



شركة المصافي العربية السعودية  
Saudi Arabian Refineries Company

# **Articles of Association Saudi Arabian Refineries Company (SARCO) A Listed Joint Stock Company**

**Articles of Association**  
**Saudi Arabian Refineries Company (SARCO)**  
(A Listed Joint Stock Company)

**Chapter One: Establishment of the Company**

**Article 1: Establishment**

A joint-stock company is established in accordance with the provisions of the Companies Law issued by Royal Decree No. (M/132), dated 12/01/1443 AH, its implementing regulations, and this Articles of Association, under the following terms:

**Article 2: Name of the Company**

Saudi Arabian Refineries Company (SARCO)  
(A Listed Joint Stock Company)

**Article 3: Company's Headquarters**

The company's headquarters is located in the city of Jeddah. Branches may be established within or outside the Kingdom by a resolution of the Board of Directors.

**Article 4: Objectives of the Company**

The company shall engage in and execute the following activities:

| Sector                 | Category   |
|------------------------|--|
| Mining and Quarrying   | Extraction of crude oil  |
| Construction           | Construction works related to other civil engineering projects |
| Real Estate Activities | Real estate activities in owned or leased properties           |

The company shall conduct its activities in accordance with applicable regulations and upon obtaining the necessary licenses from the relevant authorities, if required.

**Article 5: Duration of the Company**

- The company's duration is **99 years**, commencing from the date of its registration in the Commercial Register.
- The duration may be extended by a resolution of the Extraordinary General Assembly, provided such resolution is made at least one year before the expiration of the company's term.

**Article 6: Participation and Ownership in Companies**

- The company may establish limited liability or closed joint-stock companies on its own, provided the capital of the existing Saudi Arabian Refineries Company is not less than **five million riyals**.

- The company may also own shares and stakes in existing companies or merge with them. It is further authorized to participate with others in establishing joint-stock or limited liability companies, subject to the applicable regulations and instructions.
- The company may dispose of these shares or stakes, provided such activities do not include brokerage in their trading.
- The company may also invest in all types of financial securities, including shares of companies listed on the Saudi Stock Exchange, by buying or selling them in accordance with the rules, regulations, and approvals issued by the Capital Market Authority, without conflicting with applicable laws.
- Furthermore, the company may buy and sell its own shares.

## Chapter Two: Capital and Shares

### Article 7: Capital

The company's issued capital is set at **150,000,000 Saudi Riyals (SAR)**, divided into **15,000,000 nominal shares** of equal value, each valued at **10 SAR**. All shares are ordinary shares issued in exchange for cash contributions, and the fully paid-up capital of **150,000,000 SAR** has been deposited in a licensed bank.

### Article 8: Share Subscription

The shareholders have subscribed to the entirety of the issued capital shares, amounting to **150,000,000 SAR**, which has been fully paid.

### Article 9: Share Trading

The company's shares are traded on the financial market in accordance with the provisions of the Capital Market Law and its implementing regulations.

### Article 10: Capital Increase

1. The Extraordinary General Assembly may resolve to increase the company's capital, provided the original capital has been fully paid. However, full payment is not required if the unpaid portion pertains to shares issued in exchange for the conversion of debt instruments or financing sukuk into shares, and the conversion period has not yet expired.
2. The Extraordinary General Assembly may allocate all or part of the newly issued shares to the company's employees or employees of its subsidiaries. Shareholders are not entitled to preemptive rights when shares are issued for employees.
3. A shareholder who owns shares at the time the Extraordinary General Assembly resolves to increase the capital shall have preemptive rights to subscribe to new shares issued for cash contributions. These rights shall be announced in a daily newspaper, sent via registered mail, or published electronically, as per the requirements of the relevant authorities, including details of the capital increase resolution, subscription conditions, duration, and start and end dates.
4. The Extraordinary General Assembly may waive shareholders' preemptive rights to subscribe to new shares for cash contributions or prioritize non-shareholders in cases deemed in the company's best interest.
5. Shareholders may sell or transfer their preemptive rights during the period from the date of the Extraordinary General Assembly's resolution approving the capital increase until the

last day of subscription for the new shares linked to these rights, in accordance with regulations set by the competent authority.

6. In compliance with Paragraph 4 above, new shares shall be allocated to holders of preemptive rights who have subscribed in proportion to their existing rights. Any remaining shares shall be reallocated to those who have requested more than their entitlement, also in proportion to their existing rights, provided the allocation does not exceed their requests. Any unallocated shares may be offered to others unless the Extraordinary General Assembly or the Capital Market Law provides otherwise.

## Article 11: Capital Reduction

1. The Extraordinary General Assembly may resolve to reduce the company's capital if it exceeds the company's needs or if the company incurs losses. In the latter case, the capital may be reduced below the minimum stipulated in Article 59 of the Companies Law. The reduction resolution must follow the presentation of a report prepared by the auditor detailing the reasons for the reduction, the company's obligations, and the impact of the reduction on these obligations.
2. If the capital reduction is due to an excess over the company's needs, creditors must be invited to submit their objections, if any, at least 60 days before the scheduled date of the Extraordinary General Assembly meeting to decide on the reduction. The invitation must include details of the capital before and after the reduction, the meeting date, and the effective date of the reduction. If a creditor objects and submits supporting documents within the specified period, the company must settle the debt if due or provide adequate guarantees if the debt is deferred. Creditors who object and are not compensated or provided adequate guarantees may appeal to the competent judicial authority before the date of the Extraordinary General Assembly meeting.
3. A reduction shall not be effective against a creditor who has submitted a timely objection unless the debt is settled or sufficient guarantees are provided.
4. The company shall ensure equality among shareholders holding shares of the same type and class when reducing the capital.

## Article 12: Preferred Shares

The Extraordinary General Assembly of the company, in accordance with the rules established by the relevant authority, may issue preferred shares, decide to purchase them, or convert ordinary shares into preferred shares, provided that this does not exceed 10% of the company's capital. It may also convert preferred shares into ordinary shares. Preferred shares do not grant voting rights in the General Assembly of Shareholders. These shares entitle their holders to receive a higher percentage of the company's net profits than the holders of ordinary shares after setting aside any reserves approved by the Board of Directors under Article 46 of these Articles of Association.

## Article 13: Sale of Partially Paid Shares

In the event of a capital increase, shareholders are required to pay the value of the share on the specified due dates. If a shareholder fails to meet the payment deadline, the Board of Directors

may, after notifying the shareholder through a public announcement on the Tadawul website or via registered mail, sell the share on the stock market in accordance with the regulations set by the Capital Market Authority. The company will recover the outstanding amounts from the sale proceeds and return the remaining balance to the shareholder. If the sale proceeds are insufficient to cover the outstanding amounts, the company may recover the deficit from all the shareholder's assets. However, the defaulting shareholder may pay the due amount and associated expenses before the sale. The company will cancel the sold share under this article and issue a new share to the buyer, bearing the canceled share's number, with the transaction recorded in the share register.

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## Article 14: Issuance of Shares

Shares shall be nominal and may not be issued below their nominal value. However, they may be issued at a value higher than the nominal value, with the surplus added to a separate account under shareholders' equity. This surplus cannot be distributed as profits to shareholders. Shares are indivisible concerning the company. If a share is owned by multiple individuals, they must appoint one of them to represent them in exercising the rights associated with the share, and they are jointly liable for any obligations arising from share ownership.

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## Article 15: Indivisibility of Shares

Shares are indivisible concerning the company. If a share is owned by multiple persons, they must appoint one representative to exercise the rights related to the share. These individuals are jointly responsible for the obligations arising from share ownership.

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## Article 16: Shareholder Rights

Shares confer equal rights and obligations, granting shareholders various rights, including:

- Receiving a portion of the net profits approved for distribution.
  - Obtaining a share of the company's assets upon liquidation.
  - Attending General Assemblies and participating in their deliberations.
  - Voting on resolutions.
  - Disposing of shares.
  - Reviewing the company's books and documents.
  - Monitoring the Board of Directors' activities.
  - Filing liability lawsuits against board members.
  - Contesting the validity of shareholder resolutions under the terms and restrictions outlined in the law or these Articles of Association.
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## Article 17: Company's Purchase and Pledge of Its Shares

1. The company may purchase or pledge its shares following regulations established by the relevant authority. Shares purchased by the company carry no voting rights in the General Assembly.
2. The company may purchase shares to allocate them to employees, subject to the regulations established by the relevant authorities and after obtaining the Extraordinary General Assembly's approval. The assembly may authorize the Board of Directors to determine the terms of such allocations, including the purchase price for shares offered to employees if consideration is required.
3. Shares may be pledged under regulations established by the relevant authority, granting the creditor the right to receive dividends and exercise related rights unless the pledge contract states otherwise. However, the creditor may not attend General Assemblies or vote in them.

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## Article 18: Debt Instruments and Financing Sukuk

By resolution of the Extraordinary General Assembly and under the Capital Market Law, the company may issue tradable debt instruments and financing sukuk. These instruments and sukuk may only be convertible into shares by resolution of the assembly, which specifies the maximum number of shares issuable in exchange for the instruments and sukuk. The Board of Directors shall issue new shares upon the request of the holders of these instruments and sukuk after the expiration of the designated period without requiring a new resolution from the assembly. The board will take necessary steps to amend the Articles of Association concerning the issued shares and capital.

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## Chapter Three: Board of Directors

### Article 19: Company Management

(a) The company shall be managed by a Board of Directors composed of eight (8) members, who must be natural persons elected by the Ordinary General Assembly for a term not exceeding four years.

#### (b) Board Operations:

- Meetings: In-person or virtual via video conferencing.
- Meeting Location: At the company's headquarters or virtually.
- Quorum: 50% of board members must be present.
- Decision-making: Requires approval from 51% of the members.
- Delegation: Members may delegate their attendance.
- Communication: Invitations are issued by the Board Chairman.

**Membership Termination:** Occurs due to death, resignation, or absence from three consecutive meetings or five separate meetings without a valid excuse accepted by the Board.

## Article 20: Termination or Dismissal of Membership

1. Membership ends upon the expiration of the term or if the member's qualifications are no longer valid under applicable laws and regulations in the Kingdom.
2. The General Assembly may dismiss any or all board members at any time without affecting the dismissed member's right to compensation if the dismissal is unjustified or occurs at an inappropriate time.
3. Board members may resign, provided it is done appropriately. Otherwise, they may be liable for damages caused by the resignation.
4. In case of resignation of the Chairman and all members, the outgoing board must call a General Assembly to elect a new board, and the resignation becomes effective only after the new board is elected.

## Article 21: Board Powers

Subject to the powers granted to the General Assembly, the Board of Directors shall have the widest authority in managing the company to achieve its objectives. The Board has the following powers:

| Type                              | Authority    | Right of Authorization |
|-----------------------------------|--------------|------------------------|
| <b>Main Commercial Register</b>   | Issuance     | Authorized to act      |
|                                   | Renewal      | Authorized to act      |
|                                   | Cancellation | Authorized to act      |
| <b>Branch Commercial Register</b> | Issuance     | Authorized to act      |
|                                   | Renewal      | Authorized to act      |
|                                   | Cancellation | Authorized to act      |

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| <b>Branch Commercial Register</b> | Issuance     | Authorized to act      |
|                                   | Renewal      | Authorized to act      |
|                                   | Cancellation | Authorized to act      |



| Type  | Authority   | Right of Authorization |
|---|---|------------------------|
| <b>Companies in Which the Company Participates as a Partner</b>   | Signing contracts with companies                  | Authorized to act      |
|   | Purchasing shares                                 | Authorized to act      |
|   | Liquidation of companies                          | Authorized to act      |
|   | Selling shares                                    | Authorized to act      |
|   | Representing the company in a shareholder company | Authorized to act      |
|   | Establishing companies in the company's name      | Authorized to act      |
| <b>Commercial Registers</b>   | Issuance  | Authorized to act      |
|   | Renewal   | Authorized to act      |
|   | Cancellation                                      | Authorized to act      |
|   | Registration with the Ministry                    | Authorized to act      |
|   | Representing before the Notary Public             | Authorized to act      |
|   | Signing the company contract                      | Authorized to act      |
|   | Signing partners' decisions                       | Authorized to act      |
| <b>Banking</b>  | Opening accounts                                  | Authorized to act      |
|   | Opening letters of credit                         | Authorized to act      |
|   | Depositing  | Authorized to act      |
|   | Withdrawing                                       | Authorized to act      |
|   | Issuing checks                                    | Authorized to act      |
|   | Updating accounts                                 | Authorized to act      |
|   | Extracting account statements                     | Authorized to act      |
|   | Requesting facilities                             | Authorized to act      |
|   | Requesting guarantees                             | Authorized to act      |
|   | Signing loan contracts                            | Authorized to act      |
|   | Signing commercial papers                         | Authorized to act      |
|   | Signing promissory notes                          | Authorized to act      |
| <b>Requesting Any Service or Application under the Jurisdiction of the Communications and Information Technology Commission</b> | Authorized to act                                 | Authorized to act      |
| <b>Activity</b>   | <b>Right of Authorization</b>                     |                        |
| <b>Real Estate Transactions</b>   |   |                        |
| Purchase Property   | Right of Authorization                            |                        |



| Type                                    | Authority              | Right of Authorization |
|---|------------------------|------------------------|
| Sale of Property                        | Right of Authorization |                        |
| Property Transfer                       | Right of Authorization |                        |
| <b>Land Transactions</b>                |                        |                        |
| Purchase Land                           | Right of Authorization |                        |
| Sale of Land                            | Right of Authorization |                        |
| Land Transfer                           | Right of Authorization |                        |
| <b>Shares Transactions</b>              |                        |                        |
| Purchase Shares                         | Right of Authorization |                        |
| Sale of Shares                          | Right of Authorization |                        |
| Property Mortgage                       | Right of Authorization |                        |
| Release of Mortgage                     | Right of Authorization |                        |
| <b>Legal and Financial Documents</b>    |                        |                        |
| Endorsement of Commercial Papers        | Right of Authorization |                        |
| Creation of Commercial Papers           | Right of Authorization |                        |
| Cancellation of Commercial Papers       | Right of Authorization |                        |
| <b>Company Structure</b>                |                        |                        |
| Modify Partnership Contracts            | Right of Authorization |                        |
| Approve Partner Decisions               | Right of Authorization |                        |
| Legal Entity Change                     | Right of Authorization |                        |
| Increase/Decrease Capital               | Right of Authorization |                        |
| Accept Share Transfers                  | Right of Authorization |                        |
| Partner Entry/Exit                      | Right of Authorization |                        |
| Approval of Merger Decisions            | Right of Authorization |                        |
| Modify Articles of Incorporation        | Right of Authorization |                        |
| Company Liquidation                     | Right of Authorization |                        |
| Company Conversion to Institution       | Right of Authorization |                        |
| <b>Court Representation</b>             |                        |                        |
| Litigation                              | Right of Authorization |                        |
| Settlement                              | Right of Authorization |                        |
| Arbitration Acceptance/Refusal          | Right of Authorization |                        |
| Admission and Denial                    | Right of Authorization |                        |
| <b>Civic and Corporate Transactions</b> |                        |                        |
| Signing Credit Contracts                | Right of Authorization |                        |
| Signing Other Agreements                | Right of Authorization |                        |
| Granting Loans                          | Right of Authorization |                        |

| Type                                   | Authority              | Right of Authorization |
|--|------------------------|------------------------|
| Signing Security Agreements            | Right of Authorization |                        |
| <b>Commercial Licensing</b>            |                        |                        |
| Business Registration                  | Right of Authorization |                        |
| Business Record Modifications          | Right of Authorization |                        |
| Trademark Transfer/Ownership           | Right of Authorization |                        |
| Apply for Fishing License              | Right of Authorization |                        |
| Boat Registration                      | Right of Authorization |                        |
| Company Representation in Court        | Right of Authorization |                        |
| <b>Social Security &amp; Insurance</b> |                        |                        |
| Review Social Insurance                | Right of Authorization |                        |
| Tax and Zakat Review                   | Right of Authorization |                        |
| Review Civil Defense                   | Right of Authorization |                        |
| <b>Miscellaneous Activities</b>        |                        |                        |
| New Work Permits                       | Right of Authorization |                        |
| Amend Worker Information               | Right of Authorization |                        |
| Immigration Documents                  | Right of Authorization |                        |
| New Visa Requests                      | Right of Authorization |                        |
| <b>Branches &amp; Headquarters</b>     |                        |                        |
| Open Branches                          | Right of Authorization |                        |
| Close Branches                         | Right of Authorization |                        |
| Opening Business Files                 | Right of Authorization |                        |
| Manage Chamber of Commerce Affairs     | Right of Authorization |                        |
| <b>Companies Operations</b>            |                        |                        |
| Manage Investments & Stocks            | Right of Authorization |                        |
| Corporate Restructuring                | Right of Authorization |                        |

## Article 22: Board Members' Compensation

1. The board members' compensation consists of a certain amount and attendance fees for meetings or as determined by the ordinary general assembly.
2. The board report to the ordinary general assembly during its annual meeting must include a comprehensive statement of what each board member has received or is entitled to receive during the fiscal year, including compensation, attendance fees, expense allowances, and other benefits.
3. The report must also include a statement of what board members have received in their capacity as employees or administrators, or what they have received for technical or administrative work or consulting services, and must also include a statement of the number of board meetings held and the number of meetings attended by each member.

### Article 23: Powers of the President, Vice President, Executive Member, and Secretary

1. The board shall, during its first meeting, appoint a president from among its members. The board may also appoint an executive member from among its members.
2. The board shall appoint a vice president from among its members during its first meeting.
3. The board may appoint an executive member, whether from among its members or others.
4. The president has the authority to carry out the following tasks:

### Approval for Sale of Assets

1. The board must obtain the approval of the general assembly for the sale of assets if the total value of the sale exceeds 50% of the company's total assets, whether the sale occurs in one transaction or through multiple transactions.
2. In this case, the transaction that results in exceeding 50% of the value of assets is the transaction that requires the approval of the general assembly. This percentage is calculated from the date of the first transaction carried out within the previous 12 months.

### Delegation by the Board

1. The board has the authority to delegate one or more of its members or others to carry out specific work or tasks.

| Activity  | Authority      | Notes                  |
|---|----------------|------------------------|
| <b>Commercial Registrations</b>                     |                |                        |
| <b>Main</b>   |                |                        |
| Issuance  | Sole authority | Authorized to delegate |
| Renewal   | Sole authority | Authorized to delegate |
| Cancellation  | Sole authority | Authorized to delegate |
| <b>Branch</b>                                       |                |                        |
| Issuance  | Sole authority | Authorized to delegate |
| Renewal   | Sole authority | Authorized to delegate |
| Cancellation  | Sole authority | Authorized to delegate |
| <b>Companies Involved with the Company</b>          |                |                        |
| As a partner  | Sole authority | Authorized to delegate |
| Signing company contracts                           | Sole authority | Authorized to delegate |
| Purchase of shares                                  | Sole authority | Authorized to delegate |
| Company liquidation                                 | Sole authority | Authorized to delegate |
| Sale of shares                                      | Sole authority | Authorized to delegate |
| Representing the company in affiliated companies    | Sole authority | Authorized to delegate |
| <b>Establishing Companies in the Company's Name</b> |                |                        |
| Issuance  | Sole authority | Authorized to delegate |

| Activity  | Authority      | Notes                  |
|---|----------------|------------------------|
| Renewal   | Sole authority | Authorized to delegate |
| Cancellation  | Sole authority | Authorized to delegate |
| Registration with the Ministry  | Sole authority | Authorized to delegate |
| Representation before ...   | Sole authority | Authorized to delegate |
| Activity  | Authority      | Notes                  |
| <b>Banking</b>  |                |                        |
| Issuance of cheques   | Sole authority | Authorized to delegate |
| Account updates   | Sole authority | Authorized to delegate |
| Issuing account statements  | Sole authority | Authorized to delegate |
| Requesting facilities   | Sole authority | Authorized to delegate |
| Requesting guarantees   | Sole authority | Authorized to delegate |
| Signing loan contracts  | Sole authority | Authorized to delegate |
| Signing commercial papers   | Sole authority | Authorized to delegate |
| Signing promissory notes  | Sole authority | Authorized to delegate |
| Submitting requests for services under the authority of the Communications and Information Technology Commission      | Sole authority | Authorized to delegate |
| Authorizing anyone to submit requests under the authority of the Communications and Information Technology Commission | Sole authority | Authorized to delegate |
| <b>Real Estate Transactions</b>   |                |                        |
| Purchase of property  | Sole authority | Authorized to delegate |
| Sale of property  | Sole authority | Authorized to delegate |
| Transfer of property ownership  | Sole authority | Authorized to delegate |
| Purchase of land  | Sole authority | Authorized to delegate |
| Sale of land  | Sole authority | Authorized to delegate |
| Transfer of land ownership  | Sole authority | Authorized to delegate |
| <b>Asset Management</b>   |                |                        |
| Purchase of shares  | Sole authority | Authorized to delegate |
| Sale of shares  | Sole authority | Authorized to delegate |
| Mortgaging assets   | Sole authority | Authorized to delegate |
| Release of mortgage   | Sole authority | Authorized to delegate |
| Collection of payments  | Sole authority | Authorized to delegate |
| Creating commercial papers  | Sole authority | Authorized to delegate |
| Approving and signing commercial papers   | Sole authority | Authorized to delegate |
| Creating commercial papers  | Sole authority | Authorized to delegate |

| Activity   | Authority      | Notes                  |
|--|----------------|------------------------|
| Cancelling commercial papers                               | Sole authority | Authorized to delegate |
| Closing commercial papers                                  | Sole authority | Authorized to delegate |
| <b>Company Structure Changes</b>                           |                |                        |
| Approval of shareholder decisions                          | Sole authority | Authorized to delegate |
| Changing legal entity type                                 | Sole authority | Authorized to delegate |
| Increasing or decreasing capital                           | Sole authority | Authorized to delegate |
| Accepting or buying shares                                 | Sole authority | Authorized to delegate |
| Changing partners in or out of the company                 | Sole authority | Authorized to delegate |
| Signing decisions on company merger                        | Sole authority | Authorized to delegate |
| Modifying other company contract clauses                   | Sole authority | Authorized to delegate |
| <b>Liquidation and Transformation</b>                      |                |                        |
| Liquidating the company                                    | Sole authority | Authorized to delegate |
| Transforming the company into an institution               | Sole authority | Authorized to delegate |
| <b>Court Representation</b>                                |                |                        |
| Representing in courts and responding to lawsuits          | Sole authority | Authorized to delegate |
| Mediation  | Sole authority | Authorized to delegate |
| Accepting or rejecting arbitration                         | Sole authority | Authorized to delegate |
| Accepting or rejecting settlement                          | Sole authority | Authorized to delegate |
| Acknowledging or denying claims                            | Sole authority | Authorized to delegate |
| Transfer of rights   | Sole authority | Authorized to delegate |
| Pleading and defending in court                            | Sole authority | Authorized to delegate |
| Requesting from the judiciary                              | Sole authority | Authorized to delegate |
| <b>Representation Before Notary Public</b>                 | Sole authority | Authorized to delegate |
| <b>Use and Execution of Ministry of Justice Services</b>   |                |                        |
| Authorizing others to execute Ministry of Justice services | Sole authority | Authorized to delegate |
| Signing loan agreements and their amendments               | Sole authority | Authorized to delegate |
| Signing agreements on debt arrangements                    | Sole authority | Authorized to delegate |
| Issuing or amending notices of rights and liabilities      | Sole authority | Authorized to delegate |
| <b>Additional Powers</b>                                   |                |                        |
| Opening company branches                                   | Sole authority | Authorized to delegate |
| Purchase of the institution                                | Sole authority | Authorized to delegate |
| Signing documents with the Chamber of Commerce             | Sole authority | Authorized to delegate |
| Sale of the institution                                    | Sole authority | Authorized to delegate |
| Reviewing records with the Commercial Registry             | Sole authority | Authorized to delegate |

| Activity   | Authority      | Notes                  |
|--|----------------|------------------------|
| <b>Managing Registrations</b>                      |                |                        |
| Extracting commercial records                      | Sole authority | Authorized to delegate |
| Transferring commercial records                    | Sole authority | Authorized to delegate |
| Reviewing Social Insurance records                 | Sole authority | Authorized to delegate |
| Reviewing Zakat and Income records                 | Sole authority | Authorized to delegate |
| Managing commercial registration                   | Sole authority | Authorized to delegate |
| Cancelling commercial registration                 | Sole authority | Authorized to delegate |
| Reviewing Civil Defense                            | Sole authority | Authorized to delegate |
| Modifying commercial records                       | Sole authority | Authorized to delegate |
| Adding activities                                  | Sole authority | Authorized to delegate |
| <b>Commercial Name Registration</b>                |                |                        |
| Reserving trade name                               | Sole authority | Authorized to delegate |
| Renewing subscription with the Chamber of Commerce | Sole authority | Authorized to delegate |
| Modifying commercial record                        | Sole authority | Authorized to delegate |
| Transferring commercial record                     | Sole authority | Authorized to delegate |
| Issuing a new record in case of damage or loss     | Sole authority | Authorized to delegate |
| Registering trademarks                             | Sole authority | Authorized to delegate |
| Assigning trademarks                               | Sole authority | Authorized to delegate |
| Assigning trade names                              | Sole authority | Authorized to delegate |
| Extracting licenses                                | Sole authority | Authorized to delegate |
| Purchasing boats                                   | Sole authority | Authorized to delegate |
| Extracting a replacement for a lost fishing permit | Sole authority | Authorized to delegate |
| Importing boats                                    | Sole authority | Authorized to delegate |
| Canceling boat licenses                            | Sole authority | Authorized to delegate |
| Renewing licenses                                  | Sole authority | Authorized to delegate |
| Modifying licenses                                 | Sole authority | Authorized to delegate |

| Activity                               | Performs Alone | Right to Delegate |
|--|----------------|-------------------|
| <b>Licensing &amp; Registrations</b>   |                |                   |
| Adding Activity                        | Yes            | Yes               |
| Trademark Registration                 | Yes            | Yes               |
| Canceling Licenses                     | Yes            | Yes               |
| Renewing Commercial Chamber Membership | Yes            | Yes               |
| Opening Branches                       | Yes            | Yes               |
| <b>Regulatory Approvals</b>            |                |                   |



| Activity  | Performs Alone | Right to Delegate |
|---|----------------|-------------------|
| Reviewing Social Insurance                                      | Yes            | Yes               |
| Reviewing Civil Defense   | Yes            | Yes               |
| Reviewing Zakat and Income Authority                            | Yes            | Yes               |
| <b>Fishing &amp; Boat Permits</b>                               |                |                   |
| Obtaining Fishing Permit  | Yes            | Yes               |
| Obtaining Boat License  | Yes            | Yes               |
| Renewing Boat License   | Yes            | Yes               |
| Transferring Boat License                                       | Yes            | Yes               |
| Selling Boat  | Yes            | Yes               |
| Renewing Fishing Permit   | Yes            | Yes               |
| Cancelling Fishing Permit                                       | Yes            | Yes               |
| Issuing Replacement for Lost or Damaged Boat License            | Yes            | Yes               |
| <b>Business Establishment &amp; Changes</b>                     |                |                   |
| Opening Branch  | Yes            | Yes               |
| Establishing a Company  | Yes            | Yes               |
| Signing Foundation Contracts and Amendments                     | Yes            | Yes               |
| Cancelling Foundation Contracts and Amendments                  | Yes            | Yes               |
| Signing Partner Decisions                                       | Yes            | Yes               |
| Appointing and Dismissing Managers                              | Yes            | Yes               |
| Modifying Company Purpose                                       | Yes            | Yes               |
| Liquidating Company   | Yes            | Yes               |
| Converting a Joint Stock Company to a Limited Liability Company | Yes            | Yes               |
| Converting a Limited Liability Company to a Joint Stock Company | Yes            | Yes               |
| Converting a Partnership into a Limited Liability Company       | Yes            | Yes               |
| Increasing Capital  | Yes            | Yes               |
| Reducing Capital  | Yes            | Yes               |
| Entering and Exiting Partners                                   | Yes            | Yes               |
| Entering into Existing Companies                                | Yes            | Yes               |
| <b>Ownership &amp; Shares</b>                                   |                |                   |
| Transferring Shares, Stocks, and Bonds                          | Yes            | Yes               |
| Determining Capital   | Yes            | Yes               |
| Receiving Excess Allocation                                     | Yes            | Yes               |
| Selling Shares and Receiving Payment                            | Yes            | Yes               |
| Transferring Ownership of Shares and Stocks                     | Yes            | Yes               |



| Activity   | Performs Alone | Right to Delegate |
|--|----------------|-------------------|
| Selling Shares and Assets  | Yes            | Yes               |
| Modifying Partner's Nationality in the Contract                          | Yes            | Yes               |
| Accepting Transfer of Shares   | Yes            | Yes               |
| Purchasing Shares and Paying for Them                                    | Yes            | Yes               |
| <b>Banking &amp; Financial Management</b>                                |                |                   |
| Closing Company Bank Accounts  | Yes            | Yes               |
| Opening Company Bank Accounts  | Yes            | Yes               |
| Signing Agreements   | Yes            | Yes               |
| Company Registration   | Yes            | Yes               |
| Registering Agencies and Trademarks                                      | Yes            | Yes               |
| Attending General Meetings   | Yes            | Yes               |
| Opening Branches for the Company   | Yes            | Yes               |
| Opening Company Files  | Yes            | Yes               |
| Signing Foundation Contracts and Amendments before Notary                | Yes            | Yes               |
| Extracting and Renewing Commercial Registrations for the Company         | Yes            | Yes               |
| Subscribing and Renewing Chamber of Commerce Membership                  | Yes            | Yes               |
| <b>Government Approvals &amp; Reviews</b>                                |                |                   |
| Reviewing the General Investment Authority and Signing for it            | Yes            | Yes               |
| Reviewing Quality and Standards Authority                                | Yes            | Yes               |
| Reviewing Capital Market Authority                                       | Yes            | Yes               |
| Extracting and Renewing Licenses for the Company                         | Yes            | Yes               |
| Converting a Business into a Company                                     | Yes            | Yes               |
| Publishing Founding Contract and Amendments in Official Newspaper        | Yes            | Yes               |
| <b>Telecommunications &amp; Media</b>                                    |                |                   |
| Reviewing Telecom Companies and Establishing Phone Lines for the Company | Yes            | Yes               |
| Entering Bids and Receiving Forms  | Yes            | Yes               |
| Signing Contracts with Third Parties for the Company                     | Yes            | Yes               |
| Transferring, Cancelling Trademarks or Rights                            | Yes            | Yes               |
| Modifying Company Name   | Yes            | Yes               |
| <b>Visa Management</b>   |                |                   |
| Extracting Visas   | Yes            | Yes               |
| Converting Company into an Institution                                   | Yes            | Yes               |
| Receiving Compensation for Visas   | Yes            | Yes               |

| Activity   | Performs Alone | Right to Delegate |
|--|----------------|-------------------|
| <b>Employee Management</b>                       |                |                   |
| Updating Employee Data                           | Yes            | Yes               |
| Opening and Renewing Files for the Company       | Yes            | Yes               |
| Closing Employees Files                          | Yes            | Yes               |
| Reporting Worker Escapes                         | Yes            | Yes               |
| Cancelling Worker Escape Reports                 | Yes            | Yes               |
| Transferring Sponsorship                         | Yes            | Yes               |
| Modifying Occupation                             | Yes            | Yes               |
| Transferring or Liquidating Facility Ownership   | Yes            | Yes               |
| Reviewing Recruitment Offices                    | Yes            | Yes               |
| Reviewing Labor Computer Department              | Yes            | Yes               |
| Issuing and Renewing Work Permits                | Yes            | Yes               |
| Receiving Saudization Certificates               | Yes            | Yes               |
| Extracting Data Sheets (Printouts)               | Yes            | Yes               |
| Adding or Removing Saudis                        | Yes            | Yes               |
| Recruitment                                      | Yes            | Yes               |
| Activating Saudi Gateway                         | Yes            | Yes               |
| Recruiting Foreign Workers                       | Yes            | Yes               |
| Ending Employee Procedures with Social Insurance | Yes            | Yes               |
| Cancelling Visas                                 | Yes            | Yes               |
| Recovering Visa Payments                         | Yes            | Yes               |
| Modifying Nationalities                          | Yes            | Yes               |
| Issuing Family Visit Visas                       | Yes            | Yes               |
| Issuing Family Recruitment Visas                 | Yes            | Yes               |
| Reviewing Embassy Procedures                     | Yes            | Yes               |

| Service                                 | Responsibility    | Delegation Allowed |
|---|-------------------|--------------------|
| <b>Exit and Re-entry Visa Extension</b> | Done individually | Delegation allowed |
| <b>Visit Visa Extension</b>             | Done individually | Delegation allowed |
| <b>Extract Data Report (Print)</b>      | Done individually | Delegation allowed |
| <b>Cancel Visa</b>                      | Done individually | Delegation allowed |

| Service  | Responsibility    | Delegation Allowed |
|--|-------------------|--------------------|
| Refund Visa Amount                               | Done individually | Delegation allowed |
| Modify Arrival Point                             | Done individually | Delegation allowed |
| Extract Residency Permits                        | Done individually | Delegation allowed |
| Renew Residency Permits                          | Done individually | Delegation allowed |
| Exit and Re-entry Permit                         | Done individually | Delegation allowed |
| Final Exit Permit                                | Done individually | Delegation allowed |
| Transfer Sponsorship                             | Done individually | Delegation allowed |
| Extract Residency Permits for Lost or Damaged    | Done individually | Delegation allowed |
| Finalize Procedures for Deceased Workers         | Done individually | Delegation allowed |
| Report Runaway Workers                           | Done individually | Delegation allowed |
| Cancel Runaway Reports                           | Done individually | Delegation allowed |
| Transfer Information and Update Data             | Done individually | Delegation allowed |
| Settle and Waive Workers                         | Done individually | Delegation allowed |
| Review the Deportation and Expatriate Department | Done individually | Delegation allowed |
| Extract Workers' Data Report (Print)             | Done individually | Delegation allowed |
| Dismiss Workers                                  | Done individually | Delegation allowed |
| Manage Commercial Business                       | Done individually | Delegation allowed |
| Transfer Sponsorship of Workers to Oneself       | Done individually | Delegation allowed |
| Add Newborn                                      | Done individually | Delegation allowed |

| Service   | Responsibility    | Delegation Allowed |
|---|-------------------|--------------------|
| Finalize Procedures for Deceased Worker                       | Done individually | Delegation allowed |
| Manage Port Affairs   | Done individually | Delegation allowed |
| Extract Repatriation Certificates                             | Done individually | Delegation allowed |
| Add Dependents  | Done individually | Delegation allowed |
| Add Children to Father's or Mother's Passport                 | Done individually | Delegation allowed |
| Remove Children from Father's or Mother's Passport            | Done individually | Delegation allowed |
| Cancel Exit and Re-entry Visas                                | Done individually | Delegation allowed |
| Cancel Final Exit Visas                                       | Done individually | Delegation allowed |
| Extract Lost or Damaged Travel Visas                          | Done individually | Delegation allowed |
| Extract Visit Visa Extension                                  | Done individually | Delegation allowed |
| Modify Profession   | Done individually | Delegation allowed |
| Extract Hajj Permits  | Done individually | Delegation allowed |
| Review Domestic Worker Affairs                                | Done individually | Delegation allowed |
| Register in the Electronic Service                            | Done individually | Delegation allowed |
| Review Ministry of Agriculture and Directorate of Agriculture | Done individually | Delegation allowed |
| Review Notary or Court for Title Transfer                     | Done individually | Delegation allowed |
| Transfer Agricultural Decision                                | Done individually | Delegation allowed |
| Receive Salaries  | Done individually | Delegation allowed |
| Receive Retirement Salaries                                   | Done individually | Delegation allowed |

| Service   | Responsibility    | Delegation Allowed |
|---|-------------------|--------------------|
| Receive End-of-Service Benefits and Vacation Compensation | Done individually | Delegation allowed |
| Transfer Salary   | Done individually | Delegation allowed |
| Receive Bonus   | Done individually | Delegation allowed |
| Extract Salary Certificate                                | Done individually | Delegation allowed |
| Receive Dues  | Done individually | Delegation allowed |
| Open Accounts with Sharia Compliant Rules                 | Done individually | Delegation allowed |
| Close and Settle Accounts                                 | Done individually | Delegation allowed |
| Withdraw from Accounts                                    | Done individually | Delegation allowed |
| Extract ATM Cards   | Done individually | Delegation allowed |
| Extract Credit Cards (Sharia Compliant)                   | Done individually | Delegation allowed |
| Receive and Distribute Remittances                        | Done individually | Delegation allowed |
| Cash Checks   | Done individually | Delegation allowed |
| Issue Certified Checks                                    | Done individually | Delegation allowed |
| Extract Checkbooks  | Done individually | Delegation allowed |
| Extract Account Statements                                | Done individually | Delegation allowed |
| Transfer from Accounts                                    | Done individually | Delegation allowed |
| Request Sharia Compliant Bank Loans                       | Done individually | Delegation allowed |
| Open Accounts with Sharia Compliant Rules                 | Done individually | Delegation allowed |
| Deposit in Accounts                                       | Done individually | Delegation allowed |

| Service                                    | Responsibility    | Delegation Allowed |
|--|-------------------|--------------------|
| Renew Subscription in Safety Deposit Boxes | Done individually | Delegation allowed |
| Open Safety Deposit Boxes                  | Done individually | Delegation allowed |
| Subscribe to Safety Deposit Boxes          | Done individually | Delegation allowed |
| Request Loan Exemption                     | Done individually | Delegation allowed |
| Dispute Checks                             | Done individually | Delegation allowed |
| Update Data                                | Done individually | Delegation allowed |
| Activate Accounts                          | Done individually | Delegation allowed |
| Receive Checks                             | Done individually | Delegation allowed |
| Retrieve Safety Deposit Units              | Done individually | Delegation allowed |
| Review                                     | Done individually | Delegation allowed |
| Reschedule Installments                    | Done individually | Delegation allowed |
| Request Point of Sale (POS)                | Done individually | Delegation allowed |
| Request Bank Guarantee                     | Done individually | Delegation allowed |
| Request Bank Guarantee                     | Done individually | Delegation allowed |
| Subscription to Public Companies' Shares   | Done individually | Delegation allowed |
| Receive Share Certificates                 | Done individually | Delegation allowed |
| Buy Sharia Compliant Stocks                | Done individually | Delegation allowed |
| Sell Sharia Compliant Stocks               | Done individually | Delegation allowed |
| Receive Stock Value                        | Done individually | Delegation allowed |

| Service   | Responsibility    | Delegation Allowed |
|---|-------------------|--------------------|
| Receive Profits   | Done individually | Delegation allowed |
| Receive Excess  | Done individually | Delegation allowed |
| Open Sharia Compliant Investment Portfolios and Manage Orders | Done individually | Delegation allowed |
| Subscription to Shares  | Done individually | Delegation allowed |
| Buy Shares  | Done individually | Delegation allowed |
| Sell Shares   | Done individually | Delegation allowed |
| Retrieve Investment Fund Units                                | Done individually | Delegation allowed |
| Transfer Stocks from Portfolio                                | Done individually | Delegation allowed |
| Subscribe to Sharia Compliant Investment Funds                | Done individually | Delegation allowed |
| Manage Investment Portfolios                                  | Done individually | Delegation allowed |
| Extract Debt Confirmation                                     | Done individually | Delegation allowed |
| Liquidate Investment Portfolios                               | Done individually | Delegation allowed |
| Open Business   | Done individually | Delegation allowed |
| Extract Health Cards  | Done individually | Delegation allowed |
| Convert Agricultural Land to Residential                      | Done individually | Delegation allowed |
| Review Urban Planning Department                              | Done individually | Delegation allowed |
| Open Shops  | Done individually | Delegation allowed |
| Extract Licenses  | Done individually | Delegation allowed |
| Renew Licenses  | Done individually | Delegation allowed |



| Service  | Responsibility         | Delegation Allowed |
|--|------------------------|--------------------|
| Cancel Licenses  | Done individually      | Delegation allowed |
| Transfer Licenses  | Done individually      | Delegation allowed |
| Extract Building and Restoration Permits                         | Done individually      | Delegation allowed |
| Land Planning  | Done individually      | Delegation allowed |
| Extract Certificates of Completion                               | Done individually      | Delegation allowed |
| Extract Fencing Permits  | Done individually      | Delegation allowed |
| Extract Demolition Permits                                       | Done individually      | Delegation allowed |
| Sign Lease Contract  | Done individually      | Delegation allowed |
| Transfer Contract  | Done individually      | Delegation allowed |
| Prepare Land Plot Plan   | Done individually      | Delegation allowed |
| Reviewing trust  | Performed individually | Right to delegate  |
| Converting agricultural land to residential                      | Performed individually | Right to delegate  |
| Supervising construction   | Performed individually | Right to delegate  |
| Signing contracts with construction institutions and contractors | Performed individually | Right to delegate  |
| Participating in tenders and receiving forms                     | Performed individually | Right to delegate  |
| Selling and transferring ownership to the buyer                  | Performed individually | Right to delegate  |
| Purchasing and accepting transfer and payment                    | Performed individually | Right to delegate  |
| Receiving property titles  | Performed individually | Right to delegate  |
| Leasing  | Performed individually | Right to delegate  |

| Service  | Responsibility         | Delegation Allowed |
|--|------------------------|--------------------|
| Receiving rent   | Performed individually | Right to delegate  |
| Signing lease contracts  | Performed individually | Right to delegate  |
| Renewing lease contracts   | Performed individually | Right to delegate  |
| Canceling and terminating lease contracts                                | Performed individually | Right to delegate  |
| Mortgaging   | Performed individually | Right to delegate  |
| Releasing mortgage   | Performed individually | Right to delegate  |
| Partitioning and subdividing properties                                  | Performed individually | Right to delegate  |
| Modifying boundaries, areas, plot numbers, and property plans            | Performed individually | Right to delegate  |
| Selling  | Performed individually | Right to delegate  |
| Accepting mortgage   | Performed individually | Right to delegate  |
| Updating property titles and entering them into the comprehensive system | Performed individually | Right to delegate  |
| Selling shares of real estate projects                                   | Performed individually | Right to delegate  |
| Purchasing shares of real estate projects                                | Performed individually | Right to delegate  |
| Leasing  | Performed individually | Right to delegate  |
| Modifying owner names and civil registration numbers                     | Performed individually | Right to delegate  |
| Gift and transfer of ownership   | Performed individually | Right to delegate  |
| Accepting gift and transfer  | Performed individually | Right to delegate  |
| Waiving space deficiency   | Performed individually | Right to delegate  |
| Merging property titles  | Performed individually | Right to delegate  |

| Service   | Responsibility         | Delegation Allowed |
|---|------------------------|--------------------|
| Accepting waiver and transfer   | Performed individually | Right to delegate  |
| Issuing replacement property titles for lost property                 | Performed individually | Right to delegate  |
| Issuing replacement property titles for damaged property              | Performed individually | Right to delegate  |
| Selling and transferring ownership to heirs                           | Performed individually | Right to delegate  |
| Waiving a share of ownership  | Performed individually | Right to delegate  |
| Establishing the building   | Performed individually | Right to delegate  |
| Issuing a replacement title for damaged property                      | Performed individually | Right to delegate  |
| Converting agricultural land to residential or industrial             | Performed individually | Right to delegate  |
| Participating in real estate contributions                            | Performed individually | Right to delegate  |
| Purchasing shares in real estate contributions                        | Performed individually | Right to delegate  |
| Selling shares in real estate contributions                           | Performed individually | Right to delegate  |
| Waiving the leased land   | Performed individually | Right to delegate  |
| Updating property title and entering it into the comprehensive system | Performed individually | Right to delegate  |
| Issuing replacement titles for lost property                          | Performed individually | Right to delegate  |
| Converting agricultural land to residential                           | Performed individually | Right to delegate  |
| Building on land  | Performed individually | Right to delegate  |
| Leasing land  | Performed individually | Right to delegate  |
| Changing the legal entity of a company                                | Performed individually | Right to delegate  |
| Converting a partnership company to a limited liability company       | Performed individually | Right to delegate  |

| Service   | Responsibility         | Delegation Allowed |
|---|------------------------|--------------------|
| Dividing shares among heirs and transferring them to their accounts | Performed individually | Right to delegate  |

### The Board of Directors appoints a secretary

The Board of Directors appoints a Secretary chosen from among its members or from outside the board. The Chairman of the Board has the right to delegate (through a written decision) some of his powers to other board members or others to carry out specific tasks or duties. The Vice-Chairman of the Board replaces the Chairman in cases of absence when a Deputy Chairman is present.

### Article 24: Board Meetings

1. The Board of Directors meets at least four times a year upon the invitation of the Chairman. The Chairman must call a meeting whenever any board member requests it in writing to discuss one or more topics.
2. The Board of Directors determines the location of its meetings, and they may be held using modern technology.

### Article 25: Board Meeting and Decisions

1. A Board meeting is valid only if at least 50% of the members, either in person or by proxy, are present.
2. Decisions of the Board of Directors are made by a majority of the votes of the members present, either in person or by proxy. In the case of a tie, the side on which the Chairman of the meeting has voted is considered the prevailing side.
3. A decision of the Board of Directors is effective from the date it is issued unless stated otherwise, specifying another time or upon the fulfillment of certain conditions.

### Article 26: Issuing Urgent Decisions

1. The Board of Directors can issue decisions on urgent matters by circulating them to all members unless a member requests, in writing, a Board meeting to deliberate on the issue. These decisions are made with the approval of the majority of the members and are then presented at the next Board meeting to be recorded in the minutes of that meeting.
- 2.

## Article 27: Board Deliberations

1. The deliberations and decisions of the Board of Directors are recorded in minutes prepared by the Secretary and signed by the Chairman of the meeting, the present board members, and the Secretary.
2. The minutes are recorded in a special register signed by the Chairman of the Board and the Secretary.
3. Modern technology may be used for signing, recording deliberations, and decisions, and for taking the minutes.

## Article 28: Board Powers

Subject to the powers assigned to the General Assembly, the Board of Directors has the widest authority in managing the company, setting its policies, determining its investments, managing its operations and finances, and handling all its affairs both inside and outside the Kingdom of Saudi Arabia. It has the right to participate in other companies and may delegate one or more of its members or third parties to carry out a specific task or tasks. To this end, the Board has the following powers, but not limited to:

1. Without prejudice to Article 79 of the Companies Law, the Board has the right to represent the company in all its relationships with third parties, whether natural or legal persons, before all judicial bodies, general, partial, labor courts, the Board of Grievances, judicial committees of all jurisdictions, notaries public, and primary committees.

## Article 28: Powers of the Board of Directors

Subject to the competencies assigned to the General Assembly, the Board of Directors shall have the broadest authorities in managing the company, setting its policies, determining its investments, managing its operations, assets, and all other matters both inside and outside the Kingdom of Saudi Arabia. The Board has the right to participate in other companies and can delegate one or more of its members or others to carry out a specific task or set of tasks. The Board has, but is not limited to, the following powers:

1. Without prejudice to Article 79 of the Companies Law, the Board has the right to represent the company in all its relations with others, whether natural or legal persons, and before all judicial bodies, public and partial courts, labor courts, the Administrative Court, judicial committees of all types and purposes, notaries, committees for commercial papers, the General Secretariat of the Zakat, Tax, and Customs Committees, arbitration committees, and dispute resolution committees, as well as all judicial committees of any kind and purpose, the Public Prosecution, civil rights, police departments, all executive authorities, chambers of commerce, military, security, civil governmental ministries, institutions, and bodies, financial institutions, and all their various departments, as well as non-governmental entities both inside and outside the Kingdom of Saudi Arabia, banks, financing houses, companies, and institutions of all types, and finalize all related procedures and transactions, issuing legal powers of attorney on behalf of the company, signing them, and handling deliveries and receipts.
2. Entering into all types of contracts and agreements in the name of the company, including but not limited to partnership agreements, sales, leases, agency contracts, franchises,

hedging contracts, and entering into tenders, signing them, accepting them, and signing on behalf of the company's involvement in other companies through ownership, establishment, partnership, merger, or liquidation. The Board has the right to buy and sell shares, attend board meetings, general and extraordinary shareholder meetings, vote on all matters and decisions, approve budgets, distribute profits, appoint boards of directors, and fully represent the company in all companies in which the company has shares inside and outside the Kingdom of Saudi Arabia.

3. Opening, closing, renewing, and liquidating branches, establishing companies, and forming partnerships with others. Signing contracts for their establishment, amendments, and decisions, entering into and terminating contracts, modifying them, liquidating them, purchasing and selling shares, transferring ownership, and increasing or decreasing capital, as well as processing commercial register cancellations and licensing.
4. Managing and investing the company's fixed and movable assets, buying and selling, transferring ownership, accepting and releasing pledges, leasing, receiving payment, dividing, merging, and altering the boundaries and areas in titles, requesting modifications, issuing replacement titles, and handling all assets of the company.
5. Opening bank accounts of all kinds, investment portfolios, funds, and managing them, including withdrawals, deposits, signing checks, promissory notes, and transfers, providing guarantees, collateral, credits, facilities, and signing all financial services, banking products, and using electronic services.
6. Buying, selling, withdrawing, depositing, transferring, subscribing, trading, pledging, and releasing pledged shares, equity in companies, and other financial instruments.
7. Requesting loans from all government and private entities, signing guarantees, credit facilities, and contracts on behalf of the company, receiving and paying loans, and commercial loans that do not extend beyond the company's term.
8. Discharging debtors from their obligations under certain conditions, following proper procedures and ensuring that no harm comes to the company or its shareholders.
9. Appointing and removing executives, agents, brokers, and others, determining their salaries, bonuses, and compensations.
10. The Board has the right to practice these powers both inside and outside the Kingdom of Saudi Arabia. It can delegate others to carry out specific tasks in line with the company's purpose. The Board can also settle disputes, withdraw, contract, and engage in activities that help achieve the company's goals.
11. Approving or modifying the company's internal governance regulations, internal policies, and delegating responsibilities to key employees, including the CEO and other top executives.
12. Approving or modifying the general assembly's agenda.
13. Establishing, dissolving, or appointing members of the Board's committees and approving the scope of their responsibilities without violating the system.
14. Determining the powers and bonuses of the CEO and senior executives according to the organizational structure approved by the Board.
15. Delegating company officials to sign on behalf of the company.
16. Approving the company's financial position, financial statements, and budget.

#### **Article 29: Vacant Position on the Board**

If a position of a board member becomes vacant, the Board can appoint a temporary member who meets the required qualifications and expertise. The appointment must be reported to the Ministry of Commerce and the Capital Market Authority within five working days. The appointment must



be presented to the General Assembly at its next meeting, and the new member will complete the term of the predecessor. If the number of Board members falls below the minimum required by Article 69, Paragraph 5 of the Companies Law, the remaining members must call for a General Assembly meeting within sixty days to elect the required number of members.

#### **Article 30: Responsibility of Board Members**

1. Board members are jointly responsible for compensating the company, shareholders, or others for any harm resulting from their mismanagement, violation of the law, or the company's bylaws. Any provision stating otherwise is null and void. Responsibility is shared if the error arises from a decision made by all members, whereas dissenting members are not held liable if they explicitly oppose the decision during the meeting. Absence from the meeting where the decision was made does not excuse responsibility unless it can be proven that the absent member was unaware of the decision or unable to oppose it.
2. Approval by the General Assembly to release the Board members from liability does not prevent liability claims from being filed.
3. Liability claims will not be heard after three years from the discovery of the harmful act, and in all cases, will not be heard after five years from the end of the financial year in which the harmful act occurred, or three years after the end of the member's term, whichever is later.

#### **Article 31: Board Decisions**

Decisions of the Board are passed by the majority of votes of the attending members, either in person or by proxy. If votes are tied, the Chairman's vote will prevail. Board decisions are effective from the date of issuance. In urgent matters, the Board can vote via written consent unless a member requests a meeting to discuss the matter. These decisions will be presented at the next Board meeting.

#### **Article 32: Board Member Compensation**

The Board of Directors determines the compensations for the Chairman and members within the limits set by the Companies Law, not exceeding 700,000 SAR per member per year. If the compensation exceeds this limit, it must be presented to the General Assembly for approval. The Board must include a detailed report to the General Assembly on all compensation, attendance fees, and other benefits received by Board members during the fiscal year.

#### **Article 33: Powers of the Chairman of the Board**

The Board shall appoint a Chairman and Deputy Chairman from among its members and may appoint a managing member. The Chairman is not allowed to hold any executive position within the company. The Chairman has the authority to call for meetings, preside over Board meetings, represent the company before external authorities, enter into contracts, manage financial operations, appoint managers, and carry out other related executive tasks.

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#### **Article 34: Powers of the Vice Chairman of the Board**

The board appoints a vice chairman from among its members, who will assume the role of chairman in case of the chairman's absence. The board may delegate to the vice chairman all or part of the chairman's powers.

#### **Article 35: Powers of the Managing Director**

The board of directors appoints a chief executive officer from among its members or others, who may also be a managing director. The board determines his powers and remuneration.

#### **Article 36: Powers of the Board Secretary**

The board of directors appoints a secretary from among its members or others, and determines his responsibilities and remuneration.



## Chapter Four: Shareholder Meetings

### Article 37: General Assembly Meeting

1. The general assembly meeting is chaired by the chairman of the board or the vice chairman in his absence, or by a board member designated by the board if both are absent. If this is not possible, the meeting is chaired by a person selected by the shareholders from among the board members or others through voting.
2. Every shareholder has the right to attend the general assembly meeting and may delegate another person (who is not a board member) to attend on their behalf.
3. It is permissible to hold a general assembly meeting and allow shareholders to participate in discussions and vote on resolutions through modern technology.

### Article 38: Calling for Meetings

1. The general and special assemblies are convened by the board of directors. The board must call for the ordinary general assembly to meet within 30 days of a request made by the auditor or a shareholder (or shareholders) who represent at least 10% of the company's shares with voting rights. The auditor may call the ordinary general assembly meeting if the board fails to do so within 30 days of the request.
2. The request mentioned in paragraph (1) of this article must indicate the issues on which shareholders are required to vote.
3. The invitation to the assembly must be sent at least 21 days prior to the scheduled meeting, in accordance with the regulations. The following should be considered: a. Shareholders should be notified via registered letters sent to their addresses listed in the shareholder register, or the invitation may be announced through modern technology. b. A copy of the invitation and agenda must be sent to the commercial registry, and to the Capital Market Authority if the company is listed on the stock market at the time the invitation is announced.
4. The invitation to the meeting must include, at a minimum: a. Information about the right to attend the meeting and the right to delegate someone (who is not a board member), the right to discuss the agenda items, ask questions, and how to exercise the right to vote. b. The location, date, and time of the meeting. c. Whether it is a general or special assembly. d. The agenda, including the items on which shareholders will vote.

### Article 39: Quorum for Ordinary General Assembly Meeting

1. The ordinary general assembly meeting is only valid if shareholders holding at least one-quarter of the company's shares with voting rights are present.
2. If the quorum for the ordinary general assembly meeting is not met as per paragraph (1) of this article, a second meeting will be called under the same conditions as specified in Article 91 of the Companies Law, within 30 days following the original meeting date. However, the second meeting can be held one hour after the scheduled time of the first meeting, provided that the invitation to the first meeting indicates the possibility of holding this second meeting. In all cases, the second meeting is valid if it is attended by shareholders representing at least one-quarter of the company's shares with voting rights.

### Article 40: Quorum for Extraordinary General Assembly Meeting

1. The extraordinary general assembly meeting is only valid if shareholders holding at least half of the company's shares with voting rights are present.
2. If the quorum for the extraordinary general assembly meeting is not met as per paragraph (1) of this article, a second meeting will be called under the same conditions as specified in Article 91 of the Companies Law. The second meeting can be held one hour after the

scheduled time of the first meeting, provided that the invitation to the first meeting indicates the possibility of holding the second meeting. In all cases, the second meeting is valid if it is attended by shareholders representing at least one-quarter of the company's shares with voting rights.

3. If the quorum is still not met for the second meeting, a third meeting will be called under the same conditions as specified in Article 91 of the Companies Law, and the third meeting will be valid regardless of the number of shares represented.

#### **Article 41: Voting in Meetings**

1. The election of board members will be conducted through cumulative voting. Board members are not allowed to vote on resolutions related to business or contracts in which they have a direct or indirect interest or those involving a conflict of interest.

#### **Article 42: Resolutions of the Meetings**

1. Ordinary general assembly resolutions are passed by a majority of the voting rights represented in the meeting.
2. Extraordinary general assembly resolutions are passed by a majority of two-thirds of the voting rights represented in the meeting, unless the resolution pertains to increasing or decreasing the capital, extending the company's duration, dissolving it before its stipulated term, merging it with another company, or splitting it into two or more companies. In such cases, the resolution is only valid if passed by three-quarters of the voting rights represented in the meeting.

#### **Article 43: Discussion in Meetings**

1. Every shareholder has the right to discuss the topics listed on the agenda of the general assembly and to ask questions about them to the board members and the auditor. The board or the auditor will respond to shareholder questions to the extent that it does not harm the company's interests. If a shareholder feels that the response is insufficient, they may appeal to the general assembly, and the assembly's decision on this matter will be final.

#### **Article 44: Minutes of Meetings**

1. A minutes record is prepared for each general assembly meeting, including the number of shareholders present in person or by proxy, the number of shares they hold in person or by proxy, the votes cast, the resolutions taken, the number of votes in favor or against, and a summary of the discussions during the meeting. The minutes are recorded regularly after each meeting in a special register, signed by the chairman of the assembly, the secretary, and the vote collectors.

#### **Article 45: Competencies of the Ordinary General Assembly**

The ordinary general assembly is responsible for all matters related to the company, except those that fall under the jurisdiction of the extraordinary general assembly. It must meet at least once a year, within three months following the end of the company's fiscal year. Additional ordinary assemblies may be called as needed.

#### **Article 46: Powers of the Extraordinary General Assembly**

The Extraordinary General Assembly has the authority to amend the company's Articles of Association, except for matters prohibited from being amended by law in accordance with the provisions of Article 85 of the Companies Law. The assembly may also issue decisions on matters that fall within the scope of the Ordinary General Assembly's powers, subject to the same conditions and procedures as the Ordinary General Assembly.

#### **Article 47: Chairing the Assemblies**

The meetings of the General Assemblies of the shareholders are chaired by the Chairman of the Board or the Vice Chairman in the Chairman's absence. If both are absent, the Board will appoint a substitute from among its members. A record of the meeting will be made, including the number of shareholders present or represented, the number of shares they hold (either directly or via proxy), the number of votes they are entitled to, the decisions made, and the number of votes for and against each decision. A summary of the discussions held in the meeting will also be included. The minutes are to be recorded regularly after each meeting in a special register, signed by the Chairman of the Assembly, the Secretary, and the vote collector.

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### **Chapter Five: Auditors**

#### **Article 48: Appointment of the Auditor**

The company shall have one or more auditors licensed to work in the Kingdom, appointed by the Ordinary General Assembly. The Assembly will also determine the auditor's compensation and the term of service, with the possibility of reappointment. However, the total duration of the auditor's appointment (whether continuous or non-continuous) cannot exceed seven years. After this period, the auditor may be reappointed only after a three-year break. The Assembly may dismiss the auditor at any time, without prejudice to the auditor's right to compensation if the dismissal occurs at an inappropriate time or for unjustified reasons.

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#### **Article 49: Powers of the Auditor**

The auditor has the right to review the company's books, records, and other documents at any time. They may also request data and clarifications necessary to verify the company's assets, liabilities, and other relevant matters within their scope of work. The Chairman of the Board must enable the auditor to perform their duties. If the auditor encounters difficulties in this regard, they should document the issue in a report to the Board. If the Board fails to facilitate the auditor's work, the auditor must request the Board to call for a General Assembly meeting to address the matter. The auditor shall submit a report to the Annual Ordinary General Assembly, including the company's management's response to the auditor's requests, any violations of the system or Companies Law, and the auditor's opinion on the fairness of the company's financial statements. The auditor will read the report at the General Assembly.

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### **Chapter Six: Company Finances and Profit Distribution**

#### **Article 50: Financial Year**

1. The company's financial year is twelve months, starting from January 1st and ending on December 31st.
2. An independent balance sheet must be prepared for the transitional period resulting from changes to the financial year.

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#### **Article 51: Financial Documents**

1. At the end of each financial year, the Board of Directors must prepare the company's financial statements and a report on its activity and financial position for the past year. The report should include the proposed method for distributing profits. These documents must be made available to the auditor (if appointed) at least 45 days before the scheduled date of the Annual Ordinary General Assembly.
2. The Chairman of the Board, the CEO, and the CFO (if appointed) must sign the documents mentioned in paragraph (1) of this article, and they must be filed accordingly.

#### Article 52: Financial Statements

1. At the end of each financial year, the Board of Directors must prepare the company's financial statements and a report on its activity and financial position for the past year. This report should include the proposed method for distributing net profits. These documents must be made available to the auditor at least 45 days before the scheduled date of the General Assembly.
2. The Chairman of the Board, the CEO, and the CFO (if appointed) must sign the documents mentioned in paragraph (1) of this article. Copies of these documents must be filed at the company's headquarters and be available to shareholders.
3. The Chairman of the Board must provide shareholders with the company's financial statements, the Board's report after it is signed, and the auditor's report unless these documents are published through modern technological means.

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#### Article 53: Profit Distribution

The company's annual net profits shall be distributed as follows:

1. A 10% allocation of the net profits each year for the creation of the company's statutory reserve.
2. The Ordinary General Assembly may decide to halt this allocation once the statutory reserve reaches 20% of the company's paid-up capital.
3. Based on the Board's proposal, the Ordinary General Assembly may decide to allocate a certain percentage of the net profits for the creation of other reserves. The decision should specify the purpose(s) for which the reserve is being created, as long as it serves the company's interest or ensures stable dividend distribution to shareholders.
4. The Ordinary General Assembly may decide, based on the Board's proposal, to allocate a portion of the net profits for the creation of social institutions for the company's employees, to support any existing institutions.
5. The Ordinary General Assembly, upon the Board's proposal, may decide to distribute interim profits during the financial year in semi-annual or quarterly intervals.

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#### Article 54: Profit Entitlement

Shareholders are entitled to their share of profits based on the decision of the General Assembly, which specifies the entitlement date and the distribution date. The profits will be granted to the shareholders who are listed in the shareholders' registry by the end of the entitlement day.

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#### Article 55: Company Losses

If the company's losses reach 50% of its paid-up capital, the Board of Directors must disclose this and provide its recommendations regarding the losses within 60 days from the date it becomes aware of the losses. The Board must call for an Extraordinary General Assembly to address or resolve the losses. The meeting should be held within 180 days from the date of this awareness, to decide on the company's continuation or to take necessary actions.

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### Chapter Seven: Company Dissolution and Liquidation

#### Article 56: Company Dissolution

1. The company shall be dissolved for any of the reasons outlined in Article (243) of the Companies Law. Upon dissolution, the company enters into the liquidation phase according to the provisions of Chapter 12 of the Companies Law. If the company's assets are insufficient to cover its debts or it is in distress as per the Bankruptcy Law, it must submit a

request to the relevant judicial authority to initiate liquidation proceedings under the Bankruptcy Law.

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#### **Article 57: Liquidation of the Company**

Liquidation shall be carried out in accordance with the provisions specified in the Companies Law.

#### **Article 58: Liability Lawsuit**

1. The company may file a liability lawsuit against the Board members for any errors that result in damage to the shareholders as a whole. The Ordinary General Assembly may decide to file this lawsuit and designate a representative to act on behalf of the company. If the company is declared bankrupt, the responsibility of filing the lawsuit falls to the bankruptcy representative. In the event of the company's dissolution, the liquidator may pursue the lawsuit after obtaining approval from the Ordinary General Assembly.
2. A shareholder or shareholders representing 5% of the company's capital (unless the company's Articles of Incorporation or bylaws stipulate a lower percentage) may file the liability lawsuit on behalf of the company if the company fails to do so. The primary objective of filing the lawsuit must be to protect the interests of the company, the lawsuit must have a valid legal basis, and the plaintiff must act in good faith as a shareholder or partner at the time of filing the lawsuit.
3. To file the lawsuit mentioned in paragraph (2), it is required that the members of the Board of Directors are notified of the intention to file the lawsuit at least 14 days before it is filed.

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#### **Article 59: Distribution of the Net Proceeds of Liquidation**

Liquidation shall be conducted in accordance with the provisions outlined in the Companies Law.

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### **Chapter Eight: Final Provisions**

#### **Article 60: Final Provisions**

1. The company shall be subject to the laws and regulations in force in the Kingdom of Saudi Arabia.
2. Any provision in this Articles of Incorporation that conflicts with the provisions of the Companies Law shall be invalid, and the provisions of the Companies Law and its Executive Regulations shall apply. Any matters not addressed in this Articles of Incorporation shall be governed by the Companies Law and its Executive Regulations.
3. The founders confirm the accuracy of the data and provisions listed in this Articles of Incorporation and their compliance with the provisions of the Companies Law issued by Royal Decree (M/132) dated 1/12/1443 AH, its Executive Regulations, and the requirements and instructions issued by the Ministry of Commerce in accordance with the



provisions of the law. The founders shall bear all legal and financial responsibilities that may arise from this. They are also aware of the Ministry's right to take the necessary legal actions if there are any violations or conflicts in the provisions of this Articles of Incorporation.

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## Article 61: Publication

1. This Articles of Incorporation shall be deposited and published in accordance with the provisions of the Companies Law and its Executive Regulations. The Articles of Incorporation have been reviewed and approved by the founders and authorized by the Ministry's representative. It has been published through Aamaly magazine, and the accuracy of the Articles can be verified at the following link: <https://emagazine.aamaly.sa>

**May Allah grant success.**

## Annex: Articles of Incorporation Amendment

### 1. Amendment to the (Purposes of the Company)

Before the amendment:

| Section                | Category   |
|------------------------|--|
| Mining & Quarrying     | Extraction of crude oil                                      |
| Construction           | Civil engineering projects construction works                |
| Real Estate Activities | Real estate activities related to owned or leased properties |

After the amendment:

| Section                | Category   |
|------------------------|--|
| Mining & Quarrying     | Extraction of crude oil                                      |
| Construction           | Civil engineering projects construction works                |
| Real Estate Activities | Real estate activities related to owned or leased properties |

### 2. Amendment to (Textual Provisions)

The textual provisions have been amended as per the above-mentioned modifications.



## Founders' Resolution on Board of Directors Election

**Company:** Saudi Arabian Refineries Company (SARCO) – Joint Stock Company

**Date:** [Date of Resolution]

Based on the decision of the General Assembly of Saudi Arabian Refineries Company (SARCO) in Jeddah, and in accordance with the company's governance (Article on Management Appointment), which specifies the appointment of the Board of Directors through an independent contract, the General Assembly has resolved to appoint the following individuals to the Board of Directors, consisting of no less than 3 members:

| Name  | ID Number  | Date of Birth | Nationality | Position                   |
|---|------------|---------------|-------------|----------------------------|
| Fahad Mohammed Barak Al-Habardi                 | 1059541530 | 1405/06/22    | Saudi       | Board Secretary            |
| Fahad Mohammed Barak Al-Habardi                 | 1059541530 | 1405/06/22    | Saudi       | Board Member               |
| Khalid Mohammed Ali Al-Hinaki                   | 1019572930 | 1392/05/13    | Saudi       | Board Member               |
| Obaid Saad Obaid Al-Sebai                       | 1042171049 | 1382/06/11    | Saudi       | Chairman of the Board      |
| Abdulrahman Ahmed Saad Al-Mufreh                | 1042829257 | 1387/07/02    | Saudi       | CEO                        |
| Abdulrahman Ahmed Saad Al-Mufreh                | 1042829257 | 1387/07/02    | Saudi       | Board Member               |
| Mishal Abdulrahman Bin Abdullah Al-Oqla         | 1068990793 | 1411/01/26    | Saudi       | Board Member               |
| Abdulaziz Bin Abdulmohsen Bin Abdulaziz Al-Bakr | 1030001141 | 1390/10/24    | Saudi       | Vice Chairman of the Board |
| Nael Samir Mohammed Kamel Fayez                 | 1003973953 | 1395/07/01    | Saudi       | Board Member               |
| Khalid Ahmed Abdulaziz Al-Hamdan                | 1008270785 | 1392/05/01    | Saudi       | Board Member               |

The Board members shall have full authority in accordance with the company's Articles of Association.

**And with God's blessing,**