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***Batic Investment and Logistics Company's General Assembly Meeting Agenda***  
**June 2023**

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**The Agenda of the Extraordinary General Assembly meeting of the shareholders of BATIC Investment and Logistics Company, June 2023**

- 1) Review the Board of Directors Annual Report for the fiscal year ending on December 31, 2022.
- 2) To vote on the company's auditor's report for the year ending on December 31, 2022.
- 3) Review and discuss the company's consolidated financial statements for the fiscal year ending on December 31, 2022.
- 4) Vote to absolve the members of the Board of Directors from liability for the fiscal year ending on December 31, 2022.
- 5) Vote on Competing Business Standards and Procedures. (attached)
- 6) Vote on the company's social responsibility policy. (attached)
- 7) To vote on delegating the Board of Directors with the powers of the Ordinary General Assembly with the authorization contained in Paragraphs (1) of Article 27 of the Companies Law, for a period of one year from the date of approval by the General Assembly or until the end of the session of the delegated Board of Directors, whichever is earlier, in accordance with the conditions stipulated in The executive regulations of the corporate law for listed joint stock companies.
- 8) To vote on amending the company's bylaw to harmonize it with the new companies' law and rearranging the articles.
- 9) To vote on amending Article (1) of the company's bylaws related to the company's foundation. (attached)
- 10) To vote on amending Article (2) of the company's bylaws related to the company's name. (attached)
- 11) To vote on amending Article (3) of the company's bylaws related to the company's objectives. (attached)
- 12) To vote on amending Article (4) of the company's bylaws related to participation and ownership in companies. (attached)
- 13) To vote on amending Article (5) of the company's bylaws related to the company's head office. (attached)
- 14) To vote on the amendment of Article (6) of the company's bylaws related to the duration of the company. (attached)
- 15) To vote on the Board of Directors' recommendation to divide the company's shares according to the following:
  - The nominal value of the share before the amendment: (10) ten Saudi riyals.
  - The nominal value of the share after the adjustment: (1) One Saudi riyal
  - The number of shares before the amendment: 60,000,000 shares
  - The number of shares after modification: 600,000,000 shares.
  - There is no change in the company's capital before and after the stock split.
  - Effective date If the item is approved, the division decision will be effective for all shareholders of the company who own shares on the day of the General Assembly.
  - Effective date if the clause is approved, the division decision will be effective for all shareholders of the company who own shares on the day of the extraordinary general assembly and are registered in the company's shareholder register with the Securities Depository Center Company (Edaa) at the end of the second trading day following the date of the non-ordinary general assembly. The decision will be applied to the share price starting from the working day following the meeting, provided

that the decision will be implemented about the number of shares in shareholders' portfolios on the second trading day following the date of the extraordinary general assembly meeting in which it decided to divide the shares.

- Amending Article No. (7) of the company's bylaws related to capital and shares (attached)

- 16) To vote on amending Article (8) of the company's bylaws related to shares subscription. (attached)
- 17) To vote on amending Article (9) of the company's bylaws related to preferred shares and redeemable shares (attached)
- 18) To vote on amending Article (10) of the company's bylaws related to the sale of shares that have not been fully valued. (attached)
- 19) To vote on amending Article (11) of the company's bylaws related to the issuance of shares. (attached)
- 20) To vote on amending Article (12) of the company's bylaws related to stock trading. (attached)
- 21) To vote on adding an article to the company's bylaws No. (13) authorizing the company to purchase its shares or selling and mortgaging them. (attached)
- 22) To vote on amending Article (13) of the company's bylaws related to capital increase. (attached)
- 23) To vote on amending Article (14) of the company's bylaws related to capital decrease. (attached)
- 24) To vote on amending Article (15) of the company's bylaws related to the board members and amending the name of the article to: Company management. (attached)
- 25) To vote on amending Article (16) of the company's bylaws related to termination of membership. (attached)
- 26) To vote on amending Article (17) of the company's bylaws related to the vacant position on the board, amending the name of the article to: end of the term of the board of directors, retirement of its members, or vacancy of membership. (attached)
- 27) To vote on amending Article (18) of the company's bylaws related to the permission of the board. (attached)
- 28) To vote on amending Article (19) of the company's bylaws related to the remuneration of the Board of Members. (attached)
- 29) To vote on amending Article (20) of the company's bylaws related to the permissions of the chairman, vice chairman, the managing director, and the secretary of the board. (attached)
- 30) To vote on amending Article (21) of the company's bylaws related to Board Meetings. (attached)
- 31) To vote on amending Article (22) of the company's bylaws related to the quorum for the meeting of the Board of Directors and amending the name of the article to: Board meeting and decisions. (attached)
- 32) To vote on amending Article (23) of the company's bylaws related to the Board deliberations. (attached)
- 33) To vote on adding an article to the company's bylaws No. (24) related to the issuance of board decisions in urgent matters. (attached)
- 34) To vote on amending Article (24) of the company's bylaws related to attending assemblies and amending the name of the article to: The General Assembly Meeting of Shareholders. (attached)
- 35) To vote on amending Article (25) of the company's bylaws related to the terms of functions the Ordinary General Assembly. (attached)
- 36) To vote on amending Article (26) of the company's bylaws related to the terms of functions the extraordinary general assembly. (attached)
- 37) To vote on amending Article (27) of the company's bylaw related to the assemblies' invitations. (attached)
- 38) To vote on deleting Article (28) from the company's bylaws related to the assemblies' attendance record. (attached)

- 39) To vote on amending Article (29) of the company's bylaws related to the quorum of the Ordinary General Assembly meeting. (attached)
- 40) To vote on amending Article (30) of the company's bylaws related to the quorum of the extraordinary general assembly meeting. (attached)
- 41) To vote on amending Article (31) of the company's bylaws related to voting in assemblies. (attached)
- 42) To vote on amending Article (32) of the company's bylaws related to the assemblies' decisions. (attached)
- 43) To vote on amending Article (34) of the company's bylaw related to precedence the assemblies and preparing minutes, amending the name of the article to: Preparation of the assembly Minutes: (attached)
- 44) To vote on deleting Article (35) of the company's bylaws related to the formation of the committee. (attached)
- 45) To vote on deleting Article (36) of the company's bylaws related to the committee's meeting quorum. (attached)
- 46) To vote on the deletion of Article (37) of the company's bylaws related to the terms of reference of the committee. (attached)
- 47) To vote to the deletion of Article (38) of the company's bylaws related to the committee's reports. (attached)
- 48) To vote on amending Article (39) of the company's bylaws related to the appointment of the auditor and amending the name of the article to: Appointment, removal, and retirement of the company's auditor. (attached)
- 49) To vote on amending Article (40) of the company's bylaws related to the permissions of the auditor. (attached)
- 50) To vote on amending Article (41) of the company's bylaws related to the fiscal year. (attached)
- 51) To vote on amending Article (42) of the company's bylaws related to financial documents. (attached)
- 52) To vote on amending Article (43) of the company's bylaws related to the distribution of profits. And amending the name of the article to: Configure reserves (attached)
- 53) To vote on amending Article (44) of the company's bylaws related to the entitlement of profits. (attached)
- 54) To vote on amending Article (45) of the company's bylaw related to the distribution of profits for preferred shares. (attached)
- 55) To vote on amending Article (46) of the company's bylaws related to the company's losses. (attached)
- 56) To vote on amending Article (48) of the company's bylaws related to the company termination. (attached)
- 57) To vote on amending Article (49) of the company's bylaws related to the final provisions. (attached)
- 58) To vote on deleting Article (50) of the company's bylaws related to filing and publishing the bylaws. (attached)
- 59) To vote on transferring the balance of the statutory reserve amounting to (48,996,657 riyals) riyals as in the financial statements for the year ending on December 31, 2022 AD to the accumulated (profits / losses) balance.

## Articles of Association before and after the amendment

The Article in the old Article of Association	The Article in the new Article of Association
<p><b>Article (1) Company Incorporation</b> The company was incorporated in accordance with the provisions of the Saudi Companies Law and Regulations, as well as other regulations in force in the Kingdom of Saudi Arabia, and according to the following:</p>	<p><b>Article (1) Company Incorporation</b> The company was incorporated in accordance with the provisions of the Saudi Companies Law and Regulations, as well as other regulations in force in the Kingdom of Saudi Arabia. This system is a Saudi joint stock company according to the following:</p>
<p><b>Article (2) Company Name:</b> The Company name is “BATIC Investment &amp; Logistics Company” a listed Saudi joint stock company. Hereinafter referred to as the “Company.”</p>	<p><b>Article (2) Company Name:</b> BATIC Investment &amp; Logistics Company (a listed Saudi joint stock company).</p>
<p><b>Article (3): Company Purposes:</b> The Company shall practice and execute the following purposes:</p> <ul style="list-style-type: none"> <li>● Transportation, posting, handling, storage, packaging, sale, purchase, manufacture, supply, and distribution of various goods and materials including refrigerated, frozen, liquid, bulk, solid, gas, petroleum, petrochemical, jewelry, precious metals, money, and valuable documents, data, information, electronic storage, archiving and everything related to them inside and outside the Kingdom of Saudi Arabia and its various regions and its land, sea, and airports, by land, air, and sea, and has the right to buy, sell and lease, rent and operate aircraft, ships, cars, trucks, trailers, machinery and equipment, transporting passengers, organizing tourist trips, transporting pilgrims and visitors from inside and outside the Kingdom, and operating and maintaining the metro and trains.</li> <li>● Buying, selling, leasing, renting, planning, developing, investing, maintaining, operating, building, residing, and managing land, real estate, factories, buildings, residential,</li> </ul>	<p><b>Article (4): Company Purposes:</b> The Company shall practice and execute the following purposes:</p> <ul style="list-style-type: none"> <li>• Manufacturing and related activities.</li> <li>• <b>Construction and related activities.</b></li> <li>• <b>Wholesale and retail trade and related activities.</b></li> <li>• <b>Transport, storage, logistics, and related activities.</b></li> <li>• <b>Information, communication, and related activities.</b></li> <li>• <b>Financial, insurance, and related activities.</b></li> <li>• <b>Real estate and related activities.</b></li> <li>• <b>Professional, scientific, technical, and related activities.</b></li> <li>• <b>Administrative, support services, and related activities.</b></li> <li>• <b>Education and related activities.</b></li> </ul> <p><b>Any purposes and activity related to the activities mentioned above within the Kingdom of Saudi Arabia or outside it in accordance with the applicable laws and regulations and the company shall practice its purposes in accordance with the regulations followed and after obtaining the required licenses from the competent authorities, if any.</b></p>

commercial, and industrial projects and their facilities, warehouses, hotels, furnished apartments, hospitals, museums, markets, recreational centers, workshops, gas stations, and strategic stocks inside and outside the Kingdom.

- General Contracting of buildings (construction, repair, demolition, and restoration) and general construction of road works, water works, electrical, mechanical, and industrial works, marine works, dams, well drilling, maintenance, operation, and management services for buildings, airports, factories, and power plants, desalination, water and gas pumping, telephone networks, hospitals, and medical centers. Construction of residential buildings and all their facilities and services such as entertainment centers, museums, markets, restaurants, catering projects, hospitals, and clinics to provide health services for workers in factories and industrial companies and marketing factory products locally and globally and official services.
- General trade of all kinds and forms and trade through the Internet and E-marketing and carry out the work of commercial agencies related to the purposes and activities of the company as well as the sale, distribution, import, manufacture, maintenance, and packaging of equipment, machinery, devices, materials, goods, and spare parts.
- Conducting research, studies, and technical, administrative, and financial development in a manner that serves the purposes of the company, as well as preparing, printing, and distributing manuals, bulletins, information, data, and others related to its activities or the services it provides.
- Managing its subsidiaries or participating in the management of other companies in which it participates and providing the necessary support to them, investing its funds in shares

and other securities, owning real estate and movables necessary to carry out its activity, owning, exploiting, and leasing industrial property rights such as patents, trademarks, industrial and licensing rights, and other moral rights to its subsidiaries or others.

To achieve its purposes, the company may own real estate, cars, trucks, trailers, machinery, equipment, and movable and immovable assets, and establish and construct offices, branches, factories, warehouses, warehouses, gas stations, maintenance workshops, and the right to conduct all legal actions, including selling, buying, emptying, receiving the price, bartering, leasing, renting, reconciling, mortgaging, loan, agency, insurance, guaranteeing, contracting, transporting, working, guarding, consulting, suing and other legal actions necessary for the exercise of its commercial activity as well as to carry out and provide for its own account or for the account of others all business, logistical, technical, administrative, financial, industrial, commercial, and labor supply and employment services related to its activities.

The company shall practice the said activities after obtaining the necessary licenses from the competent authorities, if any.

**Article (4) Participation and Ownership in Companies:**

The company may establish limited liability or joint stock companies and may own shares and interests in other existing companies or merge with them and have the right to participate with others in the establishment of joint stock companies or limited liability companies, after fulfilling the requirements of the regulations and instructions followed in this regard. The company may also dispose of these shares or shares, provided that this does not include intermediation in their trading.

**Article (5) Participation and Ownership in Companies:**

The company may establish limited liability or joint stock companies on its own (the issued capital of the joint stock company shall not be less than five hundred thousand riyals and the amount paid at the time of incorporation shall be at least one quarter), and it may own shares in other existing companies or merge with them. It also has the right to participate with others in the establishment of joint stock or limited liability companies, inside or outside the Kingdom of Saudi Arabia, after fulfilling the requirements of the regulations and instructions followed in this regard. The company may also dispose of these

	shares, provided that this does not include intermediation in their trading.
<p><b>Article (5): Company Headquarters:</b> The headquarters of the company is in Riyadh, and the Board of Directors may establish branches, offices, or agencies inside or outside the Kingdom of Saudi Arabia.</p>	<p><b>Article (3): Company Headquarters:</b> The headquarters of the company is in Riyadh, and it may establish branches inside or outside the Kingdom by the decision of the Board of Directors.</p>
<p><b>Article (6): The Term of the Company:</b> The Term of the company is fifty Gregorian years, starting from the date of the issuance of the decision of the Minister of Commerce to convert the company from a limited liability company to a public joint stock company. The term of the company may always be prolonged by a decision issued by the Extraordinary General Assembly at least one year before its expiry.</p>	<p><b>Article (6): The Term of the Company:</b> The term of the company is unspecified.</p>
<p><b>Article (7): Capital:</b> The capital of the company is (600.000.000) six hundred million Saudi riyals to (60,000,000) sixty million nominal shares of equal value, the value of each of them is (10) ten Saudi riyals, all of which are ordinary cash shares fully paid up.</p>	<p><b>Article (7): Capital:</b> The capital of the company is determined as (600.000.000) six hundred million Saudi riyals to (600.000.000) six hundred million nominal shares of equal value, the value of each of them is (1) Saudi riyals, all of which are ordinary cash shares fully paid up.</p>
<p><b>Article (8): Subscription for shares:</b> It has been Subscribed to all shares of the company amounting to 60,000,000 shares with a total value of 600,000,000 riyals.</p>	<p><b>Article (8): Subscription for shares:</b> The shareholders subscribed to the entire issued capital shares amounting to (600,000,000) six hundred million Saudi riyals fully paid up.</p>



<p><b>Article (9) preferred shares:</b> The unusual general assembly of the company may, in accordance with foundations you lay the competent authority, be issued preferred shares or decide to buy them or convert ordinary shares into preferred shares or convert the preferred shares to ordinary shares, the preferred shares don't give the right to vote in the general assembly for shareholders, these shares arranged for the right owners to obtain a percentage more than ordinary shares' owners of the net profits of the company after spare the statutory reserve</p>	<p><b>Article nine preferred shares and redeemable shares:</b> 1- Preferred shares: The Extraordinary general assembly of the company may, in accordance with foundations you lay the competent authority, be issued preferred shares, arrange these shares for the right owners to obtain percentage more than the ordinary shares' owners of the company's net profits after spare the statutory reserve, if any, the mention shares arrange for the owners, in addition to the right to participate in the net profits which distributed to the ordinary shares, as following: (a) the right to obtain for certain percentage of the net profits of not less than 5% of the nominal value of the shares after spare the statutory reserve, if any, and before making any distributed of the profits company (b) Priority in refund the value of their shares in the capital when liquidation of the company and in obtain a certain percentage on liquidation of date. the company may purchase these shares accordance with what the decisions the extraordinary general assembly of shareholders, or convert to the ordinary shares, and these shares don't include in the calculation of the quorum required for convening the general assembly of the company in this system, and don't give the right to vote in the general assemblies for shareholders. 2- Redeemable shares: The extraordinary general assembly may issue redeemable shares based on the company's option accordance with the terms and conditions for the redemption by the company and considering the foundations and controls set by the competent authorities.</p>
<p><b>Article (10) Selling Shares That Have Not Been Valued:</b> The shareholder is obligated to pay the value of the share on the dates, and if he fails to meet the maturity date, the board of the directors may after notifying to him by announcing on the financial market website or publishing in a daily newspaper distributed in the area where the company's head office or</p>	<p><b>Article twelve: Selling Shares That Have Not Been Valued:</b> The shareholder is obligated to pay the value of the share on the specific dates, and if he is unpaid on the date, the board of directors may - or notify him by registered letter or by any means of modern technology - sell the share in the public auction or the financial market. The other shareholders may have priority in</p>



<p>tell him by registered letter of the sale of the share in the public auction or the stock market, accordance with the controls determined by the competent authority. If the sale proceeds are not enough to meet these amounts, the company may collect the remainder from all the shareholder's money. The shareholder who unpaid until the day of the sale may pay the value due in addition to the expenses incurred by the company, the company should cancel the sold share in accordance with the provisions of this article and give the purchaser a new share bearing the number of the canceled share and indicate the share register that the sale has taken place, and the name of the new owner shall show.</p>	<p>purchasing the shares of the shareholder who is unpaid by systems and controls set by the competent authority.</p> <p>2. The company collects from the proceeds of the sale the sums due to it and returns the remainder to the shareholder. If the proceeds of the sale are not sufficient to meet these amounts, the company may collect the remainder from all the shareholder's funds.</p> <p>3. Enforcement of the rights related to the shares whose value has not been fulfilled shall be suspended at the expiry of the date until they are sold or due from them are paid by the provision of Paragraph (1) of this Article. It includes the right to obtain a share of the net profits to be distributed and the right to attend assemblies and vote on their decisions. However, the shareholder who is unpaid until the day of the sale may pay the value due in addition to the expenses incurred by the company, the shareholder has the right to request obtaining the profits to be distributed.</p> <p>4. The company cancels the certificate of the sold share by the provisions of this Article, gives the purchaser a new certificate of the share bearing the same number, indicates in the shareholder register that the sale has taken place, and includes the necessary data for the new owner.</p>
<p><b>Article (11) Issue of Shares:</b> Shares shall be nominal and may not be issued for less than their nominal value, but may be issued for a higher than this value. In this latter case, the difference in value shall added in a separate item within the shareholders' rights and may not distributed as dividends to the shareholders. The share is indivisible against the company. If the share owned by several persons, they must choose one of them to represent them in the use of the rights related to it, and these persons shall be jointly responsible for the obligations arising from the ownership of the share.</p>	<p><b>Article Ten Issuance of Shares:</b> The shares shall be nominal, and the shares may be divided into shares of a lower nominal value, or merged so that they represent shares of a higher nominal value, and they may issue with a value higher than this value. In this last case, the value difference added in a separate item within the shareholders' rights, if it is used by the controls set by the competent authorities, and it is not permissible to distribute it as profits to the shareholders, and the share is indivisible against the company. If the share is owned by several persons, they must choose one of them to represent them in the use of the rights related to it, and these persons shall be jointly liable for the obligations arising from the ownership of the share.</p>
<p><b>Article (12) Trading of Shares and Register of Shareholders:</b></p>	<p><b>Article Eleven: Trading in Shares:</b></p>

<p>The company's shares traded and shares registered for shareholders in accordance with the provisions of the financial market system.</p>	<p>The company's shares traded in accordance with the provisions of the capital market authority its implementing regulations.</p>
<p>Add an article</p>	<p><b>Article Thirteen: The Company's Purchase, Sell or Bet on Its Shares:</b>  1- The company may buy, bet on, or sell its ordinary or preferred shares in accordance with the controls determined by the competent regulatory authorities. The treasury shares purchased by the company shall not have votes in the shareholders' assemblies.  2- The company may purchase its shares with the aim of allocating them to the company's employees within the employee shares program in accordance with the conditions and controls determined by the applicable regulations.  3- Shares may mortgage in accordance with controls set by the Capital Market Authority, and the mortgagee shall receive profits and use the rights related to the share, unless the mortgage contract stipulates otherwise. However, the mortgagee may not attend the shareholders' general assembly meetings or vote in them.</p>
<p>Article (13) Capital Increase:</p> <ul style="list-style-type: none"> <li>• The unusual General Assembly may decide to increase the company's capital according to the methods specified in the Companies Law, provided that the capital has been paid in full. It is not required that the capital be fully paid if the unpaid part of the capital belongs to shares issued in exchange for converting debt instruments or financing instruments into shares and the period specified for converting them into shares has not expired.</li> <li>• The unusual general assembly may in all cases, allocate the shares issued upon capital increase or part thereof to the employees of the company and all or some of its subsidiaries, or any of that. Shareholders may not exercise the priority right when the company issues shares allocated to employees.</li> <li>• The shareholder who owns the share at the time of issuance of the decision of the unusual General Assembly approving the capital increase shall have priority in</li> </ul>	<p><b>Article Fourteen: Capital Increase:</b>  1) The Extraordinary General Assembly may decide to increase the company's issued capital, provided that the issued capital has been paid in full. It is not required that the capital be paid in full if the unpaid part of the capital belongs to shares issued in exchange for converting debt instruments or financing instruments into shares and the period specified for their conversion has not expired.  2) The Extraordinary general assembly in all cases, may allocate the shares issued upon capital increase or part thereof to the employees of the company and all or some of its subsidiaries, provided that the issued shares do not exceed 0.25% of the company's capital. Shareholders may not exercise the priority right when the company issues shares allocated to employees.  3) The shareholder who owns the share at the time of issuing the decision of the Extraordinary General Assembly approving the increase in the issuer's capital or the decision of the Board of Directors approving its increase within the limits</p>

<p>writing the new shares that are issued in exchange for cash shares, and those persons shall be notified of their priority by publishing in a daily newspaper or by informing them by registered mail of the decision to increase the capital, the conditions of writing, its duration, and the date of its beginning and end.</p> <ul style="list-style-type: none"> <li>• The unusual General Assembly has the right to suspend the priority right of shareholders to subscribe to the capital increase in exchange for cash shares, or to give priority to non-shareholders in cases it deems appropriate for the interest of the company.</li> <li>• The shareholder has the right to sell or waive the priority right during the period from the time of issuance of the General Assembly's decision approving the capital increase to the last day of subscribing to the new shares associated with these rights in accordance with the controls set by the competent authority.</li> <li>• Subject to the provisions of Paragraph 4 above, the new shares shall be distributed among the holders of priority rights who requested to subscribe in proportion to what they own of priority rights out of the total priority rights resulting from the capital increase, Provided that what they get does not exceed what they asked for in terms of new shares, and the remainder of the new shares is distributed to holders of priority rights who have requested more than their share in proportion to what they own of priority rights out of the total priority rights resulting from the capital increase, Provided that what they get does not exceed what they asked for in terms of new shares, and the remaining shares are offered to third parties, unless the extraordinary general assembly decides or the financial market system stipulates otherwise.</li> </ul>	<p>of the authorized capital (if any), The priority in subscribing to new shares that are issued in exchange for cash shares, and those who are notified of their priority through the disclosure mechanisms of joint-stock companies approved by the competent authority about the decision to increase the capital and the conditions of subscription, its duration, and its start and end date.</p> <p>4) The Extraordinary General Assembly has the right to suspend the priority right of the shareholders to subscribe to the capital increase in exchange for cash shares or to grant the priority right to non-shareholders in cases it deems to achieve the interest of the company.</p> <p>5) The shareholder has the right to sell or assign the priority right, with or without consideration, as determined by the laws.</p> <p>6) Subject to the provisions of Paragraph (4) above, the new shares shall be distributed to holders of priority rights who have requested subscription in proportion to what they own of priority rights out of the total priority rights resulting from the capital increase, provided that what they obtain does not exceed what they requested of the new shares. The remainder of the new shares shall distributed among the holders of priority rights who have requested more than half of their share, in proportion to the priority rights they own out of the total priority rights resulting from the capital increase. Provided that what they get does not exceed what they asked for in terms of new shares, and the remaining shares are offered to others, unless the extraordinary general assembly decides or the capital market system provides otherwise.</p>
<p><b>Article (14) Reducing the Company's Capital:</b> The Extraordinary General Assembly may decide to reduce the company's capital if it exceeds the company's needs or if it results in</p>	<p><b>Article Fifteen: Capital Reduction:</b> 1. The Extraordinary General Assembly may decide to reduce the capital if it exceeds the company's need or if the company incurs losses.</p>

<p>losses. In the last case alone, it is permissible to reduce the capital to below the limit stipulated in the Companies Law, and the reduction decision is not issue except after reading a special report prepared by the auditor on the reasons for it and on the obligations of the company and the effect of the reduction on these obligations. If the reduction is the result of an increase in the capital beyond the company's need, the creditors must invite to express their objections to it within sixty days from the date of publication of the reduction decision in a daily newspaper distributed in the region in which the company's head office is located. If one of the creditors objects and submits his documents to the company on the aforementioned date, the company must pay him his debt if it is due, or provide sufficient guarantee to pay it if it deferred.</p>	<p>In the latter case alone, it is permissible to reduce the capital to less than the limit stipulated in Article (fifty-ninth) of the Companies law. The reduction decision shall not be issued except after reading a statement, in a general assembly prepared by the Board of Directors, on the reasons for the reduction, the company's obligations and the impact of the reduction on fulfilling them, provided that a report from the company's auditor is attached to this statement.</p> <p>2. If the capital reduction is a result of its excess to the company's need, the creditors must be invited to express their objections - if any - to the reduction, at least (forty-five) days prior to the date set for the extraordinary general assembly meeting to take the decision to reduce the capital. Provided that the invitation shall accompanied by a statement indicating the amount of the capital before and after the reduction, the date of the meeting and the effective date of the reduction. If any of the creditors objects to the reduction and submits his documents to the company on the aforementioned date, the company must pay him his debt if it is due or provide him with sufficient guarantee to pay it if it deferred.</p> <p>3. Equality must take into account among the shareholders who hold shares of the same type and class when reducing the capital.</p>
<p><b>Article (15) Board members:</b>  <b>The company managed by a board of directors consisting of eight members, who elected by the ordinary general assembly of shareholders for a period of three years. Members of the board of directors may be re-elected for additional terms.</b></p>	<p><b>Article Sixteen: Company Management:</b>  The company managed by a board of directors consisting of eight (8) members elected by the ordinary general assembly of shareholders by using the cumulative voting method for a period of four years. The members of the board of directors may be re-elected for other sessions according to the election procedures based on the regulations and controls set by the competent authority.  Each shareholder has the right to nominate himself or one or more shareholders or others for the membership of the Board of Directors. In all cases, the members of the Board of Directors must be persons of natural capacity.</p>
<p>Article (16) Termination of Membership:  Membership of the Council ends with the expiry of its term or with the expiry of the member's validity in accordance with any</p>	<p><b>Article Seventeen: Expiry or Termination of the Council Membership:</b>  The membership of the Board ends with the expiry of its term or with the expiry of the</p>

<p>system or instructions in force in the Kingdom. However, the Ordinary General Assembly may at any time dismiss all or some of the members of the Board of Directors, without prejudice to the right of the dismissed member towards the company to claim compensation if the dismissal occurred for an unacceptable reason or at an inappropriate time. A member of the Board of Directors may retire, provided that this is at an appropriate time, otherwise he will be liable by the company for the damages resulting from his retirement.</p>	<p>member's validity in accordance with any system or instructions in force in the Kingdom. The General Assembly may (based on a recommendation from the Board of Directors) end the membership of any member who has been absent from attending (three) consecutive meetings or (five) separate meetings during the duration of his membership without a legitimate excuse accepted by the Board of Directors. However, the Ordinary General Assembly may dismiss all or some of the members of the Board of Directors, and in this case the Ordinary General Assembly must elect a new Board of Directors or someone to replace the dismissed member in accordance with the provisions of the Companies law.</p>
<p><b>Article (17) The Vacant Position in the Council:</b> If the position of a member of the Board of Directors becomes vacant, the Board may appoint a temporary member in the vacant position. Provided that he be among those who have experience and sufficiency and according to what the Board deems appropriate without resorting to the use of the ranking mechanism in obtaining votes in the assembly that elected the Board as described in Article (70) of the Companies system, The Ministry and the financial Market Authority shall notified of this within five working days from the date of appointment. This appointment shall present to the Ordinary General Assembly at its first meeting, and the new member shall complete the term of his predecessor. If the necessary conditions for the meeting of the Board of Directors aren't met due to a decrease in the number of its members below the minimum stipulated in the Companies Law or this Law, the rest of the members must invite the Ordinary General Assembly to convene within sixty days to elect the necessary number of members.</p>	<p><b>Article Eighteen: Expiration of the Board of Directors' Term, Resignation of its Members, or Membership Vacancy:</b></p> <ol style="list-style-type: none"> <li>1. The Board of Directors shall before the end of its term, call the Ordinary General Assembly to convene to elect a Board of Directors for a new term. If the election cannot be held and the current term of the Board has expired, its members shall continue to perform their duties until the Board of Directors is elected for a new term, provided that the term of the members of the Board whose term has expired shall not exceed the period specified by the Executive Regulations of the Companies system.</li> <li>2. If the chairman and members of the Board of Directors retire, they must call the Ordinary General Assembly to convene to elect a new Board of Directors. Resignation does not apply until the new Board is elected, provided that the duration of the retiring Board does not exceed the period specified by the Executive Regulations of the Companies system.</li> <li>3. A member of the Board of Directors may retire from the membership of the Board by virtue of a written notification addressed to the Chairman of the Board. If the Chairman of the Board resigns, the notification must direct to the remaining members of the Board and the Secretary of the Board. Resignation is effective - in both cases - from the date specified in the notification.</li> </ol>



	<p>4. If the position of a member of the Board of Directors becomes vacant due to the death or retirement of any of its members, and this vacancy does not result in a breach of the conditions necessary for the validity of the meeting of the Board because the number of its members is less than the minimum. The Board may appoint (temporarily) in the vacant position a person who has experience and competence, provided that he notifies the Commercial Registry, as well as the Capital Market Authority, within (fifteen) days from the date of appointment. And that the appointment be presented to the Ordinary General Assembly at its first meeting, and the appointed member completes the term of his predecessor, and the Board of Directors may keep the seat vacant until the end of the session.</p> <p>5. If the necessary conditions for the validity of the meeting of the Board of Directors are not met because the number of its members is less than the minimum stipulated in the Companies system or in this system, the rest of the members must invite the Ordinary General Assembly to convene within (sixty) days to elect the necessary number of members.</p>
<p>Article (18) The powers of the Board of Directors:</p> <ul style="list-style-type: none"> <li>• Taking into account the terms of reference of the General Assembly, the Board of Directors shall have the widest powers and powers in managing the company in a way that achieves its objectives, supervising its business, funds and all other transactions, and managing its affairs inside and outside the Kingdom of Saudi Arabia. Including making decisions and approving and accepting contracts, agreements, instruments and documents, and carrying out all other actions necessary to achieve the company's objectives.</li> <li>• In order to carry out its duties, the Board may exercise all powers and carry out all actions and actions that the company may practice in accordance with its Articles of Association, provided that these actions are not within the jurisdiction of the general assemblies of shareholders and in</li> </ul>	<p><b>Article Nineteen: Permission of the Board</b></p> <p>Considering the terms of reference of the General Assembly, the Board of Directors shall have the widest powers and powers in managing the company in a way that achieves its objectives, supervising its business, funds and all other transactions, and managing its affairs inside and outside the Kingdom of Saudi Arabia. Including making decisions and approving and accepting contracts, agreements, instruments and documents, and carrying out all other actions necessary to achieve the company's objectives. In order to carry out its duties, the Board may exercise all powers and carry out all actions and actions that the company may practice in accordance with its Articles of Association, provided that these actions are not within the jurisdiction of the shareholders' general assemblies and in accordance with the company's articles of association, the companies' system, and the regulations and</p>

accordance with the company's Articles of Association, the companies' system and its regulations, and the regulations and instructions of the relevant regulatory authorities in force.

- The Board of Directors has the authority to approve requests for government loans, government and private financing funds and institutions, as well as bank and commercial loans, and to approve contracts, agreements, guarantees, guarantees, undertakings, and mortgages related to them, regardless of their duration, provided that their deadline does not exceed the end of the company's term. Bearing in mind that the Board of Directors determines in its decision the aspects of using the loan and how to repay it, and that it takes into account the conditions of the loan, the guarantees, guarantees and pledges, and the signing of the liability guarantee and the joint performance of the facilities granted to others and not to harm the company or its shareholders or the general guarantees of the creditors, and he also has the right to request exemption from loans.
- The Board of Directors may approve the purchase, sale, investment and mortgage of real estate assets, movables, investments, the company's properties and facilities, as well as entry, purchase and sale of real estate contributions and its shares, provided that the Board determines in its decision the reasons and justifications for that, and that the price is present except in cases that the Board estimates and with sufficient guarantees. In addition, that this disposition does not result in stopping some of the company's activities or burdening it with other obligations due to the conditions of sale or mortgage.
- The Board of Directors, and in the cases it deems appropriate, may approve the discharge of the debtors of the company from their obligations in accordance with what serves its interest, provided that the

instructions of the relevant regulatory authorities in force.

The Board of Directors has the authority to approve requests for government loans, government and private financing funds and institutions, as well as bank and commercial loans, and to approve contracts, agreements, guarantees, guarantees, undertakings, and mortgages related to them, regardless of their duration, taking into account that the Board of Directors determines in its decision the aspects of using the loan and how to pay it. In addition, to take into account the conditions of the loan, guarantees, guarantees and pledges, and to sign the guarantee of fines and joint performance of the facilities granted to others and not to harm the company or its shareholders or the general guarantees of creditors, and he has the right to request exemption from loans.

It is required that the Board of Directors obtain the approval of the General Assembly when selling assets of the company whose value exceeds (fifty percent) of the value of its total assets, whether the sale is through a single transaction or several transactions. In this case, the transaction that leads to exceeding (fifty percent) of the value of the assets is considered the transaction that requires the approval of the General Assembly, and this percentage is calculated from the date of the first transaction that took place during the previous (twelve) months. The competent authority may exclude some actions and actions from this requirement. The Board of Directors, and in the cases it deems appropriate, may approve the discharge of the debtors of the company from their obligations in accordance with what serves its interest, provided that the Board determines in its decision the reasons and justifications related to that.

- The Board of Directors may authorize and issue legal powers of attorney to its chairman, one or more of its members, or non-members of the Board of Directors, to undertake a specific work or actions that fall within the limits of its competence and powers in light of the relevant controls and regulations. Any of the authorized agents or authorized



<p>Board determines in its decision the reasons and justifications related to that.</p> <ul style="list-style-type: none"> <li>• The Board of Directors may authorize and issue legal powers of attorney to its chairman or one or more of its members or non-members of the Board of Directors to undertake a specific work or actions that fall within the limits of its jurisdiction and powers, and any of the authorized agents or authorized employees of the company may delegate all or some of his powers to others.</li> <li>• The Board of Directors may form any committee or committees that assist it in the implementation of its work, or the regulations require its formation in the company, provided that the decision of the Board issued to form any of its affiliated committees includes specifying the mission of the committee, the duration of its work, the powers granted to it, and how the Board monitors it.</li> </ul>	<p>employees of the company may delegate all or some of his powers to others.</p> <ul style="list-style-type: none"> <li>• Formation of Committees: The Board of Directors may by its decision, form an appropriate number of committees in accordance with the requirements of the system and the needs of the company. So that the Council can effectively perform its responsibilities.</li> <li>• The shareholder exercises control over the Board of Directors in accordance with the provisions of the Companies Law. The shareholder may not interfere in the business of the board of directors or the business of the executive management of the company unless he is a member of its board of directors or works in its executive management or his intervention is through the general assembly and in accordance with its terms of reference.</li> </ul>
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The remuneration of the Chairman and members of the Board of Directors may consist of the following:

A lump sum disbursed annually, an attendance allowance for sessions, benefits in kind, or a certain percentage of net profits after deducting the reserves determined by the General Assembly in the application of the provisions of the Companies Law and this Law, considering that the percentage shall not exceed 10% and after distributing a profit to shareholders of not less than 5% of the paid-up capital. Two or more of these benefits may be combined.

In all cases, the total remuneration and financial or in-kind benefits received by the member may not exceed (500,000) five hundred thousand riyals, and the entitlement shall be proportional to the number of sessions attended by the member.

The report of the Board of Directors to the General Assembly shall include a comprehensive statement of all remuneration, expense allowance, and other benefits received by the members of the Board of Directors during the financial year, as well as a statement of what the members of the Board have received in their capacity as employees or administrators or what they have received in exchange for technical or administrative works or consultancy, and it shall also include a statement of the number of meetings of the Council and the number of meetings attended by each member from the date of the last meeting of the General Assembly.

#### **Article (20): Remuneration of Board Members:**

2) The report of the board of directors must include a comprehensive statement of all that the members of the board of directors received in the fiscal year, expenses, and other instructions, and it should also include a statement of what the members of the board of directors received or what they received in return for work, which can also be seen in the different sessions of the attendees.

**Article (20) Powers of the Chairman, Deputy Chairman, Managing Director, and Secretary of the Council:**

The Board of Directors shall appoint from among its members a Chairman and a Vice-Chairman and may appoint a Managing Director. The position of Chairman of the Board of Directors may not be combined with any other executive position in the Company. The Chairman of the Board and the Deputy Chairman shall be responsible for chairing the meetings of the Board of Directors or whoever delegates the Board of Directors from among its members in the absence of the Chairman of the Board of Directors and his deputy. The Chairman of the Board of Directors represents the company before the judiciary, arbitration bodies and all government, private and public entities, companies, banks, individuals, all courts of all levels and categories, the Board of Grievances, notaries, committees, judicial bodies, and others. The Deputy Chairman of the Board of Directors shall replace the Chairman of the Board of Directors when he is absent. The Chairman of the Board may, by a written decision, delegate some of his powers to other members of the Board or from third parties in carrying out specific work or works, considering the powers of the Board of Directors, the competence shall be for two combined for each of the Chairman, the Deputy Chairman, and the Managing Director in the following matters:

A-Banks and investment companies:  
 Reviewing all banks, investment companies and institutions, opening, withdrawing, depositing and transferring accounts, in foreign or local currency, activating accounts, closing and reconciling accounts, opening current accounts in the name of the company with banks, accepting, endorsing and withdrawing bills of exchange, bonds and checks, authorize the bank and investment companies to act for the sale or purchase of

**Article 21: Permissions of the chairman, vice chairman, the managing director, and the secretary of the board.**

The Board of Directors shall appoint at its first meeting between its members a Chairman and a Vice-Chairman and may appoint a member as a delegate, and the position of Chairman of the Board of Directors may not be combined with any other executive position in the company. The Chairman of the Board of Directors is responsible for chairing the meetings of the Board of Directors, or whoever delegates the Board of Directors from among its members in the absence of the Chairman of the Board of Directors and the vice chairman. The Chairman of the Board of Directors represents the company before the judiciary, arbitral tribunals, and all governmental, private, public, companies, banks, individuals, and all courts of all levels and categories, the Board of Grievances, notaries, committees, judicial environments and others in all ministries, government departments and data, official, unofficial, executive, Sharia Courts, Judicial Committees, Labor Committees, Notaries Public, Arab Monetary Agency, Ministry of Interior, Ministry of Commerce, Ministry of Labor, Saudi Capital Market Authority, Government Funds, General Organization for Social Insurance, the Department of Zakat and Income Tax, Recruitment Offices, Passports, Police, Civil Rights, Traffic, Chambers of Commerce and Industry, Institutions, Companies, Banks, Commercial Banks, Chambers of Commerce and Industry, Individuals and any entity whatsoever in all transactions of the Company, and terminate all required procedures and sign on behalf of the company in all that requires it and receive and deliver them as they have the right to delegate those they see in taking legal actions and actions or doing certain work or actions, and the right to claim, reconcile and assign the rights of the company to others whether governmental or private entities, institutions, companies, banks or individuals inside and outside the Kingdom, and they have the right to appoint others in this regard .

shares, bonds, foreign currency or securities of any kind, whatever their value and signature approval, to issue and receive ATM cards and to receive and enter passwords, extracting and receiving credit cards and receiving their passwords, extracting a statement of account , extracting, receiving and issuing checkbooks, issuing and receiving certified checks, issuing bank guarantees and guarantees and all types of securities of any kind, regardless of their value and cancellation, receipt and disbursement of remittances, subscription to safety boxes , renewal of subscription to safety boxes, redemption of safety boxes units, check disbursement, objection to checks , receipt of returned checks, update of data, receipt of contribution certificates, receipt of stock value, receiving profits ,receiving surplus, opening investment portfolios, editing, modifying and canceling orders ,redeeming investment funds units, underwriting ,buying shares, selling shares, mortgaging shares, investing in shares, receiving the price and receiving profits, transferring shares from the portfolio, closing and settling investment portfolios, issuing guarantees to banks, funds, government and private institutions, signing all papers, order bonds, checks, all commercial papers, documents and all banking transactions, opening investment accounts with financial companies and investment companies, signing up, withdrawing and transferring from all investment funds, including money market funds and private funds, opening an investment portfolio and signing and managing all documents related to the portfolio, trading in securities through the main or alternative distribution outlets, signing the procedures related to giving orders for the sale and purchase of shares, transferring, mortgaging and releasing mortgages, signing agreements for managing the company's portfolios and signing all

The Vice Chairman of the Board of Directors replaced the Chairman of the Board of Directors when he was absent,

The Chairman of the Board may, by a written decision, delegate some of his permissions to other members of the Board or from third parties in carrying out specific work, and considering the permissions of the Board of Directors, the competence shall be for two combined for each of the Chairman, the Vice Chairman, and the Managing Director in the following matters:

A-Banks and investment companies:

Reviewing all banks, investment companies, and institutions Opening, withdrawing, depositing, and transferring from accounts in foreign or local currency, activating accounts, closing and settling accounts, opening current accounts in the name of the company with banks, accepting, endorsing, and withdrawing bills of exchange, bonds, and checks, authorize the bank and investment companies to sell or buy shares, bonds, foreign money or securities of any kind, regardless of their value and signature approval, issuing and receiving ATM cards, receiving and entering pin numbers, issuing credit cards, receiving and receiving the secret numbers, extracting a statement of account, extracting checkbooks, receiving and writing them, issuing and receiving certified checks, issuing bank guarantees and all types of securities of any kind, whatever their value and canceling them. Receipt and disbursement of remittances Subscription to safety deposit boxes, renewal of the subscription to safety deposit boxes, refund of safety deposit boxes units, cheque disbursement, objection to checks receipt of returned checks, update of data, receipt of contribution certificates, receipt of stock value, receipt of profits, receipt of surplus, opening investment portfolios, editing, modifying and canceling requests, the redemption of investment funds units, subscription, purchase of shares, sale of shares, mortgage of shares, receipt of the price and receipt of profits, transferring shares from the portfolio, filing and settling investment portfolios, issuing guarantees to banks, funds, government and private institutions, signing all papers, order bonds, checks, all

documents related to that, sale and purchase of bonds and instruments and signing of all related documents, and the contract of loans with government and private financing funds and institutions, regardless of their duration, as well as bank and commercial loans, accepting its terms, conditions and prices, signing its contracts, agreements, models and undertakings, mortgages, approving and providing guarantees and guarantees, signing a guarantee of fine and joint performance of the facilities granted to others, and its repayment schedules and the receipt and disposal of the loan, the request for exemption from loans.

#### B- Claims before the courts:

Claiming and filing lawsuits, pleading and defending, hearing the claim and making submissions, presenting evidence and documents, denying, conciliation, waiver, discharge, requesting oath and refraining from it, bringing witnesses and evidence and challenging it, answering, disparaging, modifying, challenging forgery, denial of handwriting, seals, and signatures, request for a travel ban and cancel it, request for seizure and enforcement, request for arbitration, the appointment of experts and arbitrators, challenge, rejection and replacement of reports of experts and arbitrators, request for the application of Article 230 of the Law of Sharia Pleadings, request for the execution of judgments, acceptance, and denial of judgments, objection to judgments and request for appeal, request for reconsideration, request for exculpate, request for pre-emption, termination of the necessary attendance of hearings in all cases before all courts, receipt of the amounts by check in the name of the company, and receipt of the implementation, receipt of sentencing instruments, request for dismissal of the judge, request for admission and intervention, before the Sharia courts of administrative courts (Board of Grievances), before the Sharia medical committees, before the labor

commercial papers, documents, and all banking transactions, opening investment accounts with financial companies and investment companies, signing the subscription, withdrawal and transfer of all investment funds, including money market funds and private funds, opening an investment portfolio and signing and managing all documents related to the portfolio, and trading in securities through the main or alternative distribution outlets, signing the procedures related to giving orders for the sale and purchase of shares, transferring and mortgaging them and releasing the mortgage from them, signing the agreements of the management of the company's portfolios and signing all documents related to that, selling and buying bonds and instruments and signing all related documents, the contract of loans with government and private financing funds and institutions, regardless of their duration, as well as bank and commercial loans and acceptance of their terms, conditions, and prices and signing their contracts, agreements, forms, undertakings, mortgages, approval and provision of guarantees and guarantees, signing of the guarantee of the fine, joint performance of the facilities granted to others, payment schedules, receipt and disposal of the loan, request for exemption from loans.

#### B- Claims before the courts:

Claiming and filing lawsuits, pleading and defending, hearing the claim and making submissions, presenting evidence and documents, denying, conciliation, waiver, discharge, requesting oath and refraining from it, bringing witnesses and evidence and challenging it, answering, disparaging, modifying, challenging forgery, denial of handwriting, seals, and signatures, request for a travel ban and cancel it, request for seizure and enforcement, request for arbitration, the appointment of experts and arbitrators, challenge, rejection and replacement of reports of experts and arbitrators, request for the application of Article 230 of the Law of Sharia Pleadings, request for the execution of judgments, acceptance, and denial of judgments, Objection to judgments and request for appeal, request for reconsideration, request for exculpate, request for



committees, before the financial dispute settlement committees, the bank dispute settlement committees, before the commercial paper disputes adjudication offices and the commercial disputes resolution committees, before Control and Investigation Board, before Bureau of Investigation and Public Prosecution, before Capital Market Authority, and all committees and judicial bodies or their equivalent, inside and outside the Kingdom of Saudi Arabia.

C-Real estate, land, and company property of all kinds:

Sale and empty to the buyer and receipt of the price by check in the name of the company, purchase and acceptance of the emptying and payment of the price, acceptance of the gift and emptying, mortgage, release of mortgage, merge of the instruments, retail and sorting, receipt of the instruments, updating the instruments and entering them into the comprehensive system, waiver of space shortage, conversion of agricultural land to residential or commercial or vice versa , modification of owner's name and civil registration number, modification of boundaries, lengths, area, plot numbers, plans, instruments, dates, neighborhood names, leasing, signing of rental contracts, renewal of rent contracts, receipt of rent by check in the name of the company ,signing contracts and agreements for entering into real estate contributions, contracts and agreements for the purchase of shares of real estate contributions, contracts and agreements for the sale of shares of real estate contributions, assignment in favor of state property, emptying and receiving compensation by check in the name of the company

D- Companies:

Contracting, committing and engaging in the name of the company and on its behalf, entering into tenders and tenders, carrying out all works and actions, signing all types of contracts, documents and documents,

pre-emption, termination of the necessary attendance of hearings in all cases before all courts, receipt of the amounts by check in the name of the company, and receipt of the implementation, receipt of sentencing instruments, request for recusal of the judge, request for admission and intervention , before the Sharia courts of administrative courts (Board of Grievances), before the Sharia medical committees, before the labor committees, before the financial dispute settlement committees, the bank dispute settlement committees, before the commercial paper disputes adjudication offices and the commercial disputes resolution committees, the customs and commercial fraud committees the supervisory and investigation authority, before the Bureau of Investigation and Public Prosecution, the Capital Market Authority, and all committees and judicial bodies or their equivalent, inside and outside the Kingdom of Saudi Arabia.

C-Real estate, land, and company property of all kinds:

Selling and emptying to the buyer and receiving the price by a check in the name of the company, purchase, acceptance of the emptying, payment of the price, acceptance of the gift, mortgage, and release of the mortgage, Integration of instruments, fragmentation and sorting, receipt of instruments, updating of instruments and their introduction into the overall system, waiver of space shortage, conversion of agricultural land to residential or commercial or vice versa, modification of owner's name and civil registration number, modification of boundaries, lengths, area, plot numbers, plans, deeds, dates, neighborhood names, leasing, signing of rental contracts, renewal of rental contracts, receiving the rent by check in the name of the company, signing contracts and agreements for entering into real estate contributions, contracts and agreements for the purchase of real estate contributions, contracts and agreements for the sale of shares of real estate contributions and assignment in favor of state property and emptying and receiving compensation by check in the name of the company.

including but not limited to the establishment of companies, signing articles of incorporation and annexes of amendment, signing partners' decisions, appointing and dismissing managers, amending the management clause, entering and exiting partners, entering into existing companies, increasing capital, reducing capital, determining capital, buying shares and shares and paying the price, selling shares and shares and receiving value and profits, assignment of shares and shares of capital, acceptance of assignment of shares, shares and capital, transfer of shares, shares and bonds, opening of accounts with banks in the name of the company, signing of agreements, modification of purposes of the company, closing of accounts with banks in the name of the company, amendment of articles of incorporation or annexes of amendment, registration of the company, registration of agencies and trademarks, assignment of trademarks, attendance of general councils, opening of files for the company, opening of branches of the company, liquidation of the company, conversion of the company from a shareholding to a limited liability company, converting the company from a limited liability to a shareholding, canceling the articles of incorporation and amendment annexes, signing the articles of incorporation and amendment annexes with the notary, extracting and renewing the commercial records of the company, participating in the Chamber of Commerce and renewing them, reviewing the quality management and the Standards and Metrology Authority, issuing and renewing licenses for the company , transforming the institution into a company , transforming the branch of the company into an institution , transforming the branch of the company into a company , reviewing telecommunications companies and establishing fixed or mobile phones in the name of the company, reviewing the General

#### D- Companies:

Contracting, committing, and linking to the name of the company and on its behalf, entering tenders, carrying out all works and actions, signing all types of contracts, and documents, including without limitation the establishment of companies, signing the articles of association and annexes of the amendment, signing the decisions of the partners, appointing and dismissing managers and amending the management clause, entering and exiting partners, entering into existing companies, increasing capital, decrease capital, determine capital, buy shares and shares and pay the price, sale of Shares and receipt of value and dividends, assignment of shares of capital, acceptance of the assignment of shares and capital, transfer of shares and bonds, the opening of accounts with banks in the name of the company, signing of agreements modifying the purposes of the company, closure of accounts with banks in the name of the company, amendment of articles of incorporation or annexes of amendment, registration of the company, registration of agencies and trademarks, assignment of trademarks, attendance of general councils, opening of files for the company , opening of branches of the company , liquidation of the company, converting the company from a shareholding to a limited liability company, converting the company from a limited liability company to a shareholding , canceling the articles of incorporation and amendment appendices, signing the articles of incorporation and amendment appendices with the notary, extracting and renewing the commercial records of the company, subscribe to the Chamber of Commerce and its renewal , review the quality and quality management and the Standards and Metrology Authority, issue and renew licenses for the company , transform the institution into a company , transform the branch of the company into an institution , transform the branch of the company into a company to review telecommunications companies and establish fixed phones or mobile phones in the name of the company, reviewing the General Authority for Investment and signing before it, reviewing the



Investment Authority and signing before it , reviewing the Capital Market Authority, entering tenders and receiving forms , signing contracts for the company with others , publishing the memorandum of association, annexes of amendment, summaries and statutes in the Official Gazette, signing contracts for the establishment, establishment, operation and maintenance of factories, issuing licenses, renewing licenses , amending licenses, adding activity, reserving names, canceling licenses, subscribing to the Chamber of Commerce, renewing subscription to the Chamber of Commerce, opening branches, reviewing Social Insurance, reviewing Civil Defense, review Zakat and Income Tax Authority, transfer of licenses.

Two of the Chairman, Deputy Chairman, and Managing Director collectively have the right to receive and deliver, review all relevant authorities, complete all necessary procedures and sign as required, and have the right to issue legitimate powers of attorney on behalf of the company and to appoint or delegate on their behalf, within the limits of their competences, one or more members of the Board of Directors or others with their aforementioned powers or part of them, or to take a specific action or act, or to carry out a specific action or acts, and they have the right to cancel the delegation or power of attorney in part or in whole.

The Chairman of the Board of Directors, his deputy and the Managing Director shall, within the framework and competencies of the Company's work, carry out any other duties entrusted to them by the Board of Directors or provided for in this Law. They shall have the right to exercise all these powers inside and outside the Kingdom. The remuneration received by the Chairman, the Deputy Chairman, the Managing Director, and the Chief Executive Officer shall be in

Capital Market Authority, entering tenders and receiving forms, signing company contracts with others, publishing the memorandum of association, amendment appendices, their summaries and statutes in the Official Gazette, signing contracts for the establishment, operation and maintenance of factories, extracting licenses, renewing licenses, modifying licenses, adding activity , reserving names. cancellation of licenses, subscription to the Chamber of Commerce, renewal of the subscription to the Chamber of Commerce, the opening of branches, review of social insurance, review of civil defense, review of Zakat and Income Tax Authority, and transfer of licenses.

Two of the Chairman, Deputy Chairman, and Managing Director collectively have the right to receive, deliver, review all relevant authorities, complete all necessary procedures, and sign what is required.

E- Commercial Records:

Reviewing the Commercial Registration Department and the General Administration of Companies, extracting, renewing, transferring, canceling, and waiving commercial records, signing and receiving everything necessary in regard to them, reserving the commercial name, opening and renewing the subscription with the Chambers of Commerce and Industry, and signing all documents with the Chambers of Commerce, approving the signature with the Chambers of Commerce and Industry, amending the commercial records, adding the activity of amending the administration and address, extracting a damaged or missing replacement record, reviewing social insurance, reviewing the Zakat and Income Authority, and reviewing the civil defense.

F- Secretariats and Municipalities:

Opening shops, issuing licenses, renewing them, canceling and transferring them, extracting building and restoration permits, obtaining building completion certificates, land planning, extracting health cards, converting agricultural land to residential, receiving and delivering,

addition to the remuneration prescribed for the members of the Board of Directors in accordance with what is proposed by the Board of Directors and approved by the Assembly, provided that it complies with the official decisions, instructions and regulations issued in this regard within the limits stipulated in the Companies Law and its regulations, the Chairman, the Deputy Chairman, the Managing Director, and the Chief Executive Officer shall appoint a secretary of the Board chosen by him from among its members or others, and shall specify his competences, remuneration, and terms of his work. The term of the chairman, deputy chairman, managing director, and secretary of the board of directors shall not exceed the term of membership of each of them in the board. They may be re-elected, and the board may at any time dismiss them or any of them without prejudice to the right to compensation if the dismissal occurs unlawfully or at an inappropriate time.

reviewing all relevant authorities, and completing all necessary procedures and signing as required.

G- Passports:

Extracting and renewing residencies, extracting lost or damaged residencies, making exit, return, and final exit visas, transferring sponsorships, transferring information, updating data, modifying jobs, settling and waiving workers, reporting absconding and canceling escape reports, extracting visas instead of damaged or missing, extracting the extension of visit visas, adding dependents, finishing the procedures for deceased workers, extracting workers' data (Brent), disclaim workers, reviewing the Deportation and Expatriates Department, managing ports affairs, issuance of repatriation certificates and extracting pilgrimage permits.

H- Ministry of Labor and Social Affairs:

Recruitment of workers from abroad, issuance of visas, receipt of visa compensation, transfer of sponsorships, modification of professions, updating of workers' data, liquidation and cancellation of employment, issuance and renewal of work permits, and termination of employment procedures with social insurance, reviewing the computer management in the workforce to end employment, add labor, add and delete Saudis, receive Saudization certificates, and extract data sheets (Brent), opening the basic and sub-files, renewing or canceling them, transferring the ownership of the establishments, liquidating and canceling them, and reviewing the Department of National Recruitment Offices.

## **Y. Recruitment office**

Issuing visas, canceling visas, refunding visa amounts, amending nationalities, issuing family visit visas, issuing family recruitment visas, modifying professions in visas, reviewing the embassy and extending exit and return visas, extension of visit visas, issuance of data sheet (print) and receipt, delivery, review of all relevant authorities, completion of all necessary procedures, and signature as required.

They have the right to issue legal powers of attorney on behalf of the company and to assign or authorize on their behalf, within the limits of their specializations and powers, one or more of the members of the Board of Directors or others with their aforementioned powers or part of them, or to take a specific action or behavior or to perform a specific action or actions that fall within the limits of their competencies and powers in light of the relevant controls and regulations, and they have the right to revoke the authorization or power of attorney in part or in whole, and any of the authorized agents or authorized employees of the company may delegate all or some of his powers to others. The Chairman of the Board of Directors, his deputy, and the managing director, within the framework and terms of reference of the company's work, also undertake any other duties entrusted to them by the Board of Directors or stipulated in this law, and they have the right to manage all these powers inside and outside the Kingdom.

The reward that received by the Chairman, his deputy, the Managing Director and the Chief Executive Officer, in addition to the reward prescribed for the members of the Board of Directors, shall be in accordance with what is proposed by the Board of Directors and approved by the Assembly, provided that it complies with the decisions, instructions and official regulations issued in this regard and within the limits of what is stipulated in the Companies Law and its regulations for the Chairman, his deputy and managing director and chief executive officer, and the board of directors appoints a council secretary for the board who chooses him from among its members or from others and determines his terms of reference, remuneration, and working conditions the term of the Chairman, his deputy, the managing director, and the secretary, a member of the Board of Directors, shall not exceed the term of membership of each of them in the Board. They may be re-elected, and the Board may at any time dismiss them or any of them. Without prejudice to the right of the dismissed to compensation if the dismissal occurred for an illegal reason or at an unsuitable time.

**Article (21) Board of Directors Meetings:**

The Board of Directors meets at least twice a year at the invitation of its Chairman or his deputy. The invitation shall be in writing and may be delivered by hand, by regular mail, e- mail, or fax or other means of communication. When necessary, any member may participate in any meeting of the Board by phone, video conference or in any other electronic way through which all members can communicate with each other simultaneously in accordance with the controls that set by the competent authorities, if any. Participation in this manner constitutes attendance at the meeting, and the chairman of the Board must invite the Board to the meeting from what two of the members asked him to do.

**Article (22) Board meeting quorum:**

The meeting of the Board shall not be valid unless attended by half of the members (in person) at least, a member of the Board of Directors may delegate other members of the Board of Directors on his behalf attending Board meetings in accordance with the following controls:

- A member of the Board of Directors may not represent more than one member of the Board attending the same meeting.
- The delegation must be fixed in writing and for a specific meeting
- The deputy may not vote on decisions that the system prohibits the representative from voting on it.
- The Board of Directors may issue decisions on urgent matters by presenting them to the members dispersed by scrolling and may be delivered by hand, by regular mail, e-mail, fax or other means of communication unless one of the members requests in writing the meeting of the Board to deliberate on it and these decisions are presented to the Board at its first meeting, and the decisions of the Board of Directors are issued by the majority of the opinions of the members present or represented in it and when opinions are equal, the vote of the chairperson shall be prevail.

**Article 22 Board Meetings:**

- (1) The Board of Directors meets at least four times a year by an invitation of the Chairman of the Board, and the Chairman of the Board - or his representative in the event of his absence, must invite the Board to a meeting whenever requested in writing by any member of the Board to discuss any subject or more.
- (2) The Board of Directors shall determine the place for holding its meetings, and it may be held using modern technology.

**Article 23: Board meeting and decisions:**

- 1- The meeting of the Board shall not be valid unless attended by half of the members (in person or on behalf of) at least, and any member may participate in any meeting of the board by means of modern technology through which all members can communicate with each other in real time in accordance with the controls set by the competent authorities, if any, and participation in this manner constitutes attendance at the meeting.
  - 2- Decisions of the meeting of the company’s board of directors shall be issued by the majority of the votes of the attending members (in person or on behalf) at least, and when the votes are equal, the side with which the chairman of the meeting voted will prevail.
  - 3- The decision of the Board of Directors shall be effective from the date of its issuance, unless it is stipulated in it at another time or when certain conditions are met.
- A member of the Board of Directors may deputize other members to attend the meetings of the Board in accordance with the following controls:
1. A member of the Board of Directors may not represent more than one member in attendance the same meeting.
  2. The delegation must be fixed in writing and for a specific meeting.
  3. The deputy may not vote on decisions that the system prohibits the representative from vote on it.

<p>Add an article</p>	<p><b>Article 24: Board Decisions in Urgent Matters:</b> The Board of Directors may issue its decisions in urgent matters by presenting them to all by passing, by using modern technology. Unless one of the members' requests in writing the Board meeting to deliberate on it. Those decisions are issued with the approval of the majority of the votes of its members. And these decisions are submitted to the Board at its first meeting to prove it in the minutes of that meeting</p>
<p><b>Article (23) Board deliberations:</b> The deliberations and decisions of the Board are recorded in minutes signed by the Chairman of the Board, the members of the Board of Directors present, and the council secretary. These minutes are recorded in a special register signed by the chairman of the board and a council secretary.</p>	<p><b>Article 25 Board deliberations:</b></p> <ol style="list-style-type: none"> <li>1- The deliberations and decisions of the board are recorded in minutes, followed by the council secretary, and signed by the chairman of minutes, the attending members of the board of directors, and the council secretary.</li> <li>2- These minutes shall be recorded in a special register signed by the Chairman of the Board of Directors and the council secretary.</li> <li>3- Modern technical methods may be used to sign and prove deliberations and decisions and verbatim reporting.</li> </ol> <p>The member of the Board shall notify the Board of his direct or indirect personal interests in the business and contracts that are concluded for the account of the company and this notification is recorded in the minutes of the board meeting, and the interested member may not participate in voting on the decision issued in this regard.</p>
<p><b>Article (24) Attending Assemblies:</b> Every shareholder, regardless of the number of his shares, has the right to attend the general assemblies of shareholders, and he may delegate another person on his behalf who is not a member of the Board of Directors or company employees in attending the General Assembly.</p>	<p><b>Article 26: The General Assembly Meeting of Shareholders:</b></p> <ol style="list-style-type: none"> <li>1- The meeting of the general assembly of shareholders shall be chaired by the chairman of the board of directors or his deputy on his absence, or whomever the Board of Directors delegates from among its members in their absence, when this is not possible, the general assembly shall be chaired by whomever the shareholders delegate from among the board members or others by voting.</li> <li>2- Each shareholder has the right to attend the meeting of the General Assembly, and he may authorize him to do so, on behalf of another person who is not a member of the Board of Directors.</li> <li>3-The meeting of the general assembly may be held and the shareholder may participate in deliberations and voting on decisions mediated by means of modern technology.</li> </ol>

**Article (25) Functions of the Ordinary General Assembly:**

With the exception of matters related to the Extraordinary General Assembly, the Ordinary General Assembly shall be concerned with all matters related to the company, and it shall convene at least once a year during the six months following the end of the company's fiscal year.

Other ordinary general assemblies may be called whenever the need arises.

**Article 27: Functions of the Ordinary General Assembly**

Except for matters related to the Extraordinary General Assembly, the Ordinary General Assembly shall be concerned with all matters related to the company. It convenes at least once during the (six) months following the end of the company's fiscal year, and other ordinary general assemblies may be called whenever the need arises, in particular the following:

1. Members of the Board of Directors Election and their dismissal
2. Appointing one or more auditors for the company, as required by the law, fixing his fees, reappointing him, and dismissing him
3. Reviewing and discussing the Board of Directors' report.
4. Reviewing and discussing the company's financial statements.
5. Discussing the auditor's report, if any, and take a decision.
6. Deciding on the proposals of the Board of Directors regarding the method of distributing profits
7. Configuring the company's reserves and determining their uses.



**Article (26) Functions of the Extraordinary General Assembly:**

The extraordinary general assembly is concerned with adjusting the company's articles of association, with the exception of matters that it is prohibited from adjusting by law

It has the right to issue decisions on matters falling within the competences of the Ordinary General Assembly

And that is under the same terms and conditions prescribed for the Ordinary General Assembly.

**Article 28 Functions of the Extraordinary General Assembly:**

The Extraordinary General Assembly shall be concerned with the following:

- 1) Adjusting the company's articles of association except regarding the following:
  - A. Depriving the shareholder or modifying any of his basic rights that he derives in his capacity as a shareholder, considering the nature of the rights related to the type or class of shares owned by the shareholder, in particular the following:
    - 1- Obtaining a share of the profits to be distributed, whether the distribution is in cash or through the issuance of bonus shares to non-employees of the company and its subsidiaries.
    - 2- Obtaining a share of the net assets of the company upon liquidation
    - 3- Attending public or private shareholder assemblies, participating in their deliberations, and voting on their decisions
    - 4- Disposing of its shares, except in accordance with the provisions of the Law
    - 5- Requesting to view the company's records and documents, monitor the work of the Board of Directors, file a liability lawsuit against the members of the Board, and challenge the invalidity of the decisions of public and private shareholder assemblies.
  - B- Adjusting that would increase the financial burdens for shareholders unless all shareholders agree.
    - 2) Determination of the continuation or dissolution of the company
    - 3) Approving the company's purchase of its shares

The Extraordinary General Assembly - in addition to the competencies prescribed for it under the provisions of the system - may issue decisions in matters originally included in the competencies of the Ordinary General Assembly, under the same terms and conditions prescribed for the Ordinary General Assembly.



**Article (27) Assembly Invitation:**

The general or private assembly of shareholders convenes at the invitation of the Board of Directors, and the Board of Directors must invite the Ordinary General Assembly to convene if requested by the auditor, the audit committee, or a number of shareholders representing at least (5%) of the capital.

The auditor has the right to invite the assembly to convene if The board did not invite the assembly within thirty days from the date of the auditor's request.

The invitation to convene the General Assembly shall be published in a daily newspaper distributed at the company's headquarters at least (twenty-one) days prior to the date set for the meeting. However, it may be sufficient to address the invitation on the mentioned date to all shareholders by registered letters.

A copy of the invitation and the agenda shall be sent to the Ministry and the Capital Market Authority within the period specified for publication.

**Article 29: Assemblies' Invitations:**

- 1) Public and private assemblies are held at the invitation of the Board of Directors, and the Board of Directors must invite the Ordinary General Assembly to convene within (thirty) days from the date of the request of the auditor or one or more shareholders representing (ten percent) of the shares of the company that have at least voting rights. An auditor may call the Ordinary General Assembly to convene if the Board does not extend the invitation within (thirty) days from the date of the auditor's request.
- 2) The request referred to in Paragraph (1) of this Article must indicate the issues that the shareholders are required to vote on.
- 3) The invitation to convene the assembly shall be at least (twenty-one) days prior to the specified date in accordance with the provisions of the system, considering the following:
  - A- Informing the shareholders by registered letters at their addresses listed in the Shareholders Register or announcing the invitation through modern technology.
  - B- Send a copy of the invitation and the agenda to the Commercial Register, as well as a copy to the Capital Market Authority if the company was listed in the financial market on the date of the invitation announcement.
4. The invitation to the assembly meeting must include at least the following:
  - A-statement of the holder of the right to attend the meeting of the Assembly and his right to deputize whomever he chooses from other than members of the Board of Directors and a statement of the shareholder's right to discuss the topics on the agenda of the Assembly and to ask questions and how to exercise the right to vote.
  - B-The place, date and time of the meeting.
  - C-The type of association, whether it is a public or private association.
  - D-The agenda of the meeting, including the items on which the shareholders are required to vote.

**Article (28) assemblies' attendance record:**

<p>Shareholders who wish to attend the General Assembly or the Special Assembly shall register their names at the company's main office prior to the time set for the meeting.</p>	<p><b>Article deleted</b></p>
<p><b>Article (29) Quorum of the Ordinary General Assembly Meeting:</b> The meeting of the Ordinary General Assembly shall not be valid unless attended by shareholders representing at least a quarter of the capital. If this quorum is not available in the first meeting, the Board of Directors shall choose one of the two options:</p> <ul style="list-style-type: none"> <li>• The second meeting shall be held one hour after the end of the period specified for the first meeting, provided that the invitation to hold the meeting includes evidence of announcing the possibility of holding this meeting.</li> <li>• An invitation is sent to a second meeting to be held within the thirty days following the previous meeting, and this invitation is published in the manner stipulated in Article (thirty) of this bylaw. In all cases, the second meeting shall be valid regardless of the number of shares represented therein.</li> </ul>	<p><b>Article 30: Quorum of the Ordinary General Assembly Meeting:</b></p> <ol style="list-style-type: none"> <li>1- The convening of the Ordinary General Assembly meeting shall not be valid unless it is attended by shareholders representing at least a quarter of the company's shares that have voting rights.</li> <li>2- If the necessary quorum for holding a meeting of the Ordinary General Assembly in accordance with Paragraph (1) of this Article is not present, an invitation shall be sent to a second meeting to be held under the same conditions stipulated in Article (ninety-one) of the Companies Law within (thirty) days following the date specified for the previous meeting. However, the second meeting may be held an hour after the end of the period specified for the first meeting, provided that the invitation to hold the first meeting includes evidence that the meeting can be held. In all cases, the second meeting shall be valid regardless of the number of shares that have voting rights represented therein.</li> </ol>
<p><b>Article (30) Quorum of the Extraordinary General Assembly Meeting:</b> The meeting of the Extraordinary General Assembly shall not be valid unless attended by shareholders representing half of the capital. If this quorum is not available in the first meeting, the Board of Directors shall choose one of the two options:</p> <ul style="list-style-type: none"> <li>• The second meeting shall be held one hour after the expiry of the period specified for the first meeting, provided that the invitation to hold the first meeting includes evidence of announcing the possibility of holding this meeting.</li> <li>• An invitation was sent to a second meeting in the same conditions stipulated in Article Thirty of this statement.</li> </ul>	<p><b>Article 31: Quorum for the Extraordinary General Assembly Meeting:</b></p> <ol style="list-style-type: none"> <li>1- The meeting of the Extraordinary General Assembly shall not be valid unless it is attended by shareholders representing at least half of the shares of the company that have voting rights.</li> <li>2- If the quorum required to hold the extraordinary general assembly meeting in accordance with paragraph (1) of this article is not available, an invitation is sent to a second meeting to be held under the same conditions stipulated in Article (ninety-one) of the Companies Law. However, the second meeting may be held an hour after the expiration of the period specified for holding the first meeting, provided that the invitation to hold the first meeting includes evidence</li> </ol>

<p>In all cases, the second meeting shall be valid if attended by a number of shareholders representing at least a quarter of the capital. If the necessary quorum is not available in the second meeting, an invitation is sent to a third meeting to be held under the same conditions stipulated in the article (30) of this statement, and the third meeting shall be valid regardless of the number of shares represented in it, after the approval of the competent authorities.</p>	<p>of the possibility of holding that meeting. In all cases, the second meeting shall be valid if attended by several shareholders representing (a quarter) of the shares of the company that have at least voting rights.</p> <p>3- If the necessary quorum for holding the second meeting is not present, an invitation shall be sent to a third meeting to be held under the same conditions stipulated in the Companies Law, and the third meeting shall be valid regardless of the number of shares that have voting rights represented in it.</p>
<p><b>Article (31) Voting in Assemblies:</b> Each subscriber has a vote for every share he represents in the Constituent Assembly, and every shareholder has a vote for every share in the General Assemblies. Cumulative voting shall be used to elect the members of the Board of Directors. The members of the board of directors may not participate in the decisions of the assembly that are related to their discharge of responsibility for the management of the company, or that are related to a direct or indirect interest for them.</p>	<p><b>Article 32: Voting in Assemblies:</b></p> <ol style="list-style-type: none"> <li>1- Each shareholder has a vote for each share in the general assemblies, and the cumulative vote must be used in electing the members of the Board of Directors, so that the right to vote for a share may not be used more than once.</li> <li>2- Members of the Board of Directors may not participate in voting on the decisions of the Assembly that are related to business and contracts, in which they have a direct or indirect interest, or that involve a conflict of interest.</li> </ol>
<p><b>Article (32) Association Decisions:</b> Decisions in the Constituent Assembly are issued by the absolute majority of the shares represented in it, and the decisions of the Ordinary General Assembly are issued by the absolute majority of the shares represented in the meeting. The decisions of the Extraordinary General Assembly are also issued by a two-thirds majority of the shares represented in the meeting, unless it is a decision related to increasing or decreasing the capital, extending the term of the company, dissolving it before the expiry of the period specified in its articles of association, or merging it with another company, in which case it is not valid unless it is issued by a three-quarters majority. Shares represented at the meeting.</p>	<p><b>Article 33: Association Decisions:</b></p> <ol style="list-style-type: none"> <li>1- The decisions of the Ordinary General Assembly are issued with the approval of most of the voting rights represented in the meeting.</li> <li>2- The decisions of the Extraordinary General Assembly are issued with the approval of (two-thirds) of the voting rights represented in the meeting, unless the decision is related to increasing or decreasing the capital, extending the term of the company, or dissolving it before the expiry of the period specified in its articles of association, or its merger with another company, or its division into two or more companies, then it is not valid unless it is issued with the approval of (three quarters) of the voting rights represented at the meeting.</li> </ol>
<p><b>Article (33) Discussion in Assemblies:</b></p>	<p><b>Article 34: Discussion in Assemblies:</b></p>

Each shareholder has the right to discuss the topics on the agenda of the Assembly and direct questions in this regard to the members of the Board of Directors and the auditor. The board of directors or the auditor must respond to the shareholders' questions to the extent that does not expose the company's interest to harm, and if the shareholder considers that the answer to his question is not convincing, he resorts to the assembly and its decision in this regard is enforceable.

Each shareholder has the right to discuss the topics on the agenda of the General Assembly and direct questions in this regard to the members of the Board of Directors and the auditor.

The Board of Directors or the auditor shall answer the questions of the shareholders to the extent that does not expose the interest of the company to harm. If one of the shareholders deems that the answer to his question is not sufficient, he shall appeal to the General Assembly, and its decision in this regard shall be enforceable.

**Article (34) Presiding over associations and preparing minutes:**

The meetings of the shareholders' general assemblies shall be chaired by the chairman of the board of directors, his deputy, or the managing director in his absence, or whomever the board of directors delegates from among its members for that purpose in the absence of the chairman, his deputy, and the managing director.

Minutes of the meeting of the assembly shall be written including the number of shareholders present or represented therein, the number of shares held by them in person or by proxy, the number of votes for them, the decisions taken, the number of votes for or against them, and an adequate summary of the discussions that took place in the meeting. The minutes are recorded regularly after each meeting in a special register. It is signed by the president of the association, its secretary and the votes collector

**Article Thirty-Five: Preparation of the assembly Minutes:**

Minutes of the meeting of the assembly shall be drawn up including the number of shareholders present in person or on behalf, the number of shares held by them in person or on behalf, the number of votes for it, the decisions taken, the number of votes for or against it, and an adequate summary of the discussions that took place in the meeting. Minutes are recorded regularly after each meeting in a special register signed by the president of the association, its secretary and the vote collectors.

**Article (35) Committee Formation:**

By a decision of the Ordinary General Assembly, an audit committee is formed consisting of a number of members whose number is not less than three and not more than five members other than the executive members of the Board of Directors, whether from shareholders or others.

The decision specifies the functions of the committee, its work controls, and the remuneration of its members.

**Article deleted**

**Article (36) Committee meeting quorum:**

The validity of the Audit Committee meeting requires the attendance of the majority of its

**Article deleted**

<p>members, and its decisions are issued by the majority of the votes of those present, and when the votes are equal, the side with which the Chairman of the Committee voted will prevail.</p>	
<p><b>Article (37) Committee Functions:</b> The Audit Committee is concerned with monitoring the company's business and for this purpose it has the right to view its records and documents and to request any clarification or statement from the members of the Board of Directors or the executive management It has the right to ask the Board of Directors to convene the General Assembly of the company if the Board of Directors impedes its work or if the company suffers serious damage or losses.</p>	<p><b>Article deleted</b></p>
<p><b>Article (38) Committee Reports:</b> The audit committee shall review the company's financial statements, reports and notes submitted by the auditor, and express its views thereon, if any. It shall also prepare a report on its opinion regarding the adequacy of the company's internal control system and the other work it has undertaken within the scope of its competence. The board of directors shall deposit sufficient copies of this report at the company's headquarters at least (twenty-one) days prior to the date of the general assembly meeting to provide each of the shareholders who desires a copy thereof. The report shall be read during the meeting.</p>	<p><b>Article deleted</b></p>
<p><b>Article (39) Appointment of the Auditor:</b> The company must have one or more auditors from among the auditors authorized to work in the Kingdom. The General Assembly shall appoint him annually, and determine his remuneration and the duration of his work. The Assembly may also at any time change him without prejudice to his right to compensation if the change occurred at an inappropriate time or for an illegal reason.</p>	<p><b>Article 36: Appointment, removal, and retirement of the company's auditor:</b></p> <ol style="list-style-type: none"> <li>1- The company shall have an auditor (or more) from among the licensed auditors in the Kingdom who shall be appointed by the General Assembly and whose fees, duration and scope of work shall be determined by the General Assembly, and he may be re-appointed. Provided that the period of his appointment does not exceed the period in accordance with the provisions prescribed by law.</li> <li>2- According to a decision taken by the General Assembly, the auditor may be</li> </ol>



	<p>dismissed, and the chairman of the board of directors must inform the competent authority of the dismissal decision and its reasons, within a period not exceeding (five) days from the date of issuance of the decision.</p> <p>3- The auditor may retire from his mission by virtue of a written report that he submits to the company, and his mission ends from the date of its submission or later specified in the notification, without prejudice to the company's right to compensation for the damage incurred by it if required. The retired auditor is obligated to submit to the company and the competent authority - when submitting the report - a statement of the reasons for his retirement, and the board of directors must call the general assembly to convene to consider the reasons for retirement, appoint another auditor and determine his fees, work duration and scope.</p>
<p><b>Article (40) Powers of the Auditor:</b> The auditor has the right at all times to view the company's books, records and other documents, and he may also request data and clarifications that he deems necessary to obtain, in order to verify the company's assets and liabilities and other things that fall within the scope of his work.</p> <p>The chairman of the board of directors must enable him to perform his duty, and if the auditor encounters difficulty in this regard, he shall prove that in a report submitted to the board of directors. If the board does not facilitate the work of the auditor, he must request the board of directors to invite the ordinary general assembly to consider the matter.</p>	<p><b>Article Thirty-Seven: Permissions of the Auditor:</b> The auditor has the right - at any time - to view the company's documents, accounting records and supporting documents, and he may request data and clarifications that he deems necessary to obtain to verify the company's assets and liabilities and other things that fall within the scope of his work.</p> <p>The Board of Directors shall enable him to perform his duty, and if the auditor encounters difficulty in this regard, he shall prove this in a report submitted to the Board of Directors.</p> <p>If the board of directors does not facilitate the work of the auditor, it must ask them to convene the general assembly to consider the matter.</p> <p>The auditor may issue this invitation if the Board of Directors does not send it within (thirty) days from the date of the auditor's request.</p>
<p><b>Article (41) Fiscal Year:</b> The company's fiscal year begins on the first day of January of each calendar year and ends on the last day of December of the same year, except for the first fiscal year that includes the period that began from the date of entry into force of Ministerial Resolution No. (861) dated</p>	<p><b>Article 38: Fiscal Year:</b> The company's fiscal year starts from the first of January and ends at the end of December of each year.</p>

6/5/1991 G issued with approval On the transformation of the company into a public shareholding company until 31/12/1991 G.

**Article (42) Financial Documents:**

- At the end of each fiscal year of the company, the board of directors must prepare the company's financial statements and a report on its activities and financial position for the past fiscal year. This report shall include the proposed method for distributing profits. The board shall place these documents at the disposal of the auditor at least forty-five days prior to the date set for the convening of the general assembly. .
- The documents referred to in Paragraph (1) of this Article shall be signed by the chairman of the board of directors of the company, its chief executive officer and financial manager. Copies thereof shall be deposited at the company's head office at the disposal of the shareholders. Twenty-one (twenty-one) days prior to the date set for the General Assembly meeting.
- The chairman of the board of directors shall provide the shareholders with the financial statements of the company, the report of the board of directors and the report of the auditor, unless they are published in a daily newspaper distributed in the company's head office, and he must also send a copy of these documents to the Ministry as well as to the Authority, at least fifteen days prior to the meeting of the assembly.

**Article (43) Dividend Distribution:**

The company distributes annual net profits as follows:

- 1) (10)% of the net profits shall be set aside to form the regular reserve, and the Ordinary General Assembly may decide to stop this set aside when the aforementioned reserve reaches (30%) of the paid-up capital.

**Article 39: Financial Documents:**

At the end of each fiscal year of the company, the Board of Directors must prepare the company's financial statements and a report on its activities and financial position for the past fiscal year. This report shall include the proposed method for distributing profits. The Board shall place these documents at the disposal of the auditor, if any, at least (forty-five) days prior to the date set for the Annual Ordinary General Assembly.

The company's board chairman, chief executive officer, and financial manager, if any, must sign the documents referred to in Paragraph (1) of this Article, copies of which shall be deposited in the company's head office at the disposal of the shareholders.

The Chairman of the Board of Directors shall provide the shareholders with the financial statements of the company and the report of the Board of Directors, after signing them, and the auditor's report, if any, unless they have been published in any of the modern technology means, at least (twenty-one) days prior to the date set for the Annual General Assembly meeting. He must also deposit these documents as determined by the executive regulations of the Companies Law.

**Article 40: Configure Reserves:**

- 1- The Ordinary General Assembly, when determining the share of shares in the net profits, may decide to form reserves to the extent that achieves the interest of the company or guarantees the distribution of fixed profits - as much as possible - to the shareholders. The association may also deduct amounts from the net profits



<p>2) The Ordinary General Assembly, based on a proposal by the Board of Directors, may set aside (5%) of the net profits to form an agreement reserve.</p> <p>3) The Ordinary General Assembly may decide to form other reserves to the extent that serves the interest of the company or guarantees the distribution of fixed profits as much as possible to the shareholders, The aforementioned association may also deduct from the net profits amounts to establish social institutions for the company's employees or to assist the existing ones.</p> <p>4) After that, the remainder shall be distributed among the shareholders by a percentage of not less than (5%) of the paid-up capital.</p> <p>5) Subject to the provisions stipulated in this Bylaw and the Companies Law, and in case that the remuneration of the members of the Board of Directors is a certain percentage of the net profits, then a percentage not exceeding (10%) of the remainder shall be allocated to the remuneration of the members of the Board of Directors after deducting the reserves decided by the General Assembly and after distributing a profit to the shareholders. Not less than (5%) of the paid-up capital of the company provided that the entitlement to this bonus is commensurate with the number of sessions attended by the member.</p> <p>6) The remainder is then distributed among the shareholders as an additional share of the profits, or carried over to the coming years as approved by the General Assembly.</p> <p>The company may also distribute interim profits to its shareholders on a semi-annual or quarterly basis after fulfilling the statutory requirements.</p>	<p>to achieve social purposes for the company's employees.</p> <p>2- The General Assembly determines the percentage that should be distributed among the shareholders from the net profits after deducting the reserves, if any.</p>
<p><b>Article (44) Due profits:</b></p>	<p><b>Article 41: Entitlement of profits:</b></p>

The shareholder is entitled to his share in the profits in accordance with the decision of the General Assembly issued in this regard. The decision indicates the date of entitlement and the date of distribution.

The eligibility for profits shall be for the shareholder registered in the shareholder register at the end of the day specified for the entitlement.

The shareholder is entitled to his share of the profits in accordance with the decision of the General Assembly issued in this regard, and the decision indicates the date of entitlement and the date of distribution.

The eligibility for dividends shall be for the shareholders registered in the shareholder registers at the end of the day specified for the entitlement. The board of directors must implement the decision of the general assembly regarding the distribution of profits to shareholders.

**Article (45) Dividend Distribution of Preferred Shares**

- If no profits are distributed for any financial year, then profits for the following years may not be distributed except after paying the percentage specified in accordance with the provision of Article (one hundred and fourteenth) of the Companies Law for holders of preferred shares for this year.
- If the company fails to pay the percentage specified in accordance with the provisions of the Companies Law from the profits for a period of three consecutive years, then the special assembly of the owners of these shares, held in accordance with the provisions of the Companies Law, may decide either to attend the meetings of the General Assembly of the company and participate in voting, or to appoint representatives on their behalf in the Board of Directors in accordance with the requirements. The value of their shares in the capital until the company is able to pay all the priority profits allocated to the owners of these shares for previous years.

**Article 42 the distribution of profits for preferred shares**

If the company fails to pay the specified percentage to the owners of preferred shares from the net profits of the company after deducting the reserves - if any - for a period of three consecutive years, then the assembly of the owners of these shares, convened in accordance with the provisions of the Companies Law, may decide that they attend the meetings of the company's general assembly and participate in voting. This is until the company is able to pay all the dividends allocated to the holders of these shares for those years.

Each preferred share shall have one vote in the meeting of the General Assembly, and the holder of the preferred share shall have the right in this case to vote on all items on the agenda of the Ordinary General Assembly without exception.

**Article (46) Company Losses:**

- If the losses of the shareholding company amount to half of the paid-up capital, at any time during the fiscal year, any official in the company or the auditor must immediately inform the chairman of the board of directors upon learning of that, and the chairman of the board of directors must immediately inform the members of the board of that, and the board of directors must within fifteen days of his knowledge of that, to call the extraordinary general assembly to meet within forty-five days from the date of his knowledge of the losses, to decide either to increase the company's capital or to reduce it in accordance with the provisions of the company's by-laws to the extent that the percentage of losses decreases to less than half of the paid-up capital, or to dissolve the company before the deadline specified in this system.
- The company is considered dissolved by the force of the corporate law if the general assembly does not meet within the period specified in paragraph (1) of this article, or if it meets and is unable to issue a decision on the matter, or if it decides to increase the capital according to the conditions prescribed in this article and all subscriptions are not made. Increasing the capital within ninety days from the issuance of the assembly's decision to increase.

**Article (47) Liability Action:**

Every shareholder has the right to file a liability claim for the company against the members of the Board of Directors, if the mistake they committed would cause damage to him.

The shareholder may not file the aforementioned lawsuit unless the company's right to file it is still valid, and the shareholder must notify the company of his intention to file the lawsuit.

**Article (48) Termination of the Company:**

**Article forty-three the company's losses:**

- 1) If the joint-stock company's losses amount to half of the issued capital, the board of directors must disclose that and its recommendations regarding those losses within (sixty) days from the date of its knowledge of reaching this amount, and invite the extraordinary general assembly to convene within (one hundred and eighty) days from the date of becoming aware of this, to consider the continuation of the company and to take any of the necessary measures to deal with or resolve such losses.
- 2) The company is considered dissolved by the force of the corporate law if the general assembly does not meet within the period specified in paragraph (1) of this article, or if it meets and is unable to issue a decision on the matter, or if it decides to increase the capital according to the conditions prescribed in this article and all subscriptions are not made. Increasing the capital within ninety days from the issuance of the assembly's decision to increase

**Article 44 Liability Action:**

Every shareholder has the right to file a liability claim for the company against the members of the Board of Directors if the mistake they committed causes damage to him.

The shareholder may not file the lawsuit unless the company's right to file it is still valid, and the shareholder must notify the company of his intention to file the lawsuit.

**Article 45: Company Termination:**

<p>Once the company has expired, it enters the stage of liquidation and maintains its legal personality to the extent necessary for liquidation. The voluntary liquidation decision is issued by the Extraordinary Assembly. The liquidation decision must include the appointment of the liquidator, the determination of his powers and fees, the restrictions imposed on his powers and the time period required for liquidation. The period of voluntary liquidation shall not exceed five years and may not be extended and may not be extended for more than that except by a judicial order. The authority of the board of directors of the company ends with its dissolution. Nevertheless, they remain in charge of managing the company and are considered as liquidators in relation to others until a liquidator is appointed. Shareholders' assemblies remain in place during the liquidation period, and their role is limited to exercising their competences that do not conflict with the powers of the liquidator.</p>	<p>The company expires for one of the reasons for termination mentioned in Article (two hundred and forty-third) of the Companies Law, and upon its termination, it enters the stage of liquidation in accordance with the provisions of the Companies Law, If the company lapses and its assets are insufficient to pay off its debts or if it is in default according to the bankruptcy law, it must apply to the competent judicial authority to open any of the liquidation procedures according to the bankruptcy law.</p>
<p><b>Article (49):</b> The Companies Law and its bylaws shall be applied in everything that is not provided for in this Law.</p>	<p>Article 46: Final Provisions: The company is subject to the regulations in force in the Kingdom of Saudi Arabia. Any text that contradicts the provisions of the Companies Law in this Bylaw shall not be considered and the provisions of the Companies Law shall be applied against it. Anything that is not provided for in this Bylaw shall be subject to the Companies Law and its Implementing Regulations.</p>
<p><b>Article (50):</b> The system shall be deposited and published in accordance with the provisions of the Companies Law and its regulations.</p>	<p style="text-align: center;"><b>Article deleted</b></p>

**In the event of a conflict between the Arabic and the English forms, the text in the Arabic form is the approved one.**

## Competing Business Standards and Procedures for Batic Investment and Logistics Co.

### 1. Introduction

The “Competing Business Standards and Procedures for Batic Investment and Logistics Company (“Batic”) or the (“Company”) has been prepared to comply with point (3) of Article (44) of the Corporate Governance Regulations issued by the Capital Market Authority Board pursuant to its Decision No. (8-6-2017) Dated 16/05/1438H corresponding to 13/2/2017, as amended pursuant to its decision No. (8-5-2023) dated 25/06/1444H corresponding to 18/01/2023, which stipulates that “the Board shall assesses the members” competition with the Company’s business or if he/she is in compliance with one of the branch activities that it conducts in accordance with the standards issued by the Ordinary General Assembly upon a proposal from the Board”.

### 2. Objective

The Purpose of the Competing Business Standards and Procedures” is to define businesses and activities that are considered competing with the Company’s or its subsidiaries businesses or one of the branch activities. These standards and procedures also aim to clarify the procedures to be followed if a Board or a Committee member or a Board nominee participates in a competing business in accordance with the controls stipulated in the Implementing Regulations of the Companies’ Law for listed joint- stock companies and Corporate Governance Regulations, which contributes to enhancing the transparency in all of the Company’s transactions and avoid conflicts of interest.



### **3. Purpose**

This regulation aims to establish the necessary controls to control and regulate the participation of any member of the Board of Directors or members of its committees in an act of competition for the company's activities.

### **4. Company competition**

- 1) A Board or a Committee member may not engage in any business that may compete with the company or any of its subsidiaries or with one of its branch activities without the authorization of the company's general assembly, or the the board of directors if it was delegated from the general assembly in accordance with the conditions mentioned in these standards and procedures, the Companies Law and the relevant CMA regulations.
- 2) The member's refusal to engage in business competing with the company or its group is considered a personal responsibility for each member, and if a member of the Board of Directors violates the controls, the company has the right to claim appropriate compensation from him before the competent judicial authority.

### **5. Duties of Members & Nominees of the Board of Directors regarding the Competing Business**

- 1) A person who desires to nominate himself/ herself for the Board membership shall disclose to the Board and the General Assembly if he/she engages in a business that may compete with the company or any of its activities.
- 2) The Board member shall perform his/her duties with honesty and integrity and put the interests of the company above his/her own interest, and not use his/her position to achieve personal interests.
- 3) The Board member shall protect the confidentiality of information related to the company and its activities, and not disclose any information to any person.

4) Board member shall not misuse his/her position, duties, and authorities in any way or benefit - directly or indirectly - from any of the company's assets, information, or investment opportunities offered to him or the company, in his/her capacity as a member of the Board. This includes investment opportunities which are within the activities of the Company, or which the Company wishes to make use of. Such prohibition shall extend to the Board member who resign to, directly or indirectly, use investment opportunities that the company wishes to use, which came to their knowledge during their tenure on the Board.

## **6. Competing Business & activities Standards**

Any business related to the company's main activities stipulated in the company's bylaw or/and its subsidiaries, shall be deemed a business that competes with the company including, but not limited to the following activities:

- 1) The Board member establishing a company, an establishment, or owning of considerable percentage of shares or stakes in a company or any other entity that engages in business activities that are like the activities of the Company or its group.
- 2) Accepting membership in the board of a company or ana entity that is competing with the company or its group or handling the management of a competing establishment or company of any form, except the company's subsidiaries.
- 3) Accepting membership in any committee in a company that competes with the company or any other company in its group.
- 4) The Board member's acting as an overt or covert commercial agent or the like for another company or entity competing with the company or its group.
- 5) The board member getting consideration for providing consultations to another company competing with the company, which is in any main activity that BATIC operates within.

6) The board member using his/her knowledge or influence over any of the company's or its group's clients, suppliers, or advisors for the benefit of any company or person working for a company that is competing with the company or its group.

## **7. Assessing the competition**

The Board, when assessing the Board member or a member of any of the company's or its subsidiaries committees' competition with the company's business, shall consider the following standards:

- 1) The geographical reach of the business competing with the company and/or its subsidiaries.
- 2) The total revenues of the competing activity during the fiscal year compared to the revenues of the BATIC Investment and Logistics Company in this activity, so that the business practiced by the member is considered competitive to the company if its total revenues represent a substantial percentage of not less than 5% of the revenues of the BATIC Investment and Logistics Company in this activity according to the latest audited financial statements.
- 3) Whether engaging in the competing business will prevent the board member from providing the required care towards the interests of the company.
- 4) Whether engaging in the competing business by the board member is likely to have a material impact on his/her role as a member of the company's board or any of its committees.

## **8. Controls of Competing with the Company**

If a member of the Board, or a member of one of its committees' desires to engage in a business that may compete with the company, or any of its activity, the following shall be observed:

- 1) Inform the Board of the competing businesses (direct or indirect) that he/she desires to engage in and recording such notification in minutes of the board meeting.
- 2) The conflicted member shall abstain from voting in the board meetings, the meetings of its committees, and the general assemblies.
- 3) The Board informs the General Assembly when it convenes of the competing businesses that a member of the Board or a member of one of its committees is engaged in, after the Board assessing the member's competition with the company's business or competing with it in one of the branches activities that it conducts or its subsidiaries in accordance with these standards, provided that such businesses are assessed on annual basis.
- 4) Obtaining an authorization from the Company's Ordinary General Assembly, for the Board member to engage in the competing business. The ordinary general assembly shall have the right to delegate the authorization powers to the board provided that the resolution of that general assembly specifies the competing business and activities that the board may authorize during the delegation period. Any member of the board shall not be allowed to vote on the articles of the delegation and its revocation in the ordinary general assembly.
- 5) The period of the delegation referred to in the point (4) of this clause shall be a maximum of one year from the date of the Ordinary General Assembly approval to delegate its powers to the company's board, or until the end of the session of the delegated Board of Directors, whichever is earlier.

**9. Refusal to grant the authorization for competing business.**

If the General Assembly or the Board – through a delegation of the ordinary general assembly – rejects granting the authorization for the member to participate in a business that would compete with the company or any of its subsidiaries, the member of the Board shall resign within a period specified by the general assembly or the board ( if the board was authorized by the general assembly); otherwise, his/ her membership in the Board

shall be deemed terminated, unless he/she decides to withdraw from such competing activity or amend his/her situation in accordance with the Companies Law and its implementing regulations prior to the end of the period set by the General Assembly or the Board of Directors ( if the board was authorized by the general assembly).

#### **10. Governance of the standards and procedures**

The Remuneration and Nomination Committee is responsible for reviewing these procedures and standards as well as assessing their effectiveness in achieving their objectives.

#### **11. Final provisions (review, amendment, and publication of these standards)**

The " Competing Business Standards and Procedures for Batic investment and logistics Co. shall be implemented and complied with by the Company starting from the date it is approved by the General Assembly and shall be published and made available to the shareholders, the public, and the stakeholders in the company's website. These standards shall be reviewed periodically as needed, and any amendment to the content shall be presented to the board. The Board will study and review such amendments and recommend for its approval by the General Assembly.

**In the event of a conflict between the Arabic and the English forms, the text in the Arabic form is the approved one.**



## Social Responsibility Policy

### Article one: introduction

Social responsibility is one of the necessary pillars of community life, for the sake of individual and social progress. Indeed, the true value of an individual as a community is measured by the extent to which he bears responsibility towards himself and others. Social responsibility is the continuous commitment of companies and institutions to contribute to achieving economic development and work to improve the quality of living conditions for the workforce and their families, the local community and society. Social responsibility is not a charitable act, but a moral obligation to contribute to the development and development of society. As the progress of societies is measured by the extent of individuals' growth and social maturity and the extent of their sense of that responsibility that imposes cooperation, solidarity, respect, love, good treatment and serious participation. From this standpoint, BATIC Investment and Logistics Company and its subsidiaries seek to fulfill their role towards social responsibility to ensure that all members of society support its development goals and mission and recognize its existence, and contribute to the success of its goals, as BATIC Investment and Logistics Company and its subsidiaries believe in the importance of contributing in community service and assistance in the process of social development, BATIC Investment and Logistics Company and its subsidiaries adopt a social message that aims to enrich its contribution to community service due to its realization that this community has rights and duties on its children, whether they are individuals or companies, and this has been achieved through several channels according to what follows: -

- 1- Contribute to meeting the needs of society in the field of Saudization of employees and various donations and cooperate with government and private agencies in national events.
- 2- Creating new and innovative job opportunities through the products and services provided by the company to the people of this community.
- 3- Providing many training programs for the company's employees to develop them and raise their efficiency and skills.
- 4- Provide a safe and stable work environment for all employees in the various branches of the company to provide them with the opportunity for job stability.
- 5- Achieving high percentages of Saudization of jobs with it to provide the opportunity for graduates from this country to obtain suitable work for them and support them with programs for training and development to raise them to the highest levels of employment.
- 6- Continuing support for many charitable and private associations and institutions.

Therefore, the success of BATIC Investment and Logistics Company and its subsidiaries playing its role in social responsibility depends mainly on its commitment to three main criteria:

First: Respect and responsibility, in the sense that the company respects the internal environment (workers) and the external environment (society members).

Second: community support and assistance.

Third: Protecting the environment, in terms of commitment to the compatibility of the product offered by the company to the community with the environment.

The company continues its efforts to adopt and implement many community service programs that are consistent with the company's mission and values, and reflect its absolute commitment to improving the social and living conditions of the needy

groups and providing for their needs through the development of programs, policies and management of social responsibility aimed at helping the largest possible segment of society, and works to Establishing strong relations with the segments of society that contribute to advancing the comprehensive development wheel in this dear country. The motive behind the company's adoption of these programs and policies is its quest to make a big difference, not only by providing assistance, but by encouraging and enabling the sons and daughters of the country to employ their skills and experience in developing their society.

### **Article Two: The concept and importance of social responsibility**

The concept of social responsibility is represented in the contribution of BATIC Investment and Logistics Company and its subsidiaries to achieving a balance between multiple but interrelated parties represented in the interests of its employees, shareholders, the external environment, and society, while acting responsibly with religious and moral motives, to enhance its competitive position in its field of activity. BATIC Investment and Logistics Company and its subsidiaries achieve sustainable development for society in general and for the company's employees, by working to improve the living, social and economic conditions of the workforce and their families, in addition to society, and contribute to reducing unemployment levels in society, and optimal utilization of its available resources.

Based on this, the key to the success and growth of companies and economic institutions can be linked to the importance and awareness of social responsibility associated with several lofty moral and human values and standards, such as solidarity and a sense of patriotism towards everything related to BATIC Investment and Logistics Company and its subsidiaries, whether an employee, shareholder, customer, A member of society, and for this reason, the more the BATIC Investment and Logistics Company and its subsidiaries increase in understanding and giving importance and value to this conscientious process, the more the process of development, prosperity and advancement of the company in the country increases, which increases its profits and improves its reputation.

### **Article Three: The Point of the Policy**

The social responsibility policy of BATIC Investment and Logistics Company and its subsidiaries aims to achieve the following:

- 1- Commitment to international standards represented in the good application of social responsibility as a long-term investment that benefits the company and its subsidiaries and society.
- 2- Activating corporate social responsibility in accordance with the Kingdom's Vision 2030 for the social responsibility of organizations, which represents a basic pillar of the Kingdom's Vision 2030.
- 3- Achieving sustainable development for society in general and the company's employees.
- 4- Achieving a balance between the objectives of the company and the objectives that society seeks to achieve.
- 5- Enabling the company to attract, appoint, develop, and maintain its human resources.
- 6- Increasing the loyalty of employees and customers, especially considering the tendency of customers to prefer companies interested in social responsibility.
- 7- Contribute to the company's long-term vitality by promoting the sustainability of natural resources and environmental services.

### **Article Four: Public Policy**

The company's board of directors issued directives to the executive management that the company is at the forefront of best corporate social responsibility practices and adopts professional and ethical behavior in all its actions with stakeholders, convinced by the board that these aspects are an essential part of the company's distinguished strategy to improve competitiveness, even though that responsibility Social is an essential element to achieve the interest and objectives of the company.

The social responsibility policy of BATIC Investment and Logistics Company and its subsidiaries is based on the following:

- A continuing commitment by the company to act ethically by the requirements of laws, regulations, and instructions, and to respect customs and traditions.
- Sustainable contribution to achieving economic and social development and preserving the environment through the following:
  - 1- Taking care of the company's employees and developing their technical capabilities through setting up training and qualification programs to improve their professional capabilities and skills.
  - 2- Caring for graduates from the country, training and qualifying them to facilitate their access to jobs in various national institutions and companies.
  - 3- Protecting the environment by reducing pollution, optimal and fair use of natural resources, and spreading environmental awareness among all segments of society.

#### **Article Five: Scope of Implementation of the policy**

The provisions of this policy apply to the shareholders of BATIC Investment and Logistics Company and its subsidiaries who are stakeholders and direct beneficiaries of the company's activity, all employees of the company, customers, suppliers, the local community, the surrounding environment, and government and official agencies.

#### **Article Six: The social responsibility of BATIC Investment and Logistics Company and its Subsidiaries towards stakeholders**

- Provide all concerned individuals and parties with clear, accurate, and credible information, considering the timing of its submission in a manner that does not conflict with generally accepted professional rules and regulations.
- Commitment to applying all governance practices with integrity and transparency and working to document them through relevant reports.
- Work to involve all interested parties, and beneficiaries, including investors, employees, suppliers, customers, and members of society, each about decisions, work programs, and studies.
- State the supervisory systems and procedures that govern the relationship with stakeholders and ensure compliance and continuity in the application of these systems and procedures.
- Work by the principle of complete transparency that guarantees BATIC's respect for its commitments, regulations and regulations, and its commitment to disclose material information to shareholders and stakeholders by the company's disclosure policy and following the regulations and instructions of the Capital Market Authority.

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## **Article 7: The social responsibility of BATIC Investment and Logistics Company and its subsidiaries toward employees**

- Work to secure a safe and motivating work environment to perform tasks, to contribute to improving the level of health and well-being of employees and their families, without prejudice to their obligations towards their families.
- Encouraging the freedom to express ideas and opinions that are disciplined by generally accepted behavioral rules, and to listen to them with respect and appreciation, and without insulting or contempt.
- Encouraging all employees, without discrimination, to engage in training and development programs that contribute to improving their professional and personal capabilities and skills.
- Work to confirm the relationship with employees based on responsibility and mutual success.
- Dealing with the principle of justice among all employees and not discriminating between them for religious, ethnic or personal considerations.
- Encouraging all employees and facilitating their tasks to engage in activities that contribute to supporting the company's local community.
- Compliance and compliance with all laws, regulations, and laws in force in the Kingdom of Saudi Arabia.

## **Article Eight: The social responsibility of BATIC Investment and Logistics Company and its subsidiaries towards society**

- The company is committed to the community in which it operates by investing in it through projects and initiatives of a long-term developmental nature that are commensurate with the nature of the relationship originally built with the community on a long-term basis.
- Work as much as possible to provide all forms of direct and indirect aid to charitable, social and development institutions, to improve the standard of living of the members of the community in which it operates.
- Contribute to supporting the provision of job opportunities for members of the community through programs and training courses offered by the company to the people of this community.

## **Article 9: BATIC Investment and Logistics Company and its Subsidiaries' social responsibility towards the Environment**

- Work to identify all positive and negative direct and indirect impacts on the local environment resulting from the company's practice of its business.
- Work to achieve future goals and continuous positive results that are consistent with international standards for preserving the environment, while documenting them periodically in social responsibility reports, or at least including them in the company's annual report.
- Contribute to supporting direct and indirect efforts aimed at developing clean or environmentally friendly applied methods and programs.

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### **Article Ten: The Social Responsibility of BATIC Investment and Logistics Company and its Subsidiaries towards Customers**

- Is to provide all products and services with high quality and reasonable prices and honest advertising about them, and to provide friendly and safe products, and to provide clear instructions on the product, and commitment to the continuous development of products,
- Establishing a good relationship with customers to achieve mutual benefit for both parties, continuous communication with customers and conducting questionnaires that contribute to improving the service provided to them.

### **Article Eleven: The Social Responsibility of BATIC Investment and Logistics Company and its Subsidiaries towards Suppliers**

- Commitment, as much as possible, to purchase from local suppliers in support of the economies of small and medium enterprises, based on shared responsibility and success.
- Opening channels of communication with all the company's suppliers to improve the level of services and products for the consumer.
- Work as much as possible to commit all suppliers of the company to the standards of social responsibility.
- Providing all forms of educational and professional support to contribute to the success of the social responsibility programs of the supplier companies.
- Continuous communication with suppliers, holding periodic meetings with them and discussing ways of fruitful cooperation for the two parties.

### **Article Twelve: The social responsibility of BATIC Investment and Logistics Company and its Subsidiaries Towards Competitors**

- Commitment to the rules of fair competition, and commitment not to harm any competitor.
- Commitment to provide the best products and services in a way that does not conflict with the interests of the consumer, and in a way that does not prejudice the interests of competitors.
- Commitment to refrain from practicing all forms of corruption and bribery to obtain illegal preferential advantages when submitting offers or delivering products or projects.
- Commitment to all responsible competition practices that require no harm to achieve competitive advantages at the expense of the company's responsibilities towards the consumer, the environment, competitors, or society.
- Compliance with all legislation, regulations, and laws in force locally about the company's practices.
- Commitment to work ethics and rules, which may not necessarily be stipulated in the system or applicable laws.



## **Article Thirteen: The Social Responsibility of BATIC Investment and Logistics Company and its Subsidiaries towards Shareholders**

- Achieving good profits, which contributes to enhancing the value of the company.
- Protection of the company's assets, the right to obtain adequate information about the company's performance, and fair dealing with shareholders without any discrimination.
- Receives and handles shareholder complaints, involving shareholders in important decisions of the company through the shareholder assembly.
- Fair and disciplined disclosure of information of interest to shareholders.

## **Article Fourteen: Social Responsibility Management**

And based on the keenness of BATIC Investment and Logistics company and its subsidiaries and its national commitment to contribute to serving and meeting the needs of society, and to work effectively to enhance the development process in the Kingdom, the company continues its efforts in adopting and implementing many social responsibility programs and activities through a special department for social responsibility that provides plans for the concept of Social responsibility and the company's duty towards society and the surrounding environment. Which is consistent with the company's mission and values and reflects its absolute commitment to improving the social and living conditions of needy groups and providing for their needs.

By achieving the following:

- The goal of social responsibility management
  - 1- Develop plans and strategies that take into account the company's social responsibility activities.
  - 2- Encouraging the company's employees and subsidiaries to work and urging them to adopt social responsibility programs.
  - 3- Transferring experiences and highlighting the company's successful social responsibility programs as a role model.
  - 4- Proposing and adopting (new) innovative programs to serve the community.
  - 5- Communicating and coordinating with society, stakeholders and organizations interested in social responsibility.
  - 6- Providing advisory services in the field of social responsibility for the company's employees and companies at work
- Social Responsibility Department tasks
  - 1- Supervising all social responsibility activities within the company and providing recommendations regarding the diversity of social responsibility programs and activities.
  - 2- Activating the company's role in adopting social responsibility policies and initiatives towards its shareholders, customers, suppliers, employees, countrymen, residents, and visitors.
  - 3- Disclosing the objectives of social responsibility adopted by the company to its employees, educating them, educating them, and involving them in it.
  - 4- Disclosure of plans to achieve social responsibility in periodic reports related to the company's activities.
  - 5- Activating the company's website and using it as an effective tool to show the company's efforts in the field of social responsibility.
  - 6- Reviewing and approving charitable donations related to social responsibility activities.

- 7- Communicate with the entities that sponsor social responsibility programs and activities to find out the company's support needs.
- 8- Work on programs to stimulate and spread the culture of social responsibility in the company and its surrounding environment.
- 9- Activate the participation of the company's employees in social activities and volunteer work.
- 10- Submit periodic reports to the Board of Directors regarding the actions and actions taken in the field of social responsibility in the company.

### **Article Fifteen: General Provisions**

- This policy has been prepared to complete the update of the general framework of the government and follow the requirements of the corporate governance regulations and the company's articles of association.
- This policy is subject to periodic review by the governance officer as part of reviewing the effectiveness of the company's governance or when new instructions or regulations related to the policy are issued. Any change or amendment in the policy must be approved by the company's board of directors.
- All departments of BATIC Investment and Logistics Company and its subsidiaries must provide the necessary support to the Social Responsibility Department to carry out its work.
- This policy is implemented and in adherence to its provisions as of the date of its approval by the Board of Directors of BATIC Investment and Logistics Company and its subsidiaries.
- It is published on the website of the BATIC Investment and Logistics Company and its subsidiaries to enable the shareholders, the company's employees, and everyone else to view it.

**In the event of a conflict between the Arabic and the English forms, the text in the Arabic form is the approved one.**

## The Audit Committee Report to General Assembly of (BATIC) For Fiscal Year 2022

### Honorable Shareholders of BATIC Investment and Logistics Company

The Audit committee is one of the committees of the Board of Directors of BATIC Investment and Logistics Company and the members of the current committee were formed by a resolution of the Company's Ordinary General on 02-04-2020 and its current members are:

1. Mr. Taha Azhari	Audit Committee Chairman
2. Mr. Abdul Rahman Al-Sultan	Audit Committee Member
3. Mr. Mousa AL-Ekresh	Audit Committee Member

BATIC audit committee monitor the reporting of the company's financial statements on behalf of the Board of Directors. The company's management is primarily responsible for financial statements, for maintaining an effective internal control system for financial reporting and for assessing the effectiveness of internal control over financial reporting. During the year 2022, the Committee met five times at the company headquarter and through the means of visual and audio-visual communication technology, and the following is a summary of the committee's tasks and work during the year ended December 31-2022.

#### First: External Auditor and Financial Reports:

- The external auditor's independence objectivity, fairness, and effectiveness of the audit work, have been verified, taking into account the relevant rules and standards.
- The audit plan submitted by the Company external auditor was reviewed.
- The Committee reviewed the results of the company's interim and annual financial statements before presenting them to the Board and providing its opinion and recommendations thereon to ensure their integrity, fairness and transparency.
- External auditor's reports and comments on financial statements were examined, and following up the procedures taken in connection therewith.

#### Second: Internal Audit:

- The independence of internal auditors has been ensured and the availability of the necessary resources and their effectiveness in performing the assigned activities and duties.
- The Committee reviewed and approved the risk-based internal audit plan and ensured that the resources needed to implement it properly were available.
- Periodically meeting was held with the Director of Internal Audit of BATIC.

#### Third: Opinion of the audit committee with respect to the adequacy of the Company's internal control system:

Based on the content of the reports submitted to the Audit Committee during the year ending 2022 by the external auditor and internal auditors, within the limits of the tasks and actions covered by the approved internal audit plan, the Committee found that there is no substantial deficiency in the internal control systems or the company's work to affect the integrity of financial statements that require disclosure, and therefore in the opinion of the Committee that the Company internal control systems are considered to be effective and capable of providing reasonable assurances, noting that any internal control system regardless of its integrity and effectiveness cannot provide absolute but a reasonable basis for expressing opinions.

On behalf of the Audit Committee



Mr. Taha Azhari  
Chairman of the Audit Committee