



Agenda of the Ordinary General Assembly Meeting (First Meeting)

SABIC HQ (Via Modern Technology), Tuesday Evening at 9:30 PM, 01 Ramadan 1442H (According to the Umm al-Qura calendar) Corresponding to 13 April 2021 G

- 1- Voting on the auditor report for the fiscal year ended 31/12/2020.
 - 2- Voting on the financial statements for the fiscal year ended 31/12/2020.
 - 3- Voting on the report of the Board of Directors for the fiscal year ended 31/12/2020.
 - 4- Voting on the recommendation of the Audit Committee, on the appointment of the external auditor, from among nominees, to audit the quarterly (Q2, Q3 and Q4) and annual financial statements for 2021, in addition to Q1 2022 financial statements, as well as determining their fees.
 - 5- Voting on dividend distribution made for the first half of 2020 of a total amount of (SR 4,500,000,000) at (SR 1.50) per share representing (15%) of the nominal value per share. (Attached)
 - 6- Voting on the recommendation of the Board of Directors to distribute cash dividends to the shareholders for the second half of 2020 amounting to (SR 4,500,000,000) at (SR 1.50) per share representing (15%) of the nominal value per share. The maturity date for the dividends, to be distributed to shareholders registered in the Depository Center, will be the end of the second trading day following the date of the General Assembly. The dividends, will be paid on 03/05/2021.
 - 7- Voting on amendment of the Audit Committee Charter. (Attached)
 - 8- Voting on the Board resolution concerning appointment of Eng. Khalid Hashim Al-Dabbagh as a non-executive member of the Board as of June 16, 2020 to complete the current Board term ending by April 9, 2022 in succession to Dr. Abdulaziz Saleh Aljarbou (non-executive member). (CV Attached)
 - 9- Voting on the Board resolution concerning appointment of Eng. Ziad Thamer Almurshed as a non-executive member of the Board as of June 16, 2020 to complete the current Board term ending by April 9, 2022 in succession to Mr. Rashid Ibrahim Sherif (non-executive member). (CV Attached)
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- 10- Voting on the Board resolution concerning appointment of Mr. Olivier Gerard Thorel as a non-executive member of the Board as of June 16, 2020 to complete the current Board term ending by April 9, 2022 in succession to Mr. Roberto Cesar Gualdoni (non-executive member). (CV Attached)
 - 11- Voting on increasing the Audit Committee members to become five (5) instead of four (4) and appointing Mr. Salah Mohammad Al-Heraky as a member (from outside the Board) of the committee as of the General Assembly approval date up to the end of the current committee term (April 9, 2022). (CV Attached)
 - 12- Voting on the discharge of the Board of Directors members for the fiscal year ended 31/12/2020.
 - 13- Voting on the Board of Directors' mandate to distribute quarterly or semi-annual dividends for the fiscal year 2021.
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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Saudi Basic Industries Corporation (SABIC)
(A Saudi Arabian Joint Stock Company)

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Saudi Basic Industries Corporation ("SABIC") and its subsidiaries ("the Group"), which comprise the consolidated statement of financial position as at 31 December 2020, and the consolidated statement of income, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2020, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements that are endorsed by the Saudi Organization for Certified Public Accountants.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with professional code of conduct and ethics endorsed in the Kingdom of Saudi Arabia that are relevant to our audit of the consolidated financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming auditor's opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's Responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

To the Shareholders of Saudi Basic Industries Corporation (SABIC) (continued)
(A Saudi Arabian Joint Stock Company)

Key audit matter	
<p>i) Impairment of non-financial assets Impairment of non-financial assets comprise mainly of impairment of property, plant and equipment and impairment of goodwill. These are discussed below:</p>	
a. Assessing impairment of property, plant and equipment	How our audit addressed the key audit matter
<p>As at 31 December 2020, the Group's consolidated statement of financial position includes property, plant and equipment amounting to SR 136.2 billion. Management has identified certain impairment indicators including strategic closure of certain plants, and significant decrease in revenue and profitability. Accordingly, management has carried out an exercise to calculate recoverable amount of these assets. The assessment of the recoverable amount of these assets incorporates significant judgement by the management in respect of various factors such as future production levels, commodity prices, operating/capital costs and economic assumptions such as discount rates.</p> <p>Based on the assessment, the management has recognised an impairment loss relating to property, plant and equipment of SR 1.4 billion for the year ended 31 December 2020.</p> <p>We identified the impairment of property, plant and equipment as a key audit matter as the assessment involves a significant degree of management judgement in determining the key assumptions such as projected revenue growth, earnings before interest, tax, depreciation and amortisation (EBITDA) margins and discount rate.</p> <p>Refer to consolidated financial statements note 6 for the significant accounting policy relating to impairment of non-current assets, note 3.1.1 for the significant accounting estimates, assumptions and judgements relating to impairment of non-financial assets and note 7 for property, plant and equipment related disclosures.</p>	<p>We performed the following procedures, among others:</p> <ul style="list-style-type: none"> • Reviewed management's procedures in identifying impairment indicators in respect of property, plant and equipment; • Evaluated the reasonableness of management's assumptions and estimates in determining the recoverable value of the Group's property, plant and equipment, including those relating to projected revenue growth, EBITDA margin and discount rate. This included involvement of internal specialists in evaluating these assumptions against external benchmarks and assessing management's assumptions based on our knowledge of the Group and its industry; • Validated the mathematical accuracy of impairment models and agreeing relevant data to the latest production plans and budgets; and • Assessed the adequacy of the Group's disclosures in respect of underlying assumption, estimates used to determine carrying values and impairment losses of assets.

INDEPENDENT AUDITOR'S REPORT

Key audit matter (continued)	
<i>i) Impairment of non-financial assets (continued)</i>	
<i>b. Impairment assessment of Goodwill</i>	<i>How our audit addressed the key audit matter</i>
<p>As of 31 December 2020, the Group's goodwill balance was SR 18 billion. Based on the annual goodwill impairment assessment, including sensitivity tests, the management concluded that no impairment of goodwill was required.</p> <p>We have considered this to be a key audit matter due to high level of judgment involved in identifying cash generating units (CGUs) and estimation required to determine projected revenue growth rates, EBITDA margins, discount rates and terminal values in respect of calculating recoverable amount of CGUs.</p> <p>Refer to consolidated financial statements note 6 for the significant accounting policy relating to impairment of non-current assets, note 3.1.1 for the significant accounting estimates, assumptions and judgements relating to impairment of non-financial assets and note 9 for intangible assets related disclosures.</p>	<p>We performed the following procedures, among others:</p> <ul style="list-style-type: none"> • Verified whether the CGU determination is in line with internal reporting and IAS 36 – Impairment of Assets criteria and also verified whether carrying values were appropriately allocated to the different CGUs; • Assessed acceptability of the methodology used by management to estimate the recoverable amount of each CGU in accordance with IAS 36 – Impairment of Assets; • Evaluated the reasonableness of the assumptions and methodologies used in the annual impairment test prepared by the management; • Evaluated management's critical assumptions in particular, the projected revenue growth rates, EBITDA margins, discount rates and terminal values. This included involvement of internal specialists in evaluating these assumptions against external benchmarks and assessing management's assumptions based on our knowledge of the Group and its industry; • Validated the mathematical accuracy of the calculations and reconciled inputs to the underlying business plan approved by management; and • Assessed the adequacy of the Group's disclosures in the consolidated financial statement in respect of the key assumptions, to which the outcome of the impairment test is most sensitive along with the sensitivity analysis.

INDEPENDENT AUDITOR'S REPORT

Key audit matter (continued)	
<p>ii) Change in accounting treatments and presentation</p> <p>In connection with the acquisition of 70% interest in SABIC by Saudi Arabian Oil Company ("Saudi Aramco") in 2020, management has voluntarily reassessed and accordingly revised certain accounting treatments, policies and financial statement presentations in order to prepare the Group's financial statements consistent with the accounting policies of Saudi Aramco. These include the following:</p>	
a. Change in accounting treatment for certain joint arrangements	How our audit addressed the key audit matter
<p>The Group has reassessed critical management judgments relating to determination of whether the Group has control, joint control or significant influence over investments in non-wholly owned subsidiaries, joint arrangements and associates. As a result of this reassessment, the Group has concluded that certain entities which were previously accounted for as subsidiaries will be considered joint arrangements. The change in accounting treatment is applied retrospectively in accordance with IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors.</p> <p>We considered this to be a key audit matter as significant judgment is required in assessing whether SABIC has control or joint control over an affiliate. Further, deconsolidation of previously consolidated affiliates has material impact on the consolidated financial statements for the current and comparative year due to restatement.</p> <p>For further details refer to consolidated financial statements note 4.3 and 6.2.</p>	<p>We performed the following procedures, among others:</p> <ul style="list-style-type: none"> • Evaluated management's control reassessment over investments in affiliates in accordance with the applicable accounting standards; • Obtained the deconsolidation schedules prepared by the management and reviewed completeness and accuracy of the required deconsolidation adjustments; • Reviewed the retrospective accounting of deconsolidation for the entities which are now accounted for as joint arrangements, to be in accordance with the requirements of IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors; and • Assessed the adequacy of Group's disclosures with respect to the change in accounting treatment.

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Saudi Basic Industries Corporation (SABIC) (continued)
(A Saudi Arabian Joint Stock Company)

Key audit matter (continued)	
ii) <i>Change in accounting treatments and presentation (continued)</i>	
<i>b. Change in accounting policy for forward contracts</i>	<i>How our audit addressed the key audit matter</i>
<p>The Group made a voluntary change in its accounting policy choice for forward contracts to be consistent with the accounting policies of Saudi Aramco which resulted in reporting more relevant financial information. The change in accounting policy results in recognition of financial liability for the forward contract at present value of the amount payable on the exercise of the forward contract of SR 0.7 billion as at 31 December 2020. The change in accounting treatment is applied retrospectively in accordance with IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors.</p> <p>We have identified this as a key audit matter due to the reason that voluntary change in accounting policy has resulted in restatement of the consolidated financial statements as well as additional disclosures.</p> <p>For further details refer to consolidated financial statements note 4.4.</p>	<p>We performed the following procedures, among others:</p> <ul style="list-style-type: none"> Assessed that the voluntary change in accounting policy is appropriate i.e. it results in information that is reliable and more relevant as per the requirements of IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors; Evaluated the accounting treatment of forward contracts as per the changed accounting policy is in accordance with respective applicable accounting standards; Engaged our internal specialists to review the valuation performed by management's independent valuation specialists; Verified inputs into the valuation model by agreeing to the underlying supporting documents and challenged significant management assumptions; and Assessed the adequacy of Group's disclosures with respect to the change in accounting policy.

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Saudi Basic Industries Corporation (SABIC) (continued)

(A Saudi Arabian Joint Stock Company)

Key audit matter (continued)	
ii) <i>Change in accounting treatments and presentation (continued)</i>	
<i>c. Change in presentation of share of results of joint ventures and associates</i>	<i>How our audit addressed the key audit matter</i>
<p>The Group has changed the presentation of consolidated statement of income to include its share of results of integral joint ventures (joint ventures for which the Group manages the production, logistics, feedstock and shared services and which are integral to, and support Group's core operating activities). The share of results of associates and non-integral joint ventures continues to be reported outside the "income from operations" caption in the consolidated statement of income.</p> <p>We have identified this as a key audit matter, this change in presentation impacts the "income from operations" caption as presented in the consolidated statement of income.</p> <p>For further details refer to consolidated financial statements note 4.3.</p>	<p>We performed the following procedures, among others:</p> <ul style="list-style-type: none"> • Evaluated the changed presentation of the consolidated statement of income to be appropriate under the applicable accounting standards; and • Assessed the adequacy of Group's disclosures with respect to the change in presentation.

Other information included in the Group's 2020 Annual Report

Other information consists of the information included in the Group's 2020 annual report, other than the consolidated financial statements and our auditor's report thereon. Management is responsible for the other information in its annual report. The Group's 2020 annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Group's 2020 annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Saudi Basic Industries Corporation (SABIC) (continued)
(A Saudi Arabian Joint Stock Company)

Responsibilities of Management and those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements that are endorsed by the Saudi Organization for Certified Public Accountants and the provisions of Companies' Law and SABIC's By-laws, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Independent Auditor's Report

To the Shareholders of Saudi Basic Industries Corporation (SABIC) (continued)
(A Saudi Arabian Joint Stock Company)

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (continued)

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

for Ernst & Young



Rashid S. Al Rashoud
Certified Public Accountant
License No. 366

Riyadh: 25 Rajab 1442H
9 March 2021





The Audit Committee Report to General Assembly of (SABIC) For Fiscal Year 2020

The Audit Committee has been carrying out its duties – in accordance with its charter and the applicable regulatory requirements– including: oversight over the Company’s Internal Audit Dept. and reviewing its reports, reviewing assessments of the internal control system, examining the interim and annual financial statements and making necessary recommendations, and making recommendations to the Board on the external auditors’ appointment.

In a related context, the Committee reviewed the periodic reports of the Executive Management and the Internal Audit on the assessment of the adopted internal control systems’ effectiveness and how to enhance them.

In another aspect, the Committee reviews the periodic reports of the Compliance Dept. on the extent of abidance by the code of professional conduct, which covers an array of policies that relate to firming up integrity and compliance.

The Committee puts forward its recommendations to the Board, according to its charter, and receives the Board’s continuous support and empowerment towards exercising its duties.

Based on the reports of the Executive Management and the external auditor (including the management report), as well as the Internal Audit plan-based periodic reports; and considering the matters discussed with the external auditor and the Executive Management in relation to the adequacy and effectiveness of the internal control systems; the Committee has not identified any matters of significant impact to be stated in this report.

As on 31 December 2020, and based on the content of the Executive Management reports and the external auditor’s reports, the Committee is of the opinion that the Company’s Executive Management has maintained an effective internal control system capable of providing reasonable assurances; and that the audits outcome together with the Audit Committee meeting discussions, have all provided reasonable grounds for the Committee to formulate this opinion.



Fifth Item Attachment

Voting on dividend distribution made for the first half of 2020 of a total amount of SR 4,500,000,000 at (SR 1.50) per share representing 15% of the nominal value per share.

Dividends Period	Dividends Per Share	Percentage distribution of the nominal value of the share	No. of Shares	Total Dividends Distributed	Due Date	Distribution Date
First Half of 2020	SR 1.5	15%	3 Billion Shares	SR 4.5 Billion	03 September 2020	20 September 2020



Amending Audit Committee Charter

Article	Current Text	Proposed Text
(2): Committee Formation	The candidate shall not be (or has been, during the past two years) an employee of the Company, any company within its group, or any related party such as the External Auditor, a major supplier or customer; or is (or has been, during the past two years) a holder of controlling interests in any of these parties.	A person who is (or has been, during the past two years) a staff member of the Company’s Executive Management or Finance Department or for the External Auditor shall not be a member of the Audit Committee.

Audit Committee Charter

Saudi Basic Industries Corporation (SABIC)



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Article (1): Objective

The objective of this Charter is to regulate the Audit Committee function through determining its duties, authorities, working procedures, its members' selection rules and nomination method, in accordance with the regulatory rules and procedures for audit committees of listed joint stock companies as provided for under the Companies Law, the Regulatory Rules and Procedures issued pursuant to the Companies Law relating to Listed Joint Stock Companies, and the Corporate Governance Regulations issued by the Capital Market Authority (CMA).

Article (2): Committee Formation

- The Committee is formed by the Ordinary General Assembly resolution, upon the Board proposal, determining its duties and responsibilities, working procedures, and members' remunerations and tenure.
- The Committee is formed from the shareholders or others, other than executive Board members, provided that the number of Committee members shall neither be less than three nor more than five including an independent Board member.
- The General Assembly, based on nomination by the Board, appoints the Audit Committee members according to the following selection rules:
 - The candidate shall have a record of expertise relevant to the Committee's duties and responsibilities.
 - The candidate shall have a good awareness and understanding of the Company's business activities and risks facing it.
 - The candidate shall have a university degree, knowledge of finance and accounting aspects, and the nature of the Company's business provided that some of the candidates shall be specialists in finance or accounting, such as holders of university degrees or professional certifications in accounting.
 - A person who is (or has been, during the past two years) a staff member of the Company's Executive Management or Finance Department or for the External Auditor shall not be a member of the Audit Committee.
 - The candidate shall not have been convicted of an act of dishonor or dishonesty, or the violation of the laws and regulations of the Kingdom of Saudi Arabia or any other country.

- The selection of the candidate shall not violate the relevant laws, regulations and instructions.
- Committee members elect a chairman, from among themselves, for the Committee term. In the absence of the Committee's Chairman, the present members appoint a chairman to chair the meeting.
- The Committee shall have a Secretary General appointed by the Board.
- A Committee member shall carry out his/her duties and responsibilities from the date of his/her appointment until one of the following cases takes effect:
 - Expiry of the Board's term.
 - Submitting his/her resignation, without prejudice to the Company's right to demand compensation if the resignation is tendered at an inappropriate time.
 - Member's mental illness or physical disability that prevents him/her from performing Committee duties.
 - Issuance of a court order declaring the member's bankruptcy or insolvency, or his/her request for a settlement with creditors.
 - Conviction of committing an act of dishonesty, dishonor, forgery, or violation of laws and regulations in the Kingdom of Saudi Arabia or any other country.
 - A resolution by the General Assembly to dismiss him/her from the Committee for any of the following reasons, is issued:
 - Breaching his/her duties and responsibilities to the extent that results in damage to the Company's interests.
 - His/her absence from three consecutive meetings within one year without a legitimate excuse.
 - Other reasons as may be determined by the General Assembly, without prejudice to the right of the dismissed member to claim compensation if the dismissal occurs for an unacceptable reason or at an inappropriate time.
 - Becoming, at any time, disqualified in terms of any of the rules of members' selection to the Audit Committee, which are stated in the law or this Charter.
- If the position of a Committee member becomes vacant due to one of the preceding or any other reasons during the Committee's term, the Board may temporarily appoint a member to

the vacant position, provided that the Committee's membership principles stated in this Charter are met, and that the appointment is submitted to the Ordinary General Assembly at its first meeting for approval. The new member completes the term of his/her predecessor.

- If the Ordinary General Assembly is unable to form the Committee at the beginning of the Board's term, the Board may form a Temporary Audit Committee, provided that its members shall meet the Committee's membership principles stated in this Charter, and shall perform their duties according to this Charter. The temporary Committee members shall be granted a remuneration calculated according to the General Assembly resolution that defines the annual remuneration of the Audit Committee members that preceded the formation of the Temporary Audit Committee. The Board shall invite the General Assembly meeting within a period no later than three months from the date of forming the Temporary Audit Committee, to form the Audit Committee.

Article (3): Committee Duties and Responsibilities

Pursuant to the provisions of Chapter 4 of the Companies Law and the provisions of the regulatory rules for audit committees stated in the Corporate Governance Regulation issued by the Capital Market Authority (CMA), the Committee duties and responsibilities shall be as follows:

A. Financial Reporting

- Reviewing the Company financial statements and its financial-performance announcements, and making necessary recommendations in their respect to the Board.
- Providing a technical opinion on whether the Board of Directors' report and the Company's financial statements have been prepared in accordance with regulatory requirements for preparing and presenting them.
- Examining unusual transactions in the financial statements, and making recommendations thereon, if necessary.
- Investigating the matters raised by the Company's CFO (or whoever assumes his/her role), the compliance officer or the External Auditor.
- Verifying the accounting estimates of significant items listed in the financial statements.
- Studying the financial and accounting policies adopted by the Company and making recommendations thereon to the Board.

B. Internal Control Systems

- Studying and reviewing the internal and financial control systems and risk management systems and ensuring their effectiveness through regular reports prepared by the Internal Audit Dept. or others on the adequacy and effectiveness of the internal and financial control systems and risk management systems; and following-up on the implementation of recommended corrective actions.
- Preparing a report to the Board that includes the Committee's opinion on the adequacy of the said systems, its recommendations to address main concerns, and any other recommendations for development of such systems; in addition to any other activities falling within its jurisdiction, which have been accomplished.

C. Internal Audit

- Supervising and monitoring the Internal Audit Dept.'s activities, and verifying its effectiveness in carrying out its duties and responsibilities.
- Examining the annual audit plan with the Internal Audit Dept. and approving it.
- Examining and reviewing the Internal Audit's regular reports and following up on the implementation of corrective actions pertaining to the issues indicated.
- Recommending the Board approval of the organizational structure and job descriptions of the Internal Audit Dept. and ensuring its independence within the organizational structure of the Company.
- Recommending to the Board the appointment or dismissal of the Head of Internal Audit, and evaluating his/her performance annually.

D. External Auditor

- Recommending to the Board the appointment or dismissal of External Auditors and determining their fees, after assessing their performance, independence, scope of work, and terms of engagement.
- Verifying the independence of the External Auditor and his/her efficiency in the light of the relevant regulations and standards.
- Reviewing the External Auditor's plan and work to verify the extent of his/her compliance with the relevant regulations and standards.

- Answering queries of the External Auditor and providing him/her with the support necessary to enable him/her to perform his/her duties.
- Examining the External Auditor's reports and his/her observations and notes on the financial statements; and following up on the actions taken in their respect.

E. Ensuring Compliance

- Studying the reports of regulatory bodies on Company's compliance with the regulatory requirements, and ensuring that necessary actions in their respect are taken.
- Ensuring that the Company complies with relevant laws, regulations, policies, and instructions.
- Reviewing proposed related party's contracts and transactions and providing opinion thereon to the Board.
- Reporting and recommending to the Board the actions to be taken in matters that the Committee deems necessary.

F. Whistleblowing

- Establishing appropriate procedures for Company's employees to report violations of the Company's internal control systems, including the systems relating to financial statement preparation, and ensuring that the whistleblower's rights are not prejudiced.
- Establishing appropriate procedures for pursuing and following-up on reported violations, and ensuring independence of such procedures.

Article (4): Committee Authorities

In order to perform its duties according to relevant laws and regulations, the Committee shall have the following authorities:

- Requesting access to Company records and documents.
- Requesting clarifications or statements from the Board or the Executive Management.
- Requesting the Board to invite the General Assembly if the Board hampers the Committee's work, or the Committee undergo serious damage or losses.
- Seeking, at the Company's expense and after the Board approval, assistance of a non-executive Board member (other than Audit Committee members), or otherwise any expert

or specialist, it deems suitable, in examining the subjects that fall within its duties and responsibilities.

Article (5): Committee Working Procedures

A. Authorities of the Committee Chairman and Secretary

- The Chairman duties include the following:
 - Chairing the Committee meetings and seeking to enhance their effectiveness.
 - Representing the Committee before the General Assembly and the Board.
 - Inviting the Committee meetings, and specifying the time, date, and venue of the meeting in coordination with Committee members.
 - Preparing meeting agenda, taking into consideration the topics that any Committee member wishes to include.
 - Ensuring that the topics presented to the Committee are accompanied by sufficient information to enable decision-making.
 - Ensuring that sufficient time is made available to discuss agenda items.
 - Encouraging Committee members to participate effectively; to study and discuss agenda items and express their views in a manner that contributes to achieving the Committee's objectives.
 - Ensuring the availability of complete and correct information to Committee members in a timely manner to enable them to perform their duties and responsibilities.
 - Preparing regular reports on the Committee's activities and putting forward recommendations and conclusions to the Board.
 - Following up the implementation of the resolutions issued by the Committee.
 - Arranging for the periodical Committee's performance evaluation.
- The Secretary General assumes the following duties:
 - Coordinating Committee meetings and proposing agenda items in coordination with the Committee Chairman.
 - Informing the Committee members of meeting dates and providing them with agenda items and necessary documents to enable them study the meeting items.

- Attending Committee meetings and preparing the minutes of meeting and keeping them in a special record.
- Maintaining documents, records and reports submitted to or issued by the Committee.
- Providing assistance and advice to the Committee on matters falling within its competencies.

B. Member's Duties and Responsibilities

- Complying with the provisions of the Companies Law and its Implementing Regulations, the Capital Market Law and its Implementing Regulations, other relevant laws and regulations, and the Company's By-Laws in exercising his/her duties. He shall refrain from undertaking or participating in any business that may harm the interests of the Company.
- Being aware of the Committee's duties and responsibilities and devoting sufficient time to exercise his/her role in performing them.
- Carrying out his/her duties free from any external influence, whether from inside or outside the Company, and not prioritizing his/her personal interests over those of the Company.
- Refraining from acceptance of gifts from any person having business dealings with the Company.
- Preparing himself/herself for and attending the meetings and not absenting himself/herself except for valid reasons, which shall be notified to the Committee Chairman in advance and be acceptable to the Committee.
- Participating effectively in the Committee meetings through his/her prior examination and discussion of agenda items.
- Seeking to enhance his/her knowledge of the relevant regulatory updates in the areas and subjects related to the Committee's duties and responsibilities.
- Seeking to enhance his/her knowledge of the recent developments in the areas related to the Company's activities, business, and other relevant areas.

C. Committee Meetings

- The Committee meets at least once every three months at the Committee Chairman's invitation. The Committee Chairman shall also convene a meeting in an exceptional case, such as when the meeting is requested by the Board, two Committee members, the External Auditor or the Internal Audit Head, or otherwise if the circumstances so require, provided that the reasons for the exceptional meeting are indicated.
- The Committee approves the dates and agenda of meetings of a fiscal year prior to its commencement. The meeting's invitation is issued at least 15 days in advance and is accompanied by the agenda and the documents and information necessary for discussing matters presented to the Committee and making decision on their respect.
- In exceptional cases, meeting invitations may be issued at least five days prior to the meeting date in accordance with the invitation procedures specified in this Charter.
- The Committee holds its meetings at Company headquarters; however, they may be held elsewhere, if necessary, subject to the Board approval.
- The quorum of the Committee's meeting requires a majority of its members. A member – in cases of necessity – may attend the meeting using one of the forms of communication subject to the Committee approval.
- The Committee meeting shall be attended by its members only. However, a member of the Board or Executive Management, who is not a Committee member, may only attend that Committee meeting upon invitation by the Committee to take his/her opinion or advice.
- The Committee regularly meets with the External Auditor and the Head of Internal Audit.
- Committee resolutions are made by a majority vote of the present members. When votes are equal, the Chairman's vote shall be casting.
- A Committee member is entitled to object to any Committee's resolution, provided that his objection is expressly stated in the meeting minutes together with the reasons for the objection. Absence from a meeting at which a resolution is made, does not preclude the member's liability for implementing the resolution unless it is proven that the member was unaware of the resolution or was unable to challenge it immediately after knowing of it.

D. Committee Meetings Documentation

- The Committee Secretary prepares the minutes of meeting, which must include:
 - The venue, date, and start and end time of the meeting.
 - Names of present and absent members in addition to the names of non-member attendees.
 - Committee deliberations and resolutions with setting out the results of votes and reasons for objections, if any.
 - Specifying the party to be responsible for implementing the resolutions and setting the implementation timeline and follow-up mechanism.
- The Committee Secretary sends the draft minutes of meeting to Committee members. Members must record their comments, if any, on the draft within a maximum of five working days from the date of dispatch.
- After incorporating the Committee members' comments in the draft minutes, and obtaining the meeting's Chairman approval thereon, the Committee Secretary resends the amended draft to the Committee members in preparation for its approval at the next Committee meeting.
- The meeting minutes, agenda and all accompanying documents must be maintained in a special record to be signed by the Chairman and Secretary.

E. Committee Actions Follow-up

- The Committee Chairman submits the Committee's recommendations and conclusions to the Board at the first Board meeting following the Committee meeting.

F. Committee Performance Evaluation

- The Committee shall review its performance on regular basis against such indicators as its effectiveness in carrying out its duties and responsibilities.

Article (6): Committee Report to Ordinary General Assembly

- The Audit Committee shall prepare a report to the General Assembly on its opinion on the adequacy of the Company's internal control systems, in addition to the other activities falling within the Committee's competencies.

Article (7): Confidentiality

- A Committee member must maintain confidentiality of the information and documents made available to him/her. He/ She may in no case - even if his/her membership is terminated - disclose them to any individual or entity unless he is so authorized by the Board; nor may he/she use any such information for his/her own personal benefit or that of his/her relatives or third parties. The Company has the right to demand compensation in case of violation of the provisions of this article. This obligation also applies to the Committee's Secretary.

Article (8): Conflict of Interest

- Members must avoid situations that lead to conflict of interest with the Company. A conflict of interest means that there is a direct or indirect interest to a member in any matter listed on the Committee agenda; and such an interest may (or is believed to) influence the independence of the member's opinion, which is presumed to reflect his/her professional views.
- If a member has a conflict of interest in relation to any matter on the Committee agenda, he/she must disclose such conflict before starting the discussion of the that matter, provided that it is stated in the minutes of the meeting. In such a case, the member must not attend nor participate in the discussion of the matter, nor vote thereon.
- Committee members may not have a direct or indirect interest in the contracts that are carried out for the Company's account nor engage in any business that may compete with the Company or competes in any branch of its business activity.
- If a Committee member fails to disclose his/her interest in contracts carried out for the Company's account, whether before or after he/she became a Committee member, the Company may claim, before the judicial authority, revocation of the contract with a compensation or an obligation upon the member to pay back any profit or benefit realized through such interest.
- If a Committee member fails to disclose his/her engagement in any business that may compete with the Company or compete in a branch of its business activity, the Company may claim, before the judicial authority, a proper compensation.
- Committee members must not – directly or indirectly – make use of, exploit, or benefit from any of the Company's assets, information, or investment opportunities that are under

consideration by the Company – even if the Company has decided not to proceed with such an opportunity. A member may not exploit such opportunity even after expiry of his/her membership term.

- If it is proven that a Committee member exploited an investment opportunity, the Company or any interested party may claim, before the judicial authority, revocation of any business, profit, or gain resulting from such an opportunity. The Company may also claim a proper compensation.

Article (9): Committee Members Remunerations

- Committee members are entitled to annual remunerations in accordance with the Remunerations Policy of the Board Members, Committees Members, and Executive Management approved by the General Assembly.
- The Board determines the remunerations and allowances to be paid to the Committee's Secretary.
- In the event of a resolution by the General Assembly to terminate the membership of a Committee member due to his/her absence from three consecutive meetings within one year without an excuse acceptable to the Board, the member is not entitled to any remunerations or compensations for the period following the last meeting he/she attended, and is required to return all the remunerations and compensations paid to him/her for that period.
- The Company has the right to claim compensation for damage to its reputation, and recover the remunerations and any other costs incurred to enable the member to perform his/her responsibilities if that member committed an act of dishonesty, breach of trust, forgery, or violation of laws and regulations of Saudi Arabia or any other country; or when he fails to carry out his/her responsibilities and duties to the extent that results in damage to the Company's interest.

Article (10): Charter Review

- This Charter is subject to regular review for enhancement and keeping it abreast with the relevant laws and regulations' updates, and at the discretion of the Board. No amendment may be made to this Charter except upon the recommendation of the Board and approval of the Ordinary General Assembly.

Article (11): Entry into Force

- This Charter is effective from the date of its approval by the Ordinary General Assembly.

Form (1)

Profile of SABIC Board Nominee

I. Personal Details				
Full name	KHALID HASHIM S ALDABBAGH			
Nationality	Saudi	Date of Birth	08/12/1961	
II: Academic Qualifications				
No.	Qualification	Major	Qualification Date	Academic Institution
1	B.S. Degree	Science in Industrial Engineering	1985	The University of Toledo
III. Expertise				
Period	Areas of Expertise			
2018 - now	Senior Vice President, Finance Strategy & Development, Saudi Aramco			
2018 – 2020	Board Member, PENERANG Petrochemical Company SDN. BHD.			
2018-2020	Board Member, PENERANG Refining Company SDN. BHD.			
2016-2018	Board Member, Sadara Chemical Company			
2016 -2017	Board Member, ARLANXEO Holding B.V .			
2012- 2018	Financial Controller, Saudi Aramco			
2010-2012	Treasurer, Saudi Aramco			
2008 - 2010	Manager, Business Analysis with Corporate Planning, Saudi Aramco			
2006 -2008	Director, Joint Venture Development, Saudi Aramco			
2003 -2006	President and Chief Executive Officer, Saudi Petroleum International Inc. (SPII)			



Form (1)
Profile of SABIC Board Nominee

IV. Current Memberships in Boards of other Joint Stock Companies (Listed or Non-Listed) or any other company regardless of its legal form or any board committees:

No.	Company Name	Core Business Activity	Role (Executive, Non-Executive, Independent)	Nature of Membership (In person, Representative of a Legal Person)	Committee Memberships	Company Legal Form
1	Saudi Aramco Development Company (SADCO)	Investment and project development	Non-Executive	nominated by Saudi Aramco	none	Public Limited Company
2	Wisayah Global Investment Company (WISAYAH)	Investment management services for retirement and benefit plans	Non-Executive	nominated by Saudi Aramco	Executive Committee	Limited Liability Company

Form (1)

Profile of SABIC Board Nominee

I. Personal Details						
Full name	ZIAD THAMER AL-MURSHED					
Nationality	Saudi	Date of Birth	30/07/1973			
II: Academic Qualifications						
No.	Qualification	Major	Qualification Date	Academic Institution		
1	B.S. Degree	Chemical Engineering	1996	Arizona State University		
2	Master's Degree	Master of Business Administration (MBA)	2016	Massachusetts Institute of Technology (MIT)		
III. Expertise						
Period		Areas of Expertise				
2021 - now		Vice President, Fuels & Lubricants, Saudi Aramco				
2019 – 2021		Vice President, International Operation, Saudi Aramco				
2018- 2021		Vice President , Downstream Growth and Integration, Saudi Aramco				
2018-2018		Executive Director, New Business Development, Saudi Aramco				
2016 -2018		General Manager, Transaction Development, Saudi Aramco				
2013 -2015		Director, Strategic Planning, Saudi Aramco				
2012- 2013		Director, Economic and Energy Analysis, Saudi Aramco				
2010-2012		Manager, Yanbu NGL Fractionation Department, Saudi Aramco				
IV. Current Memberships in Boards of other Joint Stock Companies (Listed or Non-Listed) or any other company regardless of its legal form or any board committees:						
No.	Company Name	Core Business Activity	Role (Executive, Non-Executive, Independent)	Nature of Membership (In person, Representative of a Legal Person)	Committee Memberships	Company Legal Form
1	Aramco Chemicals Company (ACC)	Petrochemical manufacture and sales	Non-Executive	Nominated by Saudi Aramco	None	Limited Liability Company

Form (1)

Profile of SABIC Board Nominee

2	Aramco Services Company	Provide business services to affiliates and oversee U.S.-based holdings in refining and petrochemicals industries	Non-executive	Nominated by Saudi Aramco	None	Private Stock Corporation
3	ARLANXEO Holding B.V	Synthetic rubber manufacture and sales	Non-executive	Nominated by Saudi Aramco	HSSEQ Committee Talent & Compensation Committee	Private Limited Liability Company
4	Motiva Enterprises LLC	Refining and distribution	Non-executive	Nominated by Saudi Aramco	Executive Committee; Project Oversight Committee; Talent and Compensation Committee	Limited Liability Company
5	Saudi Refining, Inc	Refining and marketing	Non-executive	Nominated by Saudi Aramco	None	Private Stock Corporation
6	S-Oil Corporation	Refining and petrochemical	Non-executive	Nominated by Saudi Aramco	None	Public Traded Corporation
7	Saudi Authority for Industrial Cities and Technology Zone (MODON)	Develop industrial cities and technology zone	A representative of the private sector in a governmental body	A representative of the private sector in a governmental body	None	Government Agency
8	Saudi Aramco Asia Company Ltd	Provide business services and oversee	Non-executive	Nominated by Saudi Aramco	None	Limited Liability Company

Form (1)

Profile of SABIC Board Nominee

I. Personal Details						
Full name	OLIVIER GERARD THOREL					
Nationality	France	Date of Birth	11/01/1966			
II: Academic Qualifications						
No.	Qualification	Major	Qualification Date	Academic Institution		
1	Diplome d'Ingenieur (Master equivalent)	Science and economics	1988	Ecole Polytechnique		
III. Expertise						
Period	Areas of Expertise					
2020- now	Vice President ,Chemicals-,Saudi Aramco					
2018- 2020	Executive Director, Chemicals, Saudi Aramco					
2017-2017	Vice President, Chemicals Asia, Ventures and New Business Development, Royal Dutch Shell PLC ("Shell")					
2013-2016	Vice President, Global Intermediates Shell- Singapore					
2011-2013	Vice President, Supply, Distribution, and Shell Pipelines ,Shell- North America					
IV. Current Memberships in Boards of other Joint Stock Companies (Listed or Non-Listed) or any other company regardless of its legal form or any board committees:						
No.	Company Name	Core Business Activity	Role (Executive, Non-Executive, Independent)	Nature of Membership (In person, Representative of a Legal Person)	Committee Memberships	Company Legal Form
1	Aramco Chemicals Company (ACC)	Petrochemical sales	Non-Executive	nominated by Saudi Aramco	None	Limited Liability Company
2	Aramco Performance Materials LLC	Petrochemical manufacture and sales	Non- executive	nominated by Saudi Aramco	None	Limited Liability Company



Form (1)

Profile of SABIC Board Nominee

3	Saudi Aramco Energy Ventures LLC	Investment in technology companies	Non- executive	nominated by Saudi Aramco	None	Limited Liability Company
4	Saudi Aramco Technologies	Research and development	Non- executive	nominated by Saudi Aramco	None	Limited Liability Company

Form (1)

Profile of SABIC Board Nominee

I. Personal Details

Full name	SALAH MOHAMMAD AL HAREKY		
Nationality	Saudi	Date of Birth	28/11/1966

II: Academic Qualifications

No.	Qualification	Major	Qualification Date	Academic Institution
1	B.S. degree	Accounting	1989	KFU
2	Master's degree	Business Administration (MBA)	2004	KFUPM

III. Expertise

Period	Areas of Expertise
2018- now	Financial Controller,Saudi Aramco
2016- 2018	Treasurer,Saudi Aramco
2015- 2016	Assistant Treasurer,Saudi Aramco
2013 - 2015	Managing Director,Saudi Petroleum Overseas Ltd (SPOL) - London
2011- 2013	Manager, Treasury Advisory Department, Saudi Aramco
2009- 2010	Manager,Treasury Services Department, Saudi Aramco

IV. Current Memberships in Boards of other Joint Stock Companies (Listed or Non-Listed) or any other company regardless of its legal form or any board committees:

No.	Company Name	Core Business Activity	Role (Executive, Non-Executive, Independent)	Nature of Membership (In person, Representative of a Legal Person)	Committee Memberships	Company Legal Form
1	Aramco Trading Company	Importing/exporting refined products	Non- executive	nominated by Saudi Aramco	Audit Committee	Limited Liability Company
2	Saudi Aramco Development Company	Investment and project development	Non- executive	nominated by Saudi Aramco	none	Public Limited Company

Form (1)

Profile of SABIC Board Nominee

3	Saudi Aramco Sukuk Company	Financing, issue sukuk	Non- executive	nominated by Saudi Aramco	Audit Committee	Closed Joint Stock Company
4	Wisayah Global Investment Company	Investment management services for retirement and benefit plans	Non- executive	nominated by Saudi Aramco	None	Limited Liability Company
5	S-Oil Corporation	Refining and petrochemical	Non- executive	Nominated by Saudi Aramco	None	Public Traded Corporation