

Introduction	Chapter One: Definitions
<p>Preparing the regulations, standards and procedures specified for membership in the Board of Directors of SARCO (Saudi Arabian Refineries Company) with the aim of implementing the principles of the Corporate Governance Regulations issued by the Capital Market Authority under Ministerial Resolution No. (8-16-2017) dated 16/5/1438H corresponding to 13/2/2017G, which stipulated that the Board of Directors shall prepare clear and specific policies, standards and procedures for membership in the Board in a manner that does not conflict with the mandatory provisions of the Corporate Governance Regulations - and put them into practice. After its approval by the General Assembly.</p> <p>The criteria and procedures for membership in the company's board of directors have been prepared in accordance with the Companies Law, its Executive Bylaws and the Corporate Governance Regulations issued by the Authority. Taking into account without prejudice to the relevant regulations that guarantee the right of the shareholder in the company to apply for candidacy or others for membership in the Board of Directors.</p> <p>These standards and procedures or some of them may not be amended or dispensed with except by a resolution of the Board of Directors as it deems appropriate and with the approval of the General Assembly, unless the Law or other regulations or a resolution of the Capital Market Authority or a governmental body stipulates that some of the provisions contained therein are mandatory or in addition to them.</p> <p>Tariffs</p> <p>The following words and expressions shall have the meanings assigned to them unless the context otherwise provides:</p> <p>Company: Sarco (Saudi Arabian Refineries Company).</p> <p>"Ministry" means the Ministry of Commerce;</p>	<p>Article (1): The following words and phrases shall have the meanings assigned to them unless the context otherwise requires.</p> <p>Companies Law: Companies Law issued by Royal Decree No. (M/3) dated 28/1/1437 AH.</p> <p>"Authority" means the Capital Market Authority.</p> <p>Board of Directors: The Board of Directors of the Company.</p> <p>Executive Member: A member of the Board of Directors who is full-time in the executive management of the Company and participates in the day-to-day business of the Company.</p> <p>Non-Executive Member: A member of the Board of Directors who is not full-time to manage the Company and does not participate in the day-to-day business of the Company.</p> <p>Independent Member: A non-executive board member who enjoys full independence in his position and decisions, and none of the symptoms of independence stipulated in Article Twenty of these Regulations apply to him.</p> <p>Executive management or senior executives: Persons entrusted with managing the company's day-to-day operations, proposing and implementing strategic decisions, such as the CEO, his deputies and the Chief Financial Officer.</p> <p>Cumulative voting: A voting method for the selection of members of the Board of Directors that gives each shareholder voting power in the number of shares he owns, so that he has the right to vote for one candidate or divide them among the candidates he chooses without repeating these votes.</p> <p>Remuneration: Amounts, allowances, profits and the like, periodic or annual remuneration related to performance, short- or long-term incentive plans, and any other in-kind</p>

<p>"Authority" means the Capital Market Authority.</p> <p>Market: Saudi Stock Exchange (Tadawul).</p> <p>Board of Directors: The Board of Directors of the Company as stipulated in the Company's Articles of Association.</p> <p>Chairman of the Board of Directors: A non-executive member of the Board of Directors who is elected by the members of the Board to preside over meetings and organize business.</p> <p>Board Member: -</p> <p>Executive Member: A member of the Board of Directors who is full-time in the executive management of the company, participates in the daily business of the company and receives a monthly salary.</p> <p>Non-Executive Member: A member of the Board of Directors who is not full-time to manage the Company, does not participate in its daily business, and does not receive a monthly salary.</p> <p>Independent Member: A non-executive member of the Board of Directors who enjoys full independence in his position and decisions, and does not apply to any of the symptoms of independence.</p> <p>CEO/Company Manager: The natural person who manages the Company's operations, including the Managing Director, CEO and equivalent.</p> <p>Secretary: Secretary of the Board of Directors of the Company.</p> <p>General Assembly: The General Assembly held in the presence of the Company's shareholders in accordance with the provisions of the Companies Law and the Company's Articles of Association.</p> <p>Current Security: A security traded in the Saudi Market.</p> <p>Relatives or kinship: -</p> <ul style="list-style-type: none"> ■ Fathers, mothers, grandparents, and grandmothers, even if they are higher. 	<p>benefits, except for reasonable actual expenses and expenses incurred by the Company on behalf of a member of the Board of Directors for the purpose of performing his work.</p>
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<ul style="list-style-type: none"> ■ The children, and their children, even if they descended. ■ Brothers and sisters, brothers, father, or mother. ■ Husbands and wives <p>Dependent: A person who controls another person, or shares with him a being controlled by a third person. In any of the foregoing, control is direct or indirect.</p> <p>Calendar Day: Any day, whether it is a working day or not.</p> <p>Quarterly Trading Period of the Board of Directors and Senior Executives: It is the period during which the Company's Board of Directors, senior executives or any person related to any of them may not deal in the Company's securities during the period of (15) calendar days preceding the end of the fiscal quarter until the date of announcing the interim financial statements after examining the Company.</p> <p>Annual Trading Ban Period for the Company's Board Members and Senior Executives: The Company's Board of Directors, senior executives or any person related to any of them may not deal in any of the Company's securities during the period of (30) calendar days preceding the end of the fiscal year until the date of announcing the interim financial statements after examination or the Company's audited annual financial statements.</p>	
<p><u>First: - The objective of these standards</u></p>	<p><u>Chapter Two: Composition of the Board of Directors</u></p>
<p>These criteria aim to establish specific procedures that indicate how to become a member of the Board of Directors and what are the steps to be followed when joining the Board of Directors.</p>	<p><u>Article (2): Composition of the Board of Directors:</u></p> <p>The composition of the Board of Directors shall take into account the following:</p> <ol style="list-style-type: none"> 1- The number of its members is proportional to the size of the company and the nature of its activity, provided that it is not less than three and not more than eleven. 2- The majority of non-executive members must be non-executive members.

	3- The number of its independent members shall not be less than two members or one third of the members of the Board, whichever is greater.
<u>Second: - Criteria for joining the membership of the Board of Directors</u>	Article (3) Appointment of the members of the Board of Directors:
<p>The Remuneration and Nomination Committee is responsible for balancing the criteria required to become a member of the Board of Directors, so that the Board members have sufficient skills and practical and scientific experience to provide added value to the Company as a whole.</p> <p>Candidates for Board membership are selected on the basis of: skill, experience, leadership qualities, integrity in business decisions, diversity, personality, ability to judge, age, independence, corporate experience, length of service, conflict of interest, serving on other corporate boards and other qualities that enhance the Board's ability to manage and direct the Company's affairs and activities effectively and competently, and meet the standards of independence that Imposed by the laws and regulations or the rules of registration and listing issued by the Ministry and the Authority. Candidates or a member of the Board of Directors of the company in general should have abilities such as: the ability to understand the nature of the company's work, make independent analytical judgments, the ability to communicate effectively, and the ability and willingness to put in time and effort to be an effective and active member of the Board of Directors.</p>	<ol style="list-style-type: none"> 1. The General Assembly shall elect the members of the Board of Directors for the period stipulated in the Company's Articles of Association, provided that it does not exceed three years, and they may be re-elected unless the Company's Articles of Association provide otherwise. 2. A member of the Board of Directors shall not be a member of the Board of Directors of more than five joint stock companies listed on the Exchange at the same time. 3. The Company shall notify the Authority of the names of the members of the Board of Directors and their membership within five working days from the date of commencement of the Board of Directors session or from the date of their appointment, whichever is earlier, and any changes to their membership within five working days from the date of the changes.
<u>Third: - Term and conditions of membership</u>	Article (4) Conditions of membership of the Board of Directors:
<ol style="list-style-type: none"> 1. The members of the Board of Directors shall be appointed by the Ordinary General Assembly of Shareholders for a period not exceeding four years, and the term of the Chairman of the Board, the Managing Director, the member of the Board of Directors and the Secretary of the Board of Directors 	The Board of Directors has the primary role in the success and growth of the company, achieving its objectives and ensuring its continuity and prosperity, so it is required that the member of the Board of Directors be of professional competence who have the necessary experience, knowledge, skill and independence to enable him to

<p>shall not exceed the term of their respective members of the Board.</p> <ol style="list-style-type: none"> 2. The majority of the members of the Board of Directors shall be non-executive members. 3. The Chairman of the Board of Directors is prohibited from combining his position as Chairman of the Board of Directors with any executive position in the Company (such as the position of Managing Director, CEO, General Manager, or any other executive position in the Company). 	<p>exercise his duties efficiently and competently, taking into account that he has in particular the following:</p> <ol style="list-style-type: none"> 1- To be of good conduct and behavior and no judgments have been issued against him that affect integrity and honor. 2- To be fully qualified by Sharia. 3- The members collectively shall have the qualifications, skills and experience necessary to carry out the work of the Board, such as the ability to perform its duties, leadership, guidance, financial knowledge, the ability to read and understand financial statements and reports, and that they are distributed in a balanced manner among the members to achieve effectiveness, and provide sufficient experience to the Board.
<p><u>Fourth: - Conditions of membership in the Board of Directors</u></p>	<p>Article (5) Procedures for Electing the Members of the Board of Directors:</p>
<ol style="list-style-type: none"> 1. A member of the Board of Directors of the company must have honesty, knowledge in financial and administrative matters, and the necessary experience to perform his duties. 2. A member of the Board of Directors of the Company may not be a member of the Board of Directors of another competing company. 3. A member of the Board of Directors shall not be a member of the Board of Directors of more than five joint stock companies at the same time. 4. Notification to the company's management including an introduction to the candidate in terms of his CV, qualifications and experience in the field of management work. 5. A candidate who has previously served as a member of the board of directors of a joint stock company shall submit a statement of the following: <ol style="list-style-type: none"> I- The number of meetings of the Board of Directors that took place during each of the years of the Board 	<p>1- Nomination: Each shareholder has the right to nominate himself or one or more other persons for membership of the Board of Directors within the limits of his ownership percentage in the capital, and the Board of Directors, upon the recommendation of the Nomination Committee, nominates and re-nominates members in accordance with the approved policies and standards, including the following:</p> <ol style="list-style-type: none"> I- Meeting the Board of Directors and issuing a decision to open the door for candidacy before the date of the Assembly at an appropriate date. II- Publishing the candidacy announcement on the company's website, the market's website and any other means determined by the Authority by inviting persons wishing to run for membership of the Board of Directors, provided that the nomination door remains open for at least one month from the date of the announcement.

<p>session, the number of meetings attended by the member originally, and the percentage of his attendance to the total meetings.</p> <p>II- The standing committees in which the member participated and the number of meetings held by each of those committees during each year of the Council's session.</p> <p>III- The candidate should not have been removed or requested to be removed by the company's shareholders, the board of directors or the general assembly from the membership of the boards of directors of joint stock companies.</p>	<p>Collecting the data of candidates for membership and sending it to the company's general management for approval and inclusion in the agenda of the assembly.</p> <p>2- Election:</p> <p>A- The company shall announce on the market's website information about candidates for membership of the Board of Directors when publishing or calling for the General Assembly, provided that such information includes a description of the candidates' experiences, qualifications, skills, jobs and previous and current memberships, and the company shall provide a copy of this information at its head office and website.</p> <p>B- Cumulative voting must be used in the election of the Board of Directors so that the right to vote for the share may not be used more than once.</p> <p>C- Voting in the General Assembly shall be limited to candidates for membership of the Board of Directors whose information has been announced by the Company in accordance with paragraph (a) of this Article.</p>
<p><u>Fifth: - Procedures for membership in the Board of Directors</u></p>	<p>Article (6) Termination of the membership of the Board of Directors:</p>
<ol style="list-style-type: none"> 1. It is not permissible, except with the prior written approval of the Board of Directors, to be nominated for membership of the Board of Directors of the Company or to assume the position of Director thereof by holding the same position or position in Safit Company. Or who is dismissed from such a position or position in another company. 2. The membership candidate must submit to the Board of Directors the following documents:- <ol style="list-style-type: none"> I- Fill out Form No. (1) issued by the Authority. II- Fill out Form No. (3) issued by the Authority. III- Submit an application for candidacy in the Board of Directors. IV- Submit an updated CV. 	<ol style="list-style-type: none"> 1. The validity of the Council shall expire upon the expiry of its term or upon the expiry of the member's validity in accordance with any system or regulations in force in the Kingdom. 2. The Ordinary General Assembly may at any time dismiss all or some of the members of the Board, even if the Company's Articles of Association stipulate otherwise, without prejudice to the right of the person who was dismissed to compensation if the dismissal occurred for an unacceptable reason or at an inappropriate time. 3. The General Assembly may (upon the recommendation of the Board of Directors) terminate the membership of any of its members who are absent from attending three consecutive meetings of the Board without a legitimate excuse.

<p>V- A statement of the companies or institutions that he participates in managing or owning during each year of joining them.</p> <p>VI- A clear copy of the national ID and family card or a clear copy of the passport, residence and valid visa - subject to availability - for non-Saudis, the commercial registration of companies and institutions and the contact numbers of the candidate.</p> <p>VII- Provide contact addresses (mobile, e-mail and national address).</p> <p>VIII- A statement of the number and dates of the board of directors of joint stock companies and the committees in which the candidate was a member and in which he is still a member, as follows:</p> <ol style="list-style-type: none"> 3. The number of meetings of the Board of Directors and the dates of their attendance in authenticity or proxy. 4. The number of meetings of the committees emanating from the Board of Directors and the dates of their attendance in authenticity or proxy separately. 5. Faithful to the financial results achieved by the company during each year of the Board sessions. <ol style="list-style-type: none"> I- The status of membership must be clarified, (executive, non-executive, independent). II- The status of the candidate with a legal capacity must be clarified from his representation. <p>The CMA may, as it deems necessary to protect investors, oblige the company to comply with the rules governing its management, whether with regard to the qualifications of the members of the Board of Directors, senior management, the audit committee, the chartered accountant, or the eligibility, responsibilities, powers or decision-making procedures of any of them.</p>	<p>4- A member of the Board of Directors may apologize, provided that this is done in a timely manner, otherwise he shall be responsible by the company for the damages resulting from the apology.</p> <p>5- If a member of the Board of Directors resigns and has observations on the performance of the company, he must submit a written statement therein to the Chairman of the Board of Directors and this statement must be presented to the members of the Board of Directors.</p> <p>6 - Upon the termination of the membership of a member of the Board of Directors by one of the methods of termination of membership, the company shall notify the Authority and the Market with a statement of the reasons that called for this.</p>
<p><u>Sixth: - Required skills and qualifications</u></p>	<p>Article (7) Vacancy of the position of one of the members of the Board of Directors:</p>

<p>The members of the Board shall meet the following conditions:</p> <ol style="list-style-type: none"> 1. An appropriate level of qualifications, skills, knowledge and experience, to contribute to the protection and management of the company's gains. 2. The qualifications, skills and experience should be distributed in a balanced manner among the members, to achieve effectiveness, and to provide sufficient experience to the Council, and it is not necessary for each member to have all the required skills. 3. The members should have, after foresight, strategic perspective, good management perception, ability to manage and supervise, take note of the legal and financial aspects, and knowledge of the company's business and activities in particular. 4. Leadership ability by having leadership skills that qualify him to grant powers that lead to motivating performance, applying best practices in the field of effective management, and adhering to professional values and ethics. 5. The ability to direct by having technical, leadership, and administrative capabilities, speed in decision-making, and understanding the technical requirements related to the workflow, and to be able to strategic direction, planning and a clear future vision. 6. The age of the candidate at the time of applying to join the membership of the Board of Directors should not be less than 35 years. 	<p>If the position of one of the members of the Board of Directors becomes vacant, the Board may appoint a temporary member to the vacant position, provided that he is experienced and sufficient, and the Ministry of Commerce and Investment and the Capital Market Authority shall be informed of this within five working days from the date of appointment, and the appointment shall be presented to the Ordinary General Assembly at its first meeting and the new member shall complete the term of his predecessor.</p> <p>If the necessary conditions for the convening of the Council are not met due to the lack of the number of its members from the quorum necessary for the validity of its meeting, the rest of the members shall convene the Ordinary General Assembly within sixty days to elect the necessary number of members.</p>
<p><u>Seventh: - Commitment</u></p> <ol style="list-style-type: none"> 1. The member shall perform all tasks and works responsibly, in good faith, seriousness and attention. 2. The member shall allocate sufficient time to carry out his duties and carry out his responsibilities, including preparing for the meetings of the Council and the 	<p>Article 8: Symptoms of Independence:</p> <p>I- An independent board member must be able to exercise his duties, express his opinions and vote on decisions objectively and impartially in order to help the board of directors to take sound</p>

<p>permanent and temporary committees, and ensuring their attendance.</p> <p>3. The member should be constantly informed of everything that happens in the company, be aware of all developments, and remain in constant contact with the executive management and any other party with a reliable source such as the company's chartered accountant.</p> <p>4. The member shall represent all shareholders, and shall commit to doing what is in the interest of the company in general and not what achieves the interests of the group he represents or that voted to appoint him.</p>	<p>decisions that contribute to achieving the interests of the company.</p> <p>II- The Board of Directors shall conduct an annual assessment of the extent to which the independence of the member has been achieved and ensure that there are no relationships or circumstances that affect or could affect him.</p> <p>III- The independence required of an independent director is incompatible (but not limited to) the following:</p> <ol style="list-style-type: none"> 1. To be the owner of five percent or more of the company's shares or the shares of another company from its group or has a kinship relationship with the person who owns this percentage. 2. To be a representative of a legal person who owns five percent or more of the company's shares or of the shares of another company from its group. <ol style="list-style-type: none"> 1. To be related to any of the members of the Board of Directors in the company or in another company of its group. 2. To be related to any of the senior executives in the company or in another company of its group. 3. To be a member of the Board of Directors of another company from the group of the company nominated for membership of the Board of Directors. 4. To have worked or been an employee during the past two years for the Company or any party dealing with it or another company from its group, such as auditors and major suppliers, or to be the owner of controlling interests in any of those parties during the past two years. 5. To have a direct or indirect interest in the business and contracts made for the company's account.
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	<p>6. To receive sums of money from the company in addition to the remuneration for membership of the Board of Directors or any of its committees.</p> <p>To participate in a business that would compete with the company or to trade in one of the branches of the activity practiced by the company.</p>
<u>Eighth: - Termination of membership in the Board of Directors and dismissal of members of the Board of Directors</u>	<u>Chapter Three: Responsibilities and Competencies of the Board of Directors</u>
<p>1. The membership of the member(s) of the Board of Directors shall expire in the following cases:-</p> <p>I- Expiry of the term of appointment.</p> <p>II- Resignation.</p> <p>III- Death.</p> <p>IV- If it is proved to the Board of Directors that the member has breached his duties in a manner that harms the interest of the company, provided that this is accompanied by the approval of the ordinary general assembly.</p> <p>V- Upon termination of his/her membership in accordance with any system or instructions in force in the Kingdom.</p> <p>VI- By being absent from more than three consecutive meetings or five separate times during the term of the Board without an excuse acceptable to the Board of Directors.</p> <p>VII- He became insensitive.</p> <p>VIII- He became mentally ill.</p> <p>IX- If it is proven that he has committed an act that violates honesty and morals or is convicted of forgery.</p> <p>2. Upon termination of the membership of a member of the Board of Directors by any means of termination of membership, the company must notify the Capital Market Authority and Tadawul immediately with a statement of the reasons for this.</p>	<p>Article 9 Obligations of a member of the Board of Directors:</p> <p>Each member of the Board of Directors shall abide by the principles of honesty and honesty by having a sincere professional relationship with the Company, disclosing to it any influential information before executing any transaction or contract with the Company or one of its subsidiaries, avoiding transactions involving a conflict of interest, and committing to exercise care and attention to the interests of the Company and shareholders and to perform the duties and responsibilities contained in the Companies Law, the Capital Market Law and their Implementing Regulations, the Company's Articles of Association and other regulations.</p>

<p>3. The General Assembly may at any time remove all or some of the members of the Board of Directors.</p> <p>5. If the number of members of the Board of Directors is less than four members (quorum necessary for the validity of the meetings of the Board of Directors) by any of the methods of termination of membership, the Ordinary General Assembly shall be convened as soon as possible to appoint the necessary number of members.</p>	
<u>Ninth: - Vacancy of the position of membership of the Board of Directors</u>	Article (10) Responsibilities of the Board of Directors:
<p>1. If the position of a member of the Board of Directors becomes vacant, the Board may temporarily appoint a member to the vacant position, provided that such appointment shall be submitted to the Ordinary General Assembly at its first meeting. The new member completes the term of his predecessor only after obtaining a no-objection from the relevant regulatory authorities.</p> <p>2. If the number of members of the Board of Directors falls short of the quorum necessary for the validity of its meetings, the Ordinary General Assembly shall be invited as soon as possible to appoint the necessary number of members after obtaining a no-objection from the relevant regulatory authorities.</p>	<p>1- The Board of Directors represents all shareholders and shall exert the duties of care and loyalty in the management of the company and everything that would preserve its interests, develop and maximize its value.</p> <p>2. The board of directors of the company shall be responsible for its work, even if it delegates committees, bodies, or individuals to exercise some of its competences, and in all cases, the board of directors may not issue a general or indefinite authorization.</p>
<u>Tenth: - Independence</u>	Article (11) Basic functions of the Board of Directors:
<p>1. The number of independent directors shall not be less than two members, or one-third of the members of the Board, whichever is more.</p> <p>2. The principle of independence generally aims to help members make their own decisions, without the existence of economic or personal conflicts of interest, which would exist if the following rules of independence were not taken into account - even if their decisions were not affected in practice.</p>	<p>Subject to the competencies prescribed for the General Assembly in the Companies Law, its implementing regulations and the Company's Articles of Association, the Board of Directors shall have the widest powers in managing the company and directing its work in a manner that achieves its objectives.</p> <p>1- Establish, review and guide the company's overall strategy, master business plans, risk management policies and procedures.</p>

<ol style="list-style-type: none"> 3. The independent member or the legal person representing him shall not own 5% or more of the shares of the company or any company of its group. 4. Not to be a senior executive (including the CEO, his deputies and the Chief Financial Officer) within the last two years in the company or in any company in its group. 5. The member should not have a kinship up to the fourth degree with any of the senior executives in the company or in any company of its group. 6. Not to be a member of the Board of Directors of any company within the group of the company nominated for membership of the Board of Directors. 7. The member should not be an employee or owner of a controlling share during the past two years with any of the parties associated with the company or its group. (including but not limited to chartered accountants, major suppliers, financial advisory firms or other consulting firms). 	<ol style="list-style-type: none"> II- Determining the optimal capital structure of the company, its strategies and financial objectives, and approving estimated budgets of all kinds. III- Supervise the company's main capital expenditures and the acquisition and disposal of assets. IV- Set performance objectives and monitor implementation and overall performance in the company. V- Periodic review and approval of the organizational and functional structures in the company. VI- Ensure the availability of human and financial resources necessary to achieve the company's main objectives and plans. <p>2- Setting systems and controls for internal control and general supervision, including:</p> <ol style="list-style-type: none"> A- Develop a written policy to address actual and potential conflicts of interest for both the members of the Board of Directors, the Executive Management and the shareholders, including misuse of the Company's assets and facilities and misconduct resulting from dealings with related parties. B- Ensure the integrity of financial and accounting systems, including those related to financial reporting. C- Ensure the application of appropriate control systems to measure and manage risks by developing a general perception of the risks that the company may face and establishing an environment familiar with the culture of risk management at the company level and presenting them transparently with stakeholders and parties related to the company.
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	<p>D- Annual review of the effectiveness of internal control procedures in the company.</p> <p>3- Preparing clear and specific policies, standards and procedures for membership in the Board of Directors (in a manner that does not conflict with the mandatory provisions of these Bylaws) and putting them into effect after the approval of the General Assembly.</p> <p>4- Develop a written policy that regulates the relationship with stakeholders in accordance with the provisions of this regulation.</p> <p>5- Setting policies and procedures that ensure the company's compliance with the laws and regulations and its commitment to disclose material information to shareholders and stakeholders and verify the compliance of the executive management with them.</p> <p>6- Supervising the management of the company's finances, cash flows, and financial and credit relations with others.</p> <p>7. To propose to the Extraordinary General Assembly what it deems appropriate regarding:</p> <p>A- Increase or decrease the company's capital.</p> <p>B- Dissolution of the company before the period specified in the company's articles of association or the determination of its continuation.</p> <p>8. To propose to the Ordinary General Assembly what it deems appropriate regarding the following:</p> <p>A- Using the company's contractual reserve in the event that it is formed by the extraordinary general assembly and is not allocated for a specific purpose.</p> <p>Formation of additional reserves or financial provisions for the company.</p> <p>E- The method of distributing the company's net profits.</p> <p>9. Prepare the company's interim and annual financial statements and approve them before publication.</p> <p>10. Prepare and approve the report of the Board of Directors before its publication.</p>
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	<p>11. Ensure the accuracy and integrity of the data and information to be disclosed in accordance with the applicable disclosure and transparency policies and systems.</p> <p>12. Establish effective communication channels that allow shareholders to be informed continuously and periodically about the various aspects of the company's activities and any material developments.</p> <p>13. Form specialized committees emanating from it with decisions specifying the duration of the committee, its powers and responsibilities, and how the Council controls it, provided that the formation decision includes the nomination of members, determining their tasks, rights and duties, and evaluating the performance and work of these committees and their members.</p> <p>14. Determining the types of remuneration granted to employees of the company, such as fixed bonuses, performance-related remunerations, and bonuses in the form of shares, in a manner that does not conflict with the regulatory controls and procedures issued in implementation of the Companies Law for Listed Joint Stock Companies.</p> <p>15. Setting the values and standards that govern the work in the company.</p>
<u>Eleventh: - Obligations of the members of the Board of Directors</u>	Article (12) Powers of the Board of Directors:
<ol style="list-style-type: none"> 1. Apply the highest possible ethical standards. 2. Act on their full knowledge of the company's affairs, and for the benefit of the company, taking into account the interests of the other shareholders. 3. Exercise the duty of due diligence and loyalty during the exercise of their duties and investigate the required accuracy in their decisions. 4. Carry out the tasks entrusted to them without prejudice to a shareholder or a class of shareholders and treat all shareholders fairly. 	<p>The powers of the company's board of directors are regulated under the text of article 24 of its articles of association, where it granted the board the widest powers in managing the company, drawing up its policy, determining its investments, conducting its business, funds, and all its affairs inside and outside the Kingdom, granting it the right to participate in other companies and authorizing one or more of its members or others to carry out a specific business or business, and granting it, for example, but not limited to, the following:</p>

<p>5. Issuing independent and objective judgments regarding the company's affairs.</p> <p>6. To fulfill their obligations, they should receive accurate and timely information, and the Company's Board of Directors is responsible for making such information available to all Board members.</p> <p>7. Compliance with the laws, instructions and regulations issued by the Ministry of Commerce, the Capital Market Authority, Tadawul and other regulatory bodies related to the company's work.</p> <p>8. Not to disclose material information circulated during the periodic meetings of the Board of Directors or from the sub-committees to any media or personal entity without the prior approval of the Board of Directors.</p>	<p>1. Representing the company in all its relations with third parties, including natural or legal persons, before all judicial bodies, general and summary courts, the Board of Grievances, judicial committees with all their competences, notaries, labor case departments, primary and higher committees, commercial papers committees, arbitration committees, dispute resolution, all judicial committees of any kind and purpose, civil rights, police stations, all executive bodies, chambers of commerce, military, security and civil government bodies in ministries, institutions, bodies, and funding funds. And others with its various departments and divisions, non-governmental entities inside and outside the Kingdom of Saudi Arabia, banks, banks, finance houses, companies and institutions of all kinds, and the termination of all procedures and transactions, follow-up, signature, delivery and receipt.</p> <p>2- Concluding all types of contracts and agreements in the name of the company, including but not limited to contracts for purchase, sale, lease, leasing, agencies, franchising, financial hedging contracts, entering into tenders, etc., signing and accepting them, signing contracts for the company's participation in other companies by ownership, establishment, participation, merger or liquidation, and they have the right to buy and sell shares and shares, attend meetings of boards of directors, managers, ordinary and extraordinary general assemblies, vote on all matters and decisions, approve budgets, distribute profits and appoint Boards of directors and full representation of the company in all companies in which the company contributes inside and outside the Kingdom of Saudi Arabia.</p> <p>3- Opening branches, canceling them, renewing and liquidating them, establishing companies, establishing companies with others, participating in them, signing their articles of association, annexes and decisions of their</p>
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	<p>partners, concluding and terminating and amending their contracts, liquidating them, buying and selling shares, assigning them, increasing and reducing capital before the Ministry of Commerce and Investment and the Notary Public, extracting and writing off commercial records, licenses and what is necessary for them.</p> <p>4- Managing and investing the company's fixed and movable assets, selling, buying, emptying and accepting, mortgage, releasing the mortgage, leasing, leasing the price, handing over the appraiser, division, sorting, annexation, extracting arguments of acquisition, amending the limits and lengths in the instruments and merging them, and has the right to annex property and instruments with their boundaries and areas, request the amendment of the use of schemes, extract replacement instruments for lost and damaged replacements, receive and deliver instruments for all fixed and movable assets of the company, including lands and real estate, and the Board shall observe the following conditions when disposing of the company's assets, properties and real estate:</p> <p>The Board shall specify in its decision to sell the reasons and justifications therefor.</p> <p>The sale shall be close to the price of the same.</p> <p>The sale shall be present except in cases of necessity and with sufficient guarantees.</p> <p>Such conduct shall not result in the cessation of some of the company's activities or the imposition of other obligations.</p> <p>5- Opening, managing, activating and closing bank accounts, investment portfolios, funds, etc., withdrawal, deposit, signing checks, order bonds, transfers, mortgages, submitting and requesting guarantees, guarantees, credits and facilities, signing them and all financial and banking services and banking products, using electronic services and what is related to secret numbers, authorizing their</p>
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	<p>receipt and operation, adding and dismissing authorized signatories with the bank.</p> <p>6 - Selling, buying, withdrawing, depositing, transferring, subscribing, trading, mortgage and release of mortgage for shares and shares in companies, institutions, funds and others, and receiving and amending profits, surplus, title deeds.</p> <p>7- Requesting and concluding loans from all governmental and non-governmental agencies, funds and financing institutions, signing guarantees in the name of the company, guarantees, credits and facilities, signing its contracts, guarantees, etc., receiving and paying loans, and the Board shall observe the following conditions when concluding loans whose terms do not exceed three years: The value of loans that the board may hold during the company's fiscal year shall not exceed 50% of the company's capital.</p> <p>The Board of Directors shall specify in its resolution the aspects of the use of loans and the manner of their repayment.</p> <p>The terms of the loan and the guarantees provided to it shall be taken into account not to harm the company, its shareholders and the general guarantees of creditors.</p> <p>8. Discharge the company's debtors from their obligations thereon, and the Board shall observe the following conditions when discharging the company's debtors: The discharge shall take place at least one full year after the arise of the debt.</p> <p>The discharge shall be for a maximum amount per year for one debtor.</p> <p>Discharge is a right of the Board of Directors that may not be delegated.</p> <p>9- Appointing, recruiting and dismissing managers, employees, workers, agents, intermediaries and the like, determining their salaries and bonuses and disbursing them to them, doing everything related to managing their</p>
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	<p>affairs in the company, using the full-time and part-time local and foreign expertise necessary to achieve the company's objectives, determining its fees, rewarding and disbursing them.</p> <p>10. The Board of Directors shall exercise these powers inside and outside the Kingdom of Saudi Arabia and shall have the right to authorize others to carry out certain work or works in a manner that does not conflict with the provisions of this Law.</p>
<u>Twelfth: - Practices expected of the members of the Board of Directors</u>	Article 13 Distribution of competence and tasks:
<p>The Board of Directors of the Company expects from each member of the Board the following:-</p> <ol style="list-style-type: none"> 1. Understand the nature of the company's activities. 2. Attend the meetings of the Board of Directors and the committees to which the Board member belongs. 3. Review and absorb the printed materials submitted before the meetings and any other materials submitted to the Board of Directors from time to time. 4. Participate effectively, objectively and constructively in meetings and strategic decision-making processes. 5. Sharing his vision, successor, experience and knowledge in line with the topics presented to the Board of Directors and its committees. 	<p>The organizational structure of the company must include the definition of competencies and the distribution of tasks between the Board of Directors and the executive management in accordance with the best practices of corporate governance, improves the efficiency of the company's decision-making and achieves a balance in the powers and authorities between them.</p> <p>1- Approving and developing internal policies related to the company's work, including defining the tasks, competencies and responsibilities entrusted to the various organizational levels.</p> <p>2- Adopting a written and detailed policy specifying the powers delegated to the executive management and a table explaining those powers, the method of implementation and the duration of the delegation, and the Board of Directors may request the executive management to submit periodic reports on its exercises of the delegated powers.</p> <p>3. Determine the topics on which the Council retains the authority to decide.</p>
<u>Thirteenth: - Selection of members of the Board of Directors</u>	Article 14 Separation of Positions:
I. <u>Filtration:</u>	<p>1. Subject to the provisions of the Company's Articles of Association, the Board of Directors shall appoint from</p>

<ol style="list-style-type: none"> 1. The Remuneration and Nomination Committee decides to open nominations for the election of a new Board of Directors at the next General Assembly. 2. The Remuneration and Nomination Committee shall carry out the duties of the announcements necessary to publish the decision to open the nomination period. 3. The Remuneration and Nomination Committee oversees the process of receiving nomination applications for membership of the Board of Directors. 4. The Remuneration and Nomination Committee reviews and examines nomination applications for membership of the Board of Directors (which include all documents stipulated in the policies and standards approved by the Board of Directors and approved by the Association). 5. The Remuneration and Nomination Committee sends nomination applications to the Authority for regulatory approvals. 6. The Remuneration and Nomination Committee of the General Assembly recommends that the members be elected in accordance with the approved policies and criteria, taking into account the abilities and qualifications of the nominated persons and taking into account not to nominate any person who has previously been convicted of a crime involving moral turpitude and dishonesty. 7. Nominations shall continue for at least thirty days from the date of opening the nomination door, in order to allow candidates to apply for membership. 8. If the quorum required by the candidates for membership of the Council is not available within thirty days, the nomination door shall be extended until the required quorum is completed, provided that this is published on the market's website. 	<p>among its members a Chairman and Vice-Chairman and may appoint a Managing Director.</p> <ol style="list-style-type: none"> 2. The position of Chairman of the Board of Directors may not be combined with any executive position in the Company (including the position of Managing Director, CEO or General Manager) even if the Company's Articles of Association stipulate otherwise. 3- The Board of Directors shall specify the competencies and responsibilities of the Chairman of the Board of Directors, his Deputy and the Managing Director (if any) in a clear and written manner if the Company's Articles of Association are not such. 4. In all cases, no person may have the absolute power to make decisions in the company.
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<p>9. No application for candidacy for membership of the Board of Directors will be considered if it is submitted after the closing of the nomination door and the completion of the quorum.</p> <p>II. <u>Election:</u></p> <ol style="list-style-type: none"> 1. The company's articles of association determine the number of members of the board of directors. 2. The General Assembly shall select the members of the Board of Directors from among the candidates, provided that sufficient information about the candidates is provided in advance of the meeting of the Assembly. 3. The number of independent members of the Board of Directors shall not be less than two members or one-third of the members of the Board of Directors, whichever is the most. 4. The cumulative voting method should be used when electing board members. <p>III. <u>Reporting:</u></p> <ol style="list-style-type: none"> 1. After approving the results of the General Assembly elections, the Remuneration and Nomination Committee shall notify the elected members, and officially provide them with their terms of reference, duties, the value of your remuneration, and all the internal regulations in force in the company. 2. The Remuneration and Nomination Committee familiarizes the members of the new Board with the work of the Company, especially the financial, legal and administrative aspects, as well as training them if necessary. 	
<p><u>Fourteenth: - Tasks and objectives of the Board of Directors</u></p>	<p>Article 15 Supervision of Executive Management:</p>
<ol style="list-style-type: none"> 1. Developing the investments of the company's shareholders and continuing its growth in the long term, and working to emphasize the vital role played 	<p>The Board of Directors shall form the executive management of the company, organize its work, control</p>

<p>by the company in order to serve its shareholders , employees, and other individuals, and institutions that depend on it.</p> <ol style="list-style-type: none"> 2. Follow up the performance of the company as well as the performance of the CEO and senior executives and provide constructive advice and guidance. 3. Approving strategic directions and evaluating their consequences. 4. Carrying out supervisory work that ensures the company's exercise of its activities within a legal, ethical and social framework. 5. Provide the necessary advice to the CEO and senior executives and evaluate their performance. 6. Review and approve the company's mission, basic financial strategies and strategies for its activities, objectives and policies. 7. Review the company's financial performance periodically, with a special focus on comparing the company with other companies and other competing companies, including the opinions of management, major investors and analysts. 8. Review , direct and approve the company's long-term strategy and plans, evaluate its strategic , financial and competitive performance, and compare it with the practices and policies of other companies and competitors. 9. Review, direct and approve estimated budgets and annual work plans. 10. Setting the desired goals of performance and monitoring the company's performance. 11. Supervise the company's financial structure, policies and financial practices. 12. Supervise disclosure controls and procedures and internal control over financial reports, including independent audits aimed at preparing complete, 	<p>and supervise it and verify the performance of the tasks entrusted to it, and for this purpose:</p> <ol style="list-style-type: none"> 1. Develop the necessary administrative and financial policies. 2- Verify that the executive management is working in accordance with the policies approved by it. 3- Selecting, appointing and supervising the company's CEO. 4. Appointing the director of the internal audit unit or department or the internal auditor - upon the recommendation of the audit committee, dismissing him and determining his remuneration, if any. 5- Holding periodic meetings with the executive management to discuss the course of work and the obstacles and problems it faces, and to review and discuss important information regarding the company's activity. 6- Setting performance standards for the executive management in line with the company's objectives and strategy. 7. Review and evaluate the performance of the executive management. 8 - Develop succession plans for the management of the company.
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<p>impartial, accurate and understandable reports on time.</p> <ol style="list-style-type: none"> 13. Ensure the existence of appropriate control systems to manage risks and adhere to the system and associated standards. 14. Selecting and evaluating the company's officials, determining their financial compensation, and preparing a plan for the succession of senior management officials to assume their positions. 15. Review and approve the salaries and remuneration of the company's president, CEO and other executive members for their services as executives or employees of the company. 16. Review assessments of serious risks and matters that hinder the company and provide advice and guidance to management thereon, as well as review the available options to mitigate them. 17. Ensure the establishment of methods and procedures to ensure the integrity of the company's actions, including its relations with its customers, suppliers and shareholders, and follow up on compliance with those methods. 18. Review the results achieved by the management in light of the company's plans, annual goals and long-term objectives. 19. Appointing committees affiliated to the Board of Directors and evaluating their performance. 20. Develop a senior executive remuneration program in line with the long-term interests of the company and its shareholders. 21. Ensure that the Board of Directors and its affiliated committees are informed in a timely manner and adequately informed of the Company's status and operations through reports and other methods. 	
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<p>22. Ensure the effectiveness of the company's governance practices, measure and follow them up, and make changes when necessary.</p> <p>23. Ensure that published reports provide an honest reflection of the Company's operating results and financial position.</p> <p>24. Ensure that appropriate policies are in place to identify, identify, and address conflicts of interest in the company, as well as monitor any potential conflicts of interest from management, board members and shareholders, including misuse of the company's resources or misconduct in the transactions of interested parties.</p> <p>25. Ensure that the written policy governing the relationship with stakeholders is developed and updated to provide the necessary protection for their rights, which should include the following:</p> <ul style="list-style-type: none"> I- Mechanisms to compensate stakeholders in case of violation of their rights guaranteed by the applicable regulations and agreements concluded in this regard. II- Mechanisms for settling complaints or disputes that may arise between the company and any of its stakeholders. III- Mechanisms to maintain good relations between the company and its customers and suppliers and protect the confidentiality of their information. <p>Establishing the rules of professional conduct for the company's executives and employees and regulating their relations with stakeholders, and the company's board of directors takes measures to follow up the implementation of these rules and comply with them.</p>	
<p><u>Fifteenth: - Criteria for selecting independent directors</u></p>	<p><u>Chapter Four Competences of the Chairman and Members of the Board of Directors</u></p>
<p>An independent board member must meet the following criteria, including but not limited to the following:-</p>	<p>Article 16 Competences and Duties of the Chairman of the Board of Directors:</p>

<p>1. The necessary experience, knowledge, skill and independence, to enable him to exercise his duties efficiently and competently, taking into account that he has independence, which depends on the member's relations with others, including the existing relations between the members themselves, which affect the objectivity of the member, and his loyalty to shareholders. Therefore, an independent member is a member who does not have those relationships that may conflict with the provisions he issues regarding the company's activity. A member is not considered independent if he fails to comply with the criteria for independence described below. Which must be in line with the standards set by the Authority and the framework of what an independent board member enjoys is determined in the following:</p> <p>I- The member of the Board of Directors shall not own a large share in the company that makes him controlled by a "control share", or in any company of its group.</p> <p>II- The member of the Board of Directors should not have held during the past two years in an executive position in the company, or in any company of its group.</p> <p>III- The member of the Board of Directors shall not have any relationship of the fourth degree with any of the members of the Board of Directors of the Company, or any company of its group.</p> <p>IV- The member of the Board of Directors shall not have any fourth-degree kinship with any of the executive directors of the company, or in any company of its group.</p> <p>V- Not to be a member of the Board of Directors in any of its groups.</p> <p>VI- The member of the Board of Directors shall not work or have worked during the past two years as</p>	<p>Without prejudice to the competencies of the Board of Directors, the Chairman of the Board of Directors shall lead the Board, supervise its workflow and perform its competencies effectively.</p> <p>1. Ensure that the members of the Board of Directors receive complete, clear, correct and non-misleading information in a timely manner.</p> <p>2. Ensure that the Board of Directors discusses all key issues effectively and in a timely manner.</p> <p>3- Representing the company before third parties in accordance with the provisions of the Companies Law, its implementing regulations and the company's articles of association.</p> <p>4- Encouraging the members of the Board of Directors to exercise their duties effectively and in the interest of the company.</p> <p>5- Ensure that there are channels of actual communication with shareholders and communicate their opinions to the Board of Directors.</p> <p>6- Encouraging constructive relations and effective participation between the Board of Directors and the executive management and between executive, non-executive and independent members and creating a culture that encourages constructive criticism.</p> <p>7. Prepare the agenda of the meetings of the Board of Directors, taking into account any issue raised by a member of the Board of Directors or raised by the auditor, and consult with the members of the Board and the Chief Executive Officer when preparing the agenda of the Board.</p> <p>8- Holding meetings periodically with non-executive members of the Board of Directors without the presence of any executive in the company.</p> <p>9. Inform the ordinary general assembly when it convenes of the business and contracts in which one of the members of the board of directors has a direct or indirect interest, provided that such notification includes the information</p>
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<p>an executive director or employee of any institution that is one of the parties associated with the company, or any company of its group, and the parties related for the purposes of this paragraph include chartered accountants, major suppliers, etc.... It is incompatible with the independence of the member that he has held a "controlling stake" over the past two years in any of the parties associated with the company.</p> <p>VII- The Board of Directors of the Company shall review the above-mentioned guidelines and change them if the Board deems it necessary. This may include making the changes required to follow the Commission's rules on independence. The Remuneration and Nomination Committee should ensure that the requirements for independence are met.</p>	<p>provided by the member to the board of directors in accordance with paragraph 14 of Article Thirty of the Governance Regulations issued by the Capital Market Authority, and that this notification is accompanied by a special report from the company's external auditor.</p> <p>10. Inform the Board of Directors immediately when the company's losses reach half of the paid-up capital.</p> <p>11. Exercise the powers granted to him under the Company's Articles of Association.</p>
<p><u>Sixteenth: - Conflict of Interest in the Board of Directors</u></p> <p>The member of the Board of Directors is committed to abide by and apply the company's conflict of interest policy.</p>	<p>Article (17): The CEO may not be appointed as Chairman of the Board of Directors of the Company during the first year of the end of his service in the Company.</p>
<p><u>Seventeenth: - Change of responsibilities of the current position of a member of the Board of Directors</u></p>	<p>Article 18 Duties and Responsibilities of a Board Member:</p> <ol style="list-style-type: none"> 1- Affirming and acknowledging that serving the interests of the company and its shareholders is its highest priority. 2. Attend all meetings of the Board of Directors, the General Assembly and other relevant meetings, prepare well in advance for these meetings, and not be absent from them except for a legitimate excuse notified to the Chairman of the Board in advance or for emergency reasons. 3- Reviewing and understanding the minutes of the meetings of the Board of Directors, and requesting clarification of any unclear point in those minutes. 4- Maintaining the confidentiality of information and ensuring that the company's policy is not directed to his

	<p>personal interest and disclosing any activity that conflicts with the interests of the company.</p> <p>5- Reviewing the company's mission and objectives and working to implement them and to be aware of the company's programs and executive plans.</p> <p>6- Submit proposals to develop the company's strategy.</p> <p>7- Monitoring the performance of the executive management and the extent to which it achieves the company's goals and objectives.</p> <p>8- Review the company's performance reports.</p> <p>9- Verifying the integrity and integrity of the company's financial statements and information.</p> <p>10- Verify that the financial control and risk management systems in the company are strong.</p> <p>11. Determine the appropriate levels of remuneration for members of the executive management.</p> <p>12. Express an opinion on the appointment and dismissal of members of the executive management.</p> <p>13. Participate in the development of succession and replacement plan in the company's executive functions.</p> <p>14. Fully comply with the provisions of the Companies Law, the Capital Market Law, their implementing regulations, the relevant regulations and the Articles of Association when exercising his duties as a member of the Board and refrain from carrying out or participating in any act that constitutes an abuse of the management of the Company's affairs.</p> <p>15. Allocate sufficient time to carry out his responsibilities, prepare for and participate in the meetings of the Board of Directors and its committees effectively, including asking relevant questions and discussing with the company's senior executives.</p> <p>16. Study and analyze information related to the topics considered by the Board of Directors before expressing an opinion thereon.</p>
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	<p>17. Enable other members of the Board of Directors to express their opinions freely and urge the Board to deliberate on topics and survey the opinions of specialists from the members of the executive management of the company and others if the need arises.</p> <p>18. Inform the board of directors fully and immediately of any interest it has, directly or indirectly, in the business and contracts concluded for the company's account, including the nature and limits of that interest, the names of any persons concerned with it, and the expected benefit to be obtained directly or indirectly from that interest, whether that interest is financial or non-financial, and that member shall not participate in voting on any resolution issued in this regard, in accordance with the provisions of the Companies Law and the Market Law. Finance and their implementing regulations.</p> <p>19. Informing the board of directors fully and immediately of its participation, directly or indirectly, in any business that would compete with the company or compete with the company, directly or indirectly, in one of the branches of the activity it engages, in accordance with the provisions of the Companies Law and the Capital Market Law and their implementing regulations.</p> <p>20. Working on the basis of complete information and in good faith with the necessary care and attention for the benefit of the company and all shareholders.</p> <p>21. Recognizing its duties, roles, and responsibilities arising from membership.</p> <p>22. Developing his knowledge in the field of the company's activities and business and in the relevant financial, commercial, and industrial fields.</p> <p>23. Resignation from the membership of the Board of Directors in the event that he is unable to fulfill his duties in the Board fully.</p>
Each member of the Board of Directors shall notify the Remuneration and Nomination Committee in writing	Article 19 Duties of an independent board member:

<p>before being accepted for membership of the Board of Directors or any other position in another entity. He shall also provide such notice before or immediately after any significant change in his personal circumstances including change of position, or principal work duties. Non-staff members, except representatives of Board member companies, who have retired or changed positions when they became members of the Board of Directors shall leave the Board and, if this occurs, each Board member shall notify the Remuneration and Nomination Committee. The Committee assesses the appropriateness of the continued membership of the member concerned on the Board under new circumstances. That member is expected to abide by the decisions of the Governing Council following that evaluation.</p>	
<p><u>Eighteenth: - Attending the meeting of the General Assembly of Shareholders</u></p>	<p>Subject to his duties as a member of the Board of Directors stipulated in Article 18 of these Bylaws, an independent member of the Board of Directors shall participate effectively in the performance of the following tasks:</p> <ol style="list-style-type: none"> 1- Expressing an independent opinion on strategic matters, the company's policies and performance, and appointing members of the executive management. 2. Verifying that the interests of the company and its shareholders are taken into account and presented in the event of any conflict of interest. 3- Supervising the development of the company's governance rules and monitoring the implementation of the executive management thereof.
<ol style="list-style-type: none"> 1. The Company shall make every effort to set an appropriate date for the Annual Meeting of Shareholders (General Assembly) so that the members of the Board of Directors can attend taking into account the schedules of the members. 2. The Company requires all members of the Board of Directors to attend the Annual Meeting of Shareholders (General Assemblies). 	<p>Article (20) Prohibitions on a member of the Board of Directors:</p>

<p><u>Nineteenth: - Induction Program for Board Members and Continuing Education</u></p>	<ol style="list-style-type: none"> 1. Dealing in a security of the issuer during the periods stipulated in article 50.1 in the Registration and Listing Rules issued by the Board of the Capital Market Authority. 2. Trading based on inside information. 3. Voting on the resolution of the board of directors or the general assembly in the works and contracts concluded for the account of the company if it has a direct or indirect interest in it. 4 - Exploiting or benefiting directly or indirectly from any of the company's assets, information or investment opportunities offered to him as a member of the board of directors or offered to the company, including investment opportunities that fall within the company's activities or that the company wishes to benefit from, and the prohibition applies to a member of the board who resigns in order to exploit investment opportunities directly or indirectly that the company wishes to benefit from and which he became aware of during his membership in the board. 5. Accepting gifts from any person who has business dealings with the company if such gifts would lead to a conflict of interest. 6- The member of the Board of Directors shall be a member of the Board of Directors of more than five joint stock companies listed on the Exchange at the same time. 7 - Participate in any business that would compete with the company or compete with the company in one of the branches of the activity it carries out, unless he holds a previous license from the ordinary general assembly - renewed every year - allowing him to do so.
<p>The company pays sufficient attention to the training and qualification of the members of the Board of Directors and the development of the necessary programs for this, including the preparation of newly appointed development and induction programs to introduce the</p>	<p>Article 21 Secretary of the Board of Directors:</p>

<p>company's workflow and activities, especially the following: -</p> <ol style="list-style-type: none"> 1. The company's strategy, objectives and directions. 2. Financial, accounting, operational and risk management aspects of the company's activities, internal and external auditors. 3. The obligations, duties, responsibilities, rights , business ethics, corporate governance guidelines and key officers of the company. 4. Tasks and terms of reference of the company's committees. <p>The necessary mechanisms are also put in place for each of the members of the Board of Directors to obtain training programs and courses whenever necessary in order to develop their skills and knowledge in areas related to the company's activities. All members of the Board of Directors shall obtain a copy of the following documents:</p> <ol style="list-style-type: none"> 1. Articles of Association of the company. 2. The organizational structure of the company. 3. Corporate Governance Manual. 4. Regulations of the Council and the sub-committees of the Council. 5. List of financial and administrative powers of the Council, its committees and the executive management. 6. The members of the company's board of directors shall make visits to the company's head office and branches to know its activities , and the company's CEO shall make the necessary arrangements to carry out such visits. 	
<p><u>20th: - Legal accountability of the members of the Board of Directors</u></p>	<p>The Board of Directors shall appoint a secretary from among its members or others, and his term of office shall not exceed the term of office of the Board of Directors, and he shall not be dismissed except by a decision of the Board of Directors, and its terms of reference shall be</p>

	<p>determined, provided that these competencies include the following:</p> <ol style="list-style-type: none"> 1. Documenting the meetings of the Board of Directors and preparing minutes thereof that include the discussions and deliberations, indicating the place, date, start and end time of the meeting, documenting the decisions of the Board and the results of the voting and keeping them in a special and organized register, recording the names of the members present and the reservations they made, if any, and signing these minutes by all members present. 2. Save the reports submitted to the Board of Directors and the reports prepared by the Board. 3- Providing the members of the Board of Directors with the Board's agenda, working papers, documents and information related to it and any additional documents or information requested by any of the members of the Board of Directors related to the topics included in the meeting agenda. 4- Verifying the compliance of the members of the Board of Directors with the procedures approved by the Board. 5. Notify the members of the Board of Directors of the dates of the meetings of the Board well in advance. 6. Presenting the draft minutes to the members of the board of directors to express their views on them before signing them. 7- Ensure that the members of the Board of Directors fully and promptly obtain a copy of the minutes of the Board meetings, information and documents related to the company. 8. Coordination between the members of the Board of Directors. 9- Organizing the disclosures record of the members of the Board of Directors and the Executive Management in accordance with the provisions of Article Ninety-Two of the Corporate Governance Regulations.
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	<p>10. Providing aid and advice to members of the board of directors.</p> <p>11. Communicate with the relevant government agencies and coordinate with them to convene shareholders' assemblies.</p> <p>12. Carry out correspondence and correspondence as directed by the Council or its Chairman.</p>
<p>The members of the Board of Directors shall be jointly liable for the compensation of the company, the shareholders or third parties for the damage resulting from their mismanagement of the company's affairs or their violation of the provisions of this Law or the provisions of the Company's Articles of Incorporation and any condition to the contrary shall be deemed null and void. The responsibility lies with all members of the Board of Directors if the error arises from a unanimous decision, while the decisions issued by a majority of opinions are not held accountable to the opponents when they expressly prove their objection in the minutes of the meeting. The meeting in which the decision is issued as a reason for exemption from liability, unless it is proved that the absentee is not aware of the decision or is unable to object to it after becoming aware of it.</p>	<p><u>Chapter Five: Procedures of the Board of Directors</u></p> <p>Article 22 Board Meetings:</p>
<p><u>Twenty-first: - Evaluation of the members of the Board of Directors</u></p>	<p>Subject to the provisions of the Companies Law and its Implementing Regulations, the Board of Directors shall hold regular meetings to exercise its functions effectively, and the Board of Directors shall hold at least twice a year and whenever the need arises.</p>
<p>1. The Board of Directors, based on the recommendation and proposal of the Remuneration and Nomination Committee, shall evaluate the performance of the Board in general and the members and committees emanating from the Board of Directors annually through performance-related indicators to achieve the company's strategic</p>	<p>Article 23 Invitation to Board Meetings:</p>

<p>objectives, the quality of risk management, the adequacy of internal control systems, and others, provided that the strengths and weaknesses are identified and proposed to address them in accordance with the interest of the company.</p> <ol style="list-style-type: none"> 2. The performance appraisal procedures shall be written and clear and the evaluation shall include all members of the Board of Directors. 3. Performance evaluation includes the skills and experience possessed by the Board and the identification of weaknesses and strengths in them, while working to address weaknesses in possible ways such as nominating consultants or appointing professional competencies that can develop the performance of the Council and the performance evaluation must also include an evaluation of the mechanisms of work in the Council in general. 4. The individual evaluation of the members of the Board of Directors includes the extent of their effective participation and commitment to the performance of duties and responsibilities, including attending the meetings of the Board and the committees emanating from the Board of Directors and allocating the necessary time for them. 5. The Board of Directors shall arrange for an evaluation of its performance every four years by a competent external body. <p>The non-executive members of the Board of Directors shall conduct a periodic evaluation of the performance of the Chairman of the Board after taking the views of the executive members without the Chairman of the Board attending the discussion designated for this purpose, provided that the strengths and weaknesses are identified and proposed to address them in accordance with the interest of the Company.</p>	
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<p><u>Twenty-second: - Final provisions</u></p>	<p>1. The Board of Directors shall meet at the invitation of its Chairman or at the request of two of its members, and the invitation shall be in writing, by fax or by notarized e-mail.</p> <p>2. The invitation to the meeting shall be sent to each member of the Board at least five days before the date of the meeting, accompanied by the agenda of the meeting, the necessary documents and information, unless the situation calls for the meeting to be held on an emergency basis, the invitation to the meeting may be sent with the meeting agenda and the necessary documents and information within a period of less than five days before the date of the meeting.</p>
<p>The provisions of these Bylaws shall be effective and shall be adhered to by the Company as of the date of its approval by the General Assembly of Shareholders and shall be published on the Company's website to enable shareholders, the public and stakeholders to view them. The contents of these Bylaws shall be amended as needed upon the recommendation of the Board of Directors, provided that any proposed amendment thereto shall be submitted to the General Assembly of Shareholders at the earliest meeting her to adopt it.</p>	<p>Article 24 Board of Directors' Agenda:</p>
	<p>1- The Chairman of the Board of Directors shall prepare the agenda of the meetings of the Board in consultation with the members and the Company's manager.</p> <p>2. Each member of the Board of Directors shall have the right to propose the addition of any item to the agenda.</p> <p>3. The agenda, documents, and necessary information shall be sent with the convening of the council.</p> <p>4- The Board of Directors shall approve the agenda as soon as it is convened, and in the event that any member objects to this agenda, this must be recorded in the minutes of the Board meeting.</p>
	<p>Article 25 Quorum of Attendance:</p>

	A meeting shall not be valid unless attended by at least four members.
	Article 26 Deputation in attending the sessions of the board:
	<p>A member of the Board of Directors may delegate another member to attend the meetings of the Board, and the delegation shall be in accordance with the following controls:</p> <ol style="list-style-type: none"> 1. A member of the Board of Directors may not be represented by more than one member in the presence of such meeting. 2. The delegation shall be fixed in writing and on a specific meeting. 3. The deputy may not vote on the decisions on which the law prohibits the representative from voting.
	<p>Article (27) Organizing attendance at the meetings of the Board of Directors:</p> <ol style="list-style-type: none"> 1- The process of attending the meetings of the Board of Directors must be organized and dealing with cases of irregular attendance of members in those meetings. 2- The independent member of the Board of Directors shall ensure that he attends all meetings in which important and fundamental decisions affecting the status of the company are taken. <p>Article 28 Board Resolutions:</p> <ol style="list-style-type: none"> 1. The decisions of the Board of Directors shall be issued by a majority of the votes of the members present or representatives, and if the votes are equal, the side with which the chairman voted shall prevail. 2. The Board may issue decisions on urgent matters by presenting them to the members separately unless one of the members requests in writing the meeting of the Board for deliberation and such decisions shall be presented to the Board of Directors at its first subsequent meeting.

	<p>Article (29) Notes of the members of the Board of Directors:</p> <p>1. If any of the members of the Board of Directors has observations regarding the performance of the company or any of the topics presented and they are not decided upon at the Board meeting, they must be recorded and the measures taken by the Board or deems necessary to be taken in the minutes of the Board of Directors meeting.</p> <p>2. If a member of the Board of Directors expresses an opinion different from the decision of the Board, it must be recorded in detail in the minutes of the Board meeting.</p> <p>Article 30: Report of the Board of Directors:</p> <p>The company's board of directors issues a report that includes a presentation of its operations during the last fiscal year and all the influencing factors that the investor needs to be able to evaluate the company's assets, liabilities and financial position, and this report usually corresponds to the annual financial statements of the company and its subsidiaries, according to the regulations and laws issued by the Capital Market Authority, and the board report must contain the following:</p> <p>1. What provisions of the governance regulation have been applied, what has not been applied, and the reasons for that.</p> <p>2. Names of members of the Board of Directors, members of committees and executive management, their current and previous positions, qualifications and experience.</p> <p>3. The names of companies inside or outside the Kingdom in which a member of the company's board of directors is a member of the current and previous boards of directors or one of their managers.</p> <p>4- The composition of the Board of Directors and the classification of its members as follows: Executive Board Member - Non-Executive Board Member - Independent Board Member.</p>
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	<p>5. Measures taken by the Board of Directors to inform its members, especially non-executives, of the shareholders' proposals and observations regarding the Company and its performance.</p> <p>6- A brief description of the terms of reference and tasks of the committees, such as: the Audit Committee, the Nomination Committee and the Remuneration Committee, with the names of the committees, their chairmen and members, the number of their meetings, the dates of their convening, and the attendance data of the members for each meeting.</p> <p>7 - The means relied upon by the Board of Directors in evaluating its performance and the performance of its committees and members and the external body that carried out the evaluation and its relationship with the company - if any -.</p> <p>8. Disclosure of the remuneration of the members of the board of directors and the executive management in accordance with what is stipulated in Article Ninety-Three of the Corporate Governance Regulations and contained in Article 31 of this Bylaw.</p> <p>9. Any penalty, penalty, precautionary measure or precautionary restriction imposed on the company by the authority or any supervisory, regulatory or judicial authority, indicating the reasons for the violation, the signatory party, ways to remedy it and avoid its occurrence in the future.</p> <p>10. The results of the annual review of the effectiveness of the company's internal control procedures, in addition to the opinion of the audit committee on the adequacy of the company's internal control system.</p> <p>11. Recommendation of the Audit Committee on the need to appoint an internal auditor in the company in the absence of it.</p> <p>12. The recommendations of the Audit Committee that conflict with the decisions of the Board of Directors or that</p>
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	<p>the Board refused to take into account regarding the appointment of the Company's auditor, his dismissal, the determination of his fees, the evaluation of his performance or the appointment of the internal auditor, the justifications for such recommendations and the reasons for not taking them into account.</p> <p>13. Details of the company's social contributions, if any.</p> <p>14. A statement of the dates of the general assemblies of shareholders held during the last fiscal year and the names of the members of the Board of Directors present at these assemblies.</p> <p>15. A description of the main types of activity of the company and its subsidiaries, and in the event of a description of two or more types of activity, a statement of each activity and its impact on the company's business volume and its contribution to the results must be attached.</p> <p>16. A description of the company's important plans and decisions (including structural changes to the company, expansion of its business, or cessation of operations) and future expectations of the company's business.</p> <p>17. Information related to any risks faced by the Company (whether operational, financing or market risks) and the policy of managing and monitoring such risks.</p> <p>18. A summary in the form of a table or graph of the company's assets, liabilities and business results in the last five financial years or since incorporation, whichever is shorter.</p> <p>19. Geographical analysis of the total revenues of the company and its subsidiaries.</p> <p>20. Clarification of any material differences in the operating results from the results of the previous year or any expectations announced by the company.</p> <p>21- Clarification of any difference from the accounting standards approved by the Saudi Organization for Certified Public Accountants</p>
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	<p>22. The name of each subsidiary, its capital, the percentage of the company's ownership therein, its main activity, the country of its main place of operations and the country where it is incorporated.</p> <p>23. Details of the shares and debt instruments issued for each subsidiary.</p> <p>24. A description of the company's policy in distributing dividends.</p> <p>25. A description of any interest in the voting class of shares belonging to persons (other than members of the Company's Board of Directors, senior executives and their relatives) who have informed the Company of such rights under Article Forty-Five of the Registration and Listing Rules and any change in such rights during the last financial year.</p> <p>26. A description of any interest, contractual securities and subscription rights of the members of the company's board of directors, senior executives and their relatives in the shares or debt instruments of the company or any of its subsidiaries, and any change in such interest or rights during the last fiscal year.</p> <p>27. Information relating to any loans owed by the company (whether payable on demand or otherwise), a statement of the total indebtedness of the company and its subsidiaries, any amounts paid by the company in repayment of loans during the year, the amount of the principal of the loan, the name and duration of the donor, and the remaining amount, and in the absence of loans, the company must submit a declaration thereof.</p> <p>28. A description of the categories and numbers of any convertible debt instruments and any contractual securities, rights memoranda or similar rights issued or granted by the Company during the fiscal year, with an explanation of any compensation received by the Company in return.</p>
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	<p>29. A description of any conversion or subscription rights under convertible debt instruments, contractual securities, rights memorandums or similar rights issued or granted by the company.</p> <p>30. A description of any redemption, purchase or cancellation by the Company of any recoverable debt instruments and the value of the remaining securities with a distinction between listed securities purchased by the Company and those purchased by its subsidiaries.</p> <p>31. The number of meetings of the Board of Directors held during the last fiscal year, the dates of their convening, and the attendance record of each meeting, indicating the names of those present.</p> <p>32. The number of the company's requests for the register of shareholders, the dates and reasons for such requests.</p> <p>33. A description of any transaction between the Company and a related party.</p> <p>34. Information relating to any business or contracts to which the company is a party and in which there is an interest for one of the company's board of directors, senior executives or any person related to any of them, including the names of those concerned with the works or contracts, the nature, conditions, duration and amount of such works or contracts, and if there are no such works or contracts, the company shall submit an acknowledgment thereof.</p> <p>35. A statement of any arrangements or agreement whereby a member of the company's board of directors or a senior executive waives any remuneration.</p> <p>36. A statement of any arrangements or agreement whereby a shareholder of the Company waives any rights to profits.</p> <p>37. A statement of the value of the statutory payments paid and due for the payment of any zakat, taxes, fees, or any other dues that have not been paid until the end of the annual financial period, with a brief description thereof and a statement of the reasons therefor.</p>
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	<p>38. A statement of the value of any investments or reserves established for the benefit of the company's employees.</p> <p>39. Acknowledgments that:</p> <p>a. the records of the accounts have been properly prepared.</p> <p>The internal control system is properly prepared and implemented effectively.</p> <p>c. There is no doubt whatsoever about the Company's ability to continue its activity.</p> <p>40. If the auditor's report contains reservations to the annual financial statements, the report of the Board of Directors shall clarify such qualifications, their reasons and any information related thereto.</p> <p>41. In the event that the Board of Directors recommends a change of auditor before the end of the period for which he is appointed, the report shall contain this with a statement of the reasons for recommending the change.</p>
	<p>Article 31 Compensation and Remuneration of Members of the Board of Directors:</p> <p>The Company shall abide by the regulations in force with regard to the compensation and remuneration of the members of the Board of Directors and senior executives, and in particular the Company shall:</p> <p>1- Publish full details of the proposed compensation and remuneration of the members of the Board of Directors and include them in the report to be published to all shareholders before the General Assembly.</p> <p>2- Approving these compensations and remunerations in advance by the company's shareholders at the general assembly meeting.</p> <p>3- The Nomination and Remuneration Committee shall set clear policies for the remuneration of the members of the Board of Directors.</p> <p>Article 32 Disclosure of Board Members:</p>

	<p>The Board of Directors shall regulate the disclosures of each of its members and members of the Executive Management, taking into account the following:</p> <ol style="list-style-type: none"> 1. Setting a special record of the disclosures of the members of the board of directors and the executive management and updating it periodically in accordance with the disclosures required under the Companies Law, the Capital Market Law and their implementing regulations. 2- Providing access to the register to the company's shareholders free of charge. <p>Article (33) Disclosure of Remuneration:</p> <p>The Board of Directors shall comply with the following:</p> <ol style="list-style-type: none"> 1. Disclosing the remuneration policy and how to determine the remuneration of the members of the board and the executive management of the company. 2. Disclosing accurately, transparently, and in detail in the board of directors' report the remuneration granted to the members of the board of directors and the executive management, directly or indirectly, without concealing or misleading, whether amounts, benefits, or benefits, whatever their nature and name, and if the benefits are shares in the company, the input value of the shares shall be the market value at maturity. 3- Clarify the relationship between the bonuses granted and the applicable remuneration policy and indicate any material deviation from this policy. 4. A statement of the necessary details regarding the remuneration and compensation paid to each of the following separately: <ol style="list-style-type: none"> A. Members of the Board of Directors. <p>Five senior executives who received the highest remuneration from the Company, including the Chief Executive Officer and Chief Financial Officer.</p> <ol style="list-style-type: none"> c. Members of the committees.
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	<p>d. The disclosure shall be in the report of the Board of Directors in accordance with the forms prepared for this.</p>
	<p><u>Chapter VI Company Committees</u></p> <p>Article 34 Formation of Committees</p> <p>The Board of Directors shall form specialized committees in accordance with the following:</p> <ol style="list-style-type: none"> 1. The company's need, circumstances, and conditions to enable it to perform its tasks effectively. 2. The formation of committees shall be in accordance with general procedures set by the Board, including determining the mission of each committee, the duration of its work, the powers vested in it during this period, and the manner of oversight by the Board of Directors. The Board of Directors shall follow up the work of these committees regularly to verify that they are exercising the work entrusted to them. 3. Each committee shall be responsible for its work before the board of directors, without prejudice to the responsibility of the board for such acts and for the powers or authorities delegated to it. 4. The number of members of the committees shall not be less than three and not more than five. 5- The chairmen of the committees or their members must attend the general assemblies to answer the shareholders' questions. 6- The company shall notify the Authority of the names of the members of the committees and their membership within five working days from the date of their appointment and any changes thereto within five working days from the date of the changes. 7- The Company may merge the Remuneration and Nomination Committees into one committee called the Remuneration and Nomination Committee, in which case the Remuneration and Nomination Committee shall meet the requirements of either of them contained in the Corporate Governance Regulations and exercise all the

	<p>competencies mentioned in Articles Sixty-One and Sixty-Five of these Regulations, provided that the Committee meets periodically at least every six months.</p> <p>Article 35 Membership of Committees</p> <p>1- A sufficient number of non-executive board members must be appointed to the committees concerned with tasks that may result in conflicts of interest, such as ensuring the integrity of financial and non-financial reports, reviewing the deals of related parties, nominating for membership of the board of directors, appointing senior executives and determining remuneration.</p> <p>2. When forming the Remuneration and Nomination Committees, the Company shall take into account that its members shall be independent members of the Board of Directors, and non-executive members or persons other than members of the Board, whether they are shareholders or others, provided that the chairmen of the two committees referred to in this paragraph shall be independent members.</p> <p>3. The chairman of the board of directors may not be a member of the audit committee, and he may participate in the membership of other committees, provided that he does not hold the position of chairman in the committees stipulated in this regulation.</p> <p>Article 36 Study of Subjects</p> <p>1. The committees shall study the topics that concern them or that are referred to them by the board of directors and submit their recommendations to the board for decision thereon or take decisions if authorized by the board to do so, taking into account paragraph (b) of article twenty-one of the corporate governance regulations, which stipulates (The company's board of directors shall be responsible for its work, even if it delegates committees, bodies or individuals to exercise some of its powers. In all cases, the board of directors may not issue an authorization. general or indefinite duration)</p>
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	<p>2. Committees may seek the assistance of experts and specialists from inside or outside the company within the limits of their powers, provided that this is included in the minutes of the committee's meeting, mentioning the name of the expert and his relationship with the company or executive management.</p> <p>Article 37 Meetings of Committees:</p> <p>1. No member of the board of directors or executive management except the secretary of the committee and members of the committees is entitled to attend its meetings unless the committee requests to hear his opinion or obtain his advice.</p> <p>2. The validity of the meetings of the committees shall require the attendance of the majority of their members and their decisions shall be issued by a majority of the votes of those present, and in the event of equality of votes, the side with which the chairman of the meeting voted shall prevail.</p> <p>3. The meetings of the Committee shall be documented, minutes shall be prepared for them, including the discussions and deliberations, the recommendations of the committees and the results of the voting shall be documented, kept in a special and organized register, the names of the members present and the reservations they expressed, if any, shall be indicated and these minutes shall be signed by all members present.</p>
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