to ADVANCED, and Suppliers must meet these requirements in each of the following area:

1. Compliance with Laws and Regulations

Suppliers must comply with all applicable laws and regulations, whether inside or outside the Kingdom of Saudi Arabia.

2. Contractual basis

Suppliers shall provide ADVANCED with goods and/or services only based on an executed purchase order or contract. It is prohibited for Supplier to provide any goods or services based on verbal agreement or assumption.

3. Environment, Health & Safety

Suppliers shall act along the entire supply chain in a manner enabling ADVANCED to decrease the mutual environmental impact and obliged to comply with all applicable environmental laws and regulations.

Suppliers shall adopt industrial best practices that complies with all applicable health and safety laws and regulations to maintain health & safety of entire workforce.

4. Human Rights & Labor

- A. Suppliers should treat all workers with respect, equality, fairness, and integrity. Suppliers shall not to resort to punishment or any other form of physical or psychological coercion, sexual harassment, sexual abuse, verbal abuse or the threat of any such treatment.
- B. Suppliers must adopt diversity and equal treatment provided to their workforce that include but not limited to employment, wages, working hours, and working conditions.
- C. Suppliers conduct their activities in a manner that respects human rights, including but not limited to the following:
 - No use of child labor
 - No use of forced, prison or compulsory labor
 - No payment of recruitment fees by workers
 - Compliance with all applicable laws and regulations on freedom of association and collective bargaining
 - A safe, secure and healthy workplace and not tolerating discrimination, harassment or retaliation
 - Compliance with all applicable laws and regulations on working hours
 - Providing wages and benefits that meet or exceed the national legal standards.

Suppliers dealing with ADVANCED are prohibited from, and shall not be, using slavery or involuntary labor, of any kind including prison labor, or debt bondage. Suppliers must not

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engage in human trafficking and must not use physical or psychological abuse, threats of violence, or other forms of physical or mental coercion.

5. Anti-Fraud, Anti-Corruption and Zero Tolerance

Suppliers shall conduct business in accordance with the highest ethical standards and practices applicable to their respective business and industry and require the same compliance throughout their entire supply chain, and all relevant regulations, legislation, government approvals and international treaties. Compliance with national and international legislative requirements will always must be achieved. Suppliers shall demonstrate a zero tolerance policy prohibiting fraudulent activities.

No funds, assets, services, privileges or benefits shall be paid, rendered, loaned, or promised for payment or otherwise dispersed by Suppliers or their representatives as bribes, kickbacks, or other payments or inducements designed to influence or compromise the judgment or conduct of ADVANCED or its representatives.

6. Competition Laws

ADVANCED successfully competes domestically and internationally in full compliance with all applicable competition laws. Any direct or indirect exchange of information between competitors is strictly prohibited. Supplier must at all times understand the application of such laws and adhere to not to conduct any agreement, understanding, discussion or information related to ADVANCED.

7. Confidential Information and Intellectual Property

ADVANCED is committed to respect and protect the privacy of individuals and to handling personal information responsibly in accordance with applicable laws. ADVANCED treats information of Employees, customers, stakeholders and other related parties with the utmost care and confidentiality.

Suppliers who have access to personnel data are obligated to respect the confidentiality of such data and shall not disclose them with unauthorized employees or otherwise and shall use such data only for legitimate business purposes related to ADVANCED.

Suppliers shall respect the following:

- Confidential information of ADVANCED or third parties.
- Preserve and protect ADVANCED proprietary information or other confidential information from inadvertent or intentional disclosure.
- Not solicit, encourage or induce any current or former ADVANCED employees to disclose any ADVANCED confidential, proprietary information for any purpose.
- Supplier understands and acknowledges that ADVANCED considers any breach of confidentiality or unauthorized disclosure of intellectual property or confidential or proprietary information or material to be very serious and grounds for disqualification of the supplier or termination of the relationship.

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8. Conflict of Interest

As part of ADVANCED's commitment to transparency, Supplier must conduct business in an open, transparent manner and with the highest degree of integrity. Suppliers shall avoid situations that lead to an actual, potential and appearance of conflict between their interests and ADVANCED interests, and shall promptly disclose to the Company's Compliance Officer, through the below communication channel herein, any cases of conflict of interests.

Suppliers shall communicate fairly, honestly and transparently with ADVANCED. Suppliers shall promptly and proactively disclose to ADVANCED any interests or circumstances that either actually conflict or might cause the appearance of a conflict with the best interests of ADVANCED, including, for example, any personal, financial, or family relationships of the Suppliers or its employees may have with any employee at ADVANCED. Suppliers will cooperate with ADVANCED in the management of any conflict of interests.

9. Insider Trading

As a Supplier, you may have access to non-public information and materials about Advanced or other companies. Saudi Arabia and many other countries have insider trading laws that restrict trading in common stocks or other securities and other activities by anyone with knowledge of material nonpublic information.

Using inside information in connection with the purchase or sale of securities, including to "drive out" others who may make an investment decision based on such information, is unethical, a violation of this Code, and illegal, regardless of whether the information relates to ADVANCED or another company.

10. Gifts & Business Courtesies

Suppliers must comply with the anti-bribery laws inside and outside the Kingdom of Saudi Arabia. ADVANCED also has strict rules regarding gift policies, which forbids Suppliers from providing any gift, meal or entertainment to a company employee that may be seen as an attempt to influence business decisions.

11. Cybersecurity

Advanced enforces all policies and regulation in adherence with National Cybersecurity Authority. As such all our suppliers are expected to comply with those regulations.

Suppliers must ensure that the cybersecurity arrangements among their supply chains are appropriate to the requirements of the information assets concerned.

This must include appropriate governance and management arrangements to manage risk, monitor compliance and report and respond effectively to any incidents.

Suppliers must comply with Advanced and our customer's mandated cybersecurity standards. Cybersecurity standards may be supplemented by security assurance questionnaires.

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Suppliers are required to report suspected or actual Security incidents (which include “near-misses”) to Advanced.

12. Monitoring & Enforcement

In order to do business with ADVANCED, Suppliers are expected to abide by this Code and all applicable laws. Suppliers should ensure that their organization is set up as to be in compliance with this Code.

If ADVANCED determines that any Supplier has violated the Code, ADVANCED may, at its discretion, terminate the business relationship and/or require the Supplier to implement corrective actions. If corrective actions are advised but not taken, ADVANCED may terminate current orders and may suspend the placement of future orders.

Reporting Compliance Concerns Promptly

Suppliers or any stakeholder of ADVANCED may report to the Company’s Compliance Officer for any potential of actual violation of this Code to:

- A. Advanced Petrochemical Company Address: PO Box 11022, Al Jubail 31961
Attention: the Company’s Compliance Officer; or
- B. By email it to: Compliance@advancedpetrochem.com

Advanced Petrochemical Company’s Supplier Code of Conduct

An acknowledgment of the Code of Conduct must be signed by an authorized representative of the Supplier or an individual acting as an attorney on behalf of the Supplier via an appropriate power of attorney in compliance with the legal requirements of the Kingdom of Saudi Arabia as follows:

ACKNOWLEDGEMENT

We hereby acknowledge and agree to abide by the Code of Conduct and to take all reasonable steps to ensure that employees, officers, Directors and agents of the Company are aware of and must, at all times, comply with the Supplier Code of Conduct when preparing and


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submitting bids and proposals for Advanced related works, when providing goods and services, and during the performance and management of all agreements concluded with an Advanced company.


Company Name:	
Representative Name:	
Signature / Company Stamp:	
Date:	

The Supplier Code of Conduct has been reviewed and approved by the following departments and ensured that this policy has been developed as per the standard policies set by 'Advanced'.

	Name	Department & Title	Signature	Date
Prepared by:	Adam H. Al-Haroon	SRM Specialist, P&C		Aug 14, 2022
Reviewed by:	Mohammed M. Al-Zahrani	P&C Manager		Aug 14, 2022
Concurred by:	Saud A. Al-Otaibi	IT Manager		Aug 14, 2022
	Raeyd S. Al-Mehmadi	EHSSQ Manager		Aug 14, 2022
	Massad R. Al-Sulami	Corporate Affairs Manager		
	Ahmed E. Bu-Hazza	GM Supply Chain		Aug 17, 2022

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Approved by:	Fahad Al-Matrafi	President & CEO		
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