

Agenda of the Extraordinary General Meeting (First Meeting)

SABIC HQ, RIYADH - Wednesday Evening at 7:30 PM, 10 June 2020 Corresponding to 18 Shawwal 1441H

- 1- Voting to amend article (2) of SABIC Bylaws, which is related to (Head Office). (Attached)
 - 2- Voting to amend article (3) of SABIC Bylaws, which is related to (Objectives). (Attached)
 - 3- Voting to amend article (4) of SABIC Bylaws, which is related to (Ownership, Participation and Merger). (Attached)
 - 4- Voting to delete article (8) of SABIC Bylaws, which is related to (Ownership of Shares). (Attached)
 - 5- Voting to amend article (12) of SABIC Bylaws, which is related to (Privileged Shares). (Attached)
 - 6- Voting to amend article (13) of SABIC Bylaws, which is related to (Increase of Capital). (Attached)
 - 7- Voting to amend article (14) of SABIC Bylaws, which is related to (Reduction of Capital). (Attached)
 - 8- Voting to amend article (15) of SABIC Bylaws, which is related to (Formation of the Board of Directors). (Attached)
 - 9- Voting to amend article (16) of SABIC Bylaws, which is related to (Meetings of the Board). (Attached)
 - 10- Voting to amend article (17) of SABIC Bylaws, which is related to (Board Resolutions and Deliberations). (Attached)
 - 11- Voting to amend article (18) of SABIC Bylaws, which is related to (Authority and Jurisdiction of the Board). (Attached)
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- 12- Voting to amend article (19) of SABIC Bylaws, which is related to (Authority of Board Chairman). (Attached)
 - 13- Voting to amend article (20) of SABIC Bylaws, which is related to (Vacancy of Board Membership). (Attached)
 - 14- Voting to delete article (22) of SABIC Bylaws, which is related to (Remuneration of CEO). (Attached)
 - 15- Voting to amend article (23) of SABIC Bylaws, which is related to (Authority for signing on behalf of the Corporation). (Attached)
 - 16- Voting to delete article (24) of SABIC Bylaws, which is related to (Executive Vice Presidents). (Attached)
 - 17- Voting to amend article (26) of SABIC Bylaws, which is related to (Attending General Meetings). (Attached)
 - 18- Voting to amend article (28) of SABIC Bylaws, which is related to (The General Meeting). (Attached)
 - 19- Voting to amend article (29) of SABIC Bylaws, which is related to (Call for General Meetings). (Attached)
 - 20- Voting to amend article (33) of SABIC Bylaws, which is related to (Quorum of Ordinary General Meeting). (Attached)
 - 21- Voting to amend article (34) of SABIC Bylaws, which is related to (Jurisdictions of Extraordinary General Meeting). (Attached)
 - 22- Voting to amend article (35) of SABIC Bylaws, which is related to (Quorum of the Extraordinary General Meeting). (Attached)
 - 23- Voting to amend article (36) of SABIC Bylaws, which is related to (Resolutions of General Meetings). (Attached)
 - 24- Voting to amend article (37) of SABIC Bylaws, which is related to (Appointing the Auditor/Comptroller). (Attached)
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- 25- Voting to amend article (38) of SABIC Bylaws, which is related to (Authority and Responsibility of the Auditor). (Attached)
- 26- Voting to amend article (40) of SABIC Bylaws, which is related to (Financial Documents). (Attached)
- 27- Voting to amend article (41) of SABIC Bylaws, which is related to (Dividend Distribution). (Attached)
- 28- Voting to amend article (43) of SABIC Bylaws, which is related to (Debt Tools, Finance Bonds and SUKUK). (Attached)
- 29- Voting to amend article (46) of SABIC Bylaws, which is related to (Closing Provisions). (Attached)
- 30- Voting on rearranging and numbering the articles of the SABIC Bylaws in order to be correspond with the proposed amendments in the above items (5,6,7,8,9,10,11,12,13,15,17,18,19,20,21,22,23,24,25,26,27,28,29). (Attached)
- 31- Voting to add an article no. (34) to the SABIC Bylaws, which is related to (Formation of the Audit Committee). (Attached)
- 32- Voting to add an article no. (35) to the SABIC Bylaws, which is related to (Quorum of the Audit Committee Meeting). (Attached)
- 33- Voting to add an article no. (36) to the SABIC Bylaws, which is related to (Authorities of the Audit Committee). (Attached)
- 34- Voting to add an article no. (37) to the SABIC Bylaws, which is related to (Audit Committee Reports). (Attached)
- 35- Voting to amend Remuneration Policy of Board Members, Committee Members and Executive Committee. (Attached)
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Proposed Amendments to SABIC Bylaws

Current Article	Proposed Amendment
<p><u>Article 2:</u></p> <p>The Head Office of the Corporation shall be in the city of Riyadh, Kingdom of Saudi Arabia. The Corporation may, if necessary, incorporate branches inside and outside the Kingdom by virtue of a resolution from the Board of Directors.</p>	<p><u>Article 2:</u></p> <p>The Head Office of the Corporation shall be in the city of Riyadh, Kingdom of Saudi Arabia. The Corporation may establish branches inside and outside the Kingdom by virtue of a resolution from the Board of Directors.</p>
<p><u>Article 3 (g):</u></p> <p>Management of affiliates or participation in the management of other companies in which the Corporation is a shareholder and provision of the necessary support for them.</p>	<p><u>Article 3 (g):</u></p> <p>Management of affiliates or participation in the management of other companies and provision of the necessary support for them.</p>
<p><u>Article 4:</u></p> <p>The Corporation may incorporate other companies, or may have an interest or may participate in any manner with other Saudi or foreign companies, organizations, entities or establishments conducting activities similar to those practiced by the Corporation, or conducting businesses that may assist in realizing its objectives. Moreover, the Corporation may own shares and stocks in other existing companies, or merge with them, and shall have the right to participate with others in forming companies after satisfaction of the</p>	<p><u>Article 4:</u></p> <p>The Corporation may incorporate other companies, or may have an interest or may participate in any manner, alone or with other Saudi or foreign companies, organizations, entities or establishments. Moreover, the Corporation may own shares and stocks in other existing companies, or merge with them, and shall have the right to, alone or with others, form with others in forming companies after satisfaction of the requirements of the laws, regulations and instructions applicable in this respect. The</p>

Current Article	Proposed Amendment
requirements of the laws, regulations and instructions applicable in this respect. The Corporation may further dispose of such shares or stocks provided that disposition thereof should not include brokerage in the said shares or stocks.	Corporation may further dispose of such shares or stocks provided that disposition thereof should not include brokerage in the said shares or stocks.
<p><u>Article 8:</u></p> <p>The Government -represented by the Public Investment Fund (PIF) -shall retain ownership of at least twenty-five percent (25%) of the shares of the Corporation throughout the whole duration of the Corporation. A portion of these retained shares may be sold by virtue of Cabinet decree (decision of the Council of Ministers) by the normal procedure followed in the public offering of the shares of joint stock companies for general subscription according to the relevant laws. Any single person shall not be entitled to own more than the ratio of one of one percent (1%) of the Corporation's capital, except for Saudi public corporations / organizations.</p>	<p><u>Deleted</u></p>
<p><u>Article 12:</u></p> <p>Pursuant to a resolution of the Extraordinary General Meeting, the Corporation may issue privileged/preference or ordinary shares and may buy, sell, pledge/mortgage and convert its ordinary or preference shares according to the criteria set forth by the concerned party.</p>	<p><u>Article 11:</u></p> <p>Pursuant to a resolution of the Extraordinary General Assembly, the Corporation may issue preferred or ordinary shares and may buy, sell, pledge/mortgage and convert its ordinary or preferred shares according to the relevant laws and regulations.</p>
<p><u>Article 13 (c):</u></p> <p>With due regard to Article 8 above, the shareholders shall have priority in subscribing to the new shares in cash according to the provisions of the Law of Companies and the law of the Capital Market Authority (CMA). Shareholders shall be informed of such priority by publication in a daily</p>	<p><u>Article 12 (c):</u></p> <p>The shareholders shall have pre-emptive rights to subscribe to the new cash shares according to the provisions of the Companies Law and the Capital Market Law. Such shareholders shall be informed of their pre-emptive right through a publication in a daily newspaper or by the posting</p>

Current Article	Proposed Amendment
<p>newspaper or by posting on CMA website or the Corporation's website of the resolution to increase the capital and the terms of subscription. Shareholders must show their desire to subscribe within fifteen (15) days from the above date of publication.</p>	<p>on the CMA's website or the Corporation's website of the resolution to increase the capital and the subscription period, and such shareholders must demonstrate their intention to subscribe for the new cash shares within fifteen (15) days from the date of publication. The Extraordinary General Assembly shall have the right to suspend the shareholders' pre-emptive rights to subscribe for new cash shares or give priority to a shareholder or others in such cases as it deems appropriate for the benefit of the Corporation.</p>
<p><u>Article 14:</u></p> <p>Subject to Article (8) of these By-laws, the Capital may be reduced by resolution of the Extraordinary General Meeting based on recommendation from the Board of Directors should the Capital be in excess of the needs of the Corporation or if the Corporation incurs losses. Such resolution shall specify the extent and method of reduction.</p>	<p><u>Article 13:</u></p> <p>The Capital may be reduced by resolution of the Extraordinary General Assembly based on recommendation from the Board of Directors. Such resolution shall specify the extent and method of reduction.</p>
<p><u>Article 15:</u></p> <p>The Corporation shall be managed by a Board of Directors of nine (9) members with the expertise required for managing the business of the Corporation. Five (5) members nominated by the Public Investment Fund (PIF) shall represent the Government share and shall include both the Chairman of the Board of Directors and the Vice Chairman who shall also be the Chief Executive Officer (CEO). The Vice Chairman of the Board of Directors and CEO shall work on a full-time basis and shall act in lieu of the Board Chairman in case of his absence. The Board members shall be elected by the Ordinary General Meeting for a renewable term not exceeding three (3) years. Moreover, the Ordinary General Meeting shall specify the</p>	<p><u>Article 14:</u></p> <p>The Corporation shall be managed by a board of directors (the "Board of Directors"), composed of nine (9) members (each a "Director"), each of whom shall serve for a term not exceeding three (3) years, which could be renewed. The Board of Directors shall also elect a Chairman and a Vice Chairman from among its members.</p> <p>The remuneration of the Chairman and each other member of the Board of Directors shall be set by the Board of Directors as it deems appropriate, without exceeding one million eight hundred thousand Saudi Riyals (SAR 1,800,000) for each member per year. In the event that the</p>

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<p>remunerations and allowances of the members of the Board of Directors in compliance with the Law of Companies and the rules and instructions issued by the competent authority; whether such remuneration consists of a specified salary, an attendance allowance for the meetings, or a percentage of profits. The remuneration may also consist of a combination of two or more of these benefits. The annual report of the Board of Directors shall include an illustration of the remunerations and allowances paid to the Board members.</p>	<p>remuneration exceeded such amount, the matter shall be submitted to the General Assembly for a resolution. The remuneration may consist of a specified salary, an attendance allowance for the meetings, or a percentage of profits. The Board of Directors' report shall contain a comprehensive statement of all remuneration, attendance allowances, expenses and other benefits received by Board members during the fiscal year in accordance with applicable law and regulations. Such report shall also include a statement of the earnings of the Board members in their capacities as employees or managers of the Corporation and their earnings for any technical, administrative or advisory work provided for the Corporation. The report shall also include a statement of the number of meetings of the Board of Directors and the number of meetings attended by each member from the date of the last meeting of the Ordinary General Assembly.</p>
<p><u>Article 16:</u></p> <p>The Board of Directors shall meet at the Head Office at the invitation of its Chairman at least twice a year. The Chairman must call for a meeting whenever requested to do so by two (2) Board Members. The Board may convene in a place other than Corporation's Head Office, if necessity arises. The meeting of the Board shall not be valid unless it is attended by at least five (5) members, three (3) of whom shall be the representatives of the Government.</p>	<p><u>Article 15:</u></p> <p>The Board of Directors shall meet at the headquarters at the invitation of its Chairman at least twice a year, or at any other venue as determined by the Chairman or the Board of Directors. The Chairman must call for a meeting whenever requested to do so by two (2) Directors. The meeting of the Board shall not be valid unless it is attended by at least five (5) members in person or by proxy. A Director may designate another Director to attend a meeting on his/her behalf by proxy. A Director may attend the meeting via any electronic means that allows the Director to actively and instantaneously participate in the Board meeting, and to listen to and follow presentations, present opinions and discuss and vote on resolutions in accordance with the guidelines set by the Board.</p>

Current Article	Proposed Amendment
<p><u>Article 17:</u></p> <p>Resolutions of the Board shall be adopted by majority votes of the members present. In case of a tie, the Chairman's vote shall be the casting vote. Deliberations and resolutions of the Board shall be recorded in minutes to be signed by the Chairman, the present Board members and the Secretary of the Board and shall be kept in a special register to be cosigned by the Chairman and Secretary of the Board. Moreover, the Board of Directors may adopt resolutions by way of passing to the members severally unless a member requests the Board to convene for deliberations on them. Such resolutions shall be presented to the Board of Directors in its next meeting.</p>	<p><u>Article 16:</u></p> <p>Resolutions of the Board shall be adopted by majority votes of the Directors present. In case of a tie, the side on which the Chairman's vote was cast shall prevail. Deliberations and resolutions of the Board shall be recorded in minutes to be signed by the Chairman, the present Directors and the Secretary of the Board and shall be kept in a special register signed by both the Chairman and Secretary of the Board. Moreover, the Board of Directors may adopt resolutions by written consent by way of circulation without holding a meeting unless a member requests the Board to convene for deliberation. Such resolutions shall be valid if signed by a majority of the Directors, and shall be presented to the Board of Directors in its next meeting.</p>
<p><u>Article 18:</u></p> <p>(A) Subject to the authorities vested in the General Meeting, the Board of Directors shall have the broadest authority to manage the business and affairs of the Corporation and undertake all acts and deeds achieving the objectives of the Corporation, including, inter alia, disposing of the Corporation's assets, properties and real estate. The Board shall have the right to purchase, accept the purchase, pay the price, mortgage, redeem, sell, transfer ownership, receive the price, deliver the sold item, give donations, grant gifts and accept the same. In the resolutions on acts of the Corporation's assets, properties and real estates, the following shall be observed:</p> <ol style="list-style-type: none"> 1. The Board of Directors shall specify reasons and justifications for the sale in the sale resolution. 2. The Sale must be approximate to the equivalent price. 3. The Sale must be prompt, except in necessity cases, wherein sufficient warranties must be submitted. 	<p><u>Article 17:</u></p> <p>Subject to the authorities granted to the General Assemblies, the Board of Directors shall have the broadest powers to manage the Corporation, and shall in particular, and without limitation, have the power to:</p> <ol style="list-style-type: none"> a. appoint and remove the chief executive officer of the Corporation and executive vice presidents; b. establish the duties and set the remuneration of the chief executive officer and executive vice presidents; c. approve the Corporation's internal policies and systems such as the system of internal controls and procurement policies; d. approve or authorize the Corporation's officers or any other person to sign, on behalf of the Corporation on any agreement, deed or any other document, including but not limited to, those relating to the disposal of the Corporation's assets, properties, developed or not developed real estates, funds, shares and stocks in other entities and other movable or immovable assets. Such disposal includes, among other things, transfer of the lands and buildings, sale, purchase,

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<p>4. Such acts must not be followed by stopping some Corporation business activities, or burdening the Corporation with further obligations.</p> <p>The Board of Directors may also conclude contracts of loans of whatsoever terms/periods with financing funds and institutions. The Board of Directors may conclude loan contracts with the Commercial Financial Institutions, provided that such loans' terms shall not exceed the end of the Corporation's duration. As for loans with terms exceeding three years, the following conditions should be observed:</p> <ol style="list-style-type: none"> 1. Within the fiscal year, the Board of Directors may contract loans provided that their total value shall not exceed the corporate capital. 2. The Board of Director shall specify in its resolution the aspects of using the loan, and method of repayment thereof. 3. The terms and conditions of loan and the pertinent guarantees must hold harmless the Corporation and its shareholders. <p>The Board of Directors shall have the right to grant appropriate loans and financial facilities to the Corporation's affiliates in which the Corporation owns stocks or shares. The Board of Directors shall have the right to guarantee the loans of such affiliates.</p> <p>The Board of Directors may delegate, within the limits of its jurisdiction, one or more of its members or third party to take specific actions or procedures.</p> <p>(B) The Board of Directors may, at its own discretion, discharge the debt of Corporation's debtors in accordance with the Corporation's interests, provided that the minutes and grounds of the resolution of the Board of Directors shall observe the following:</p> <ol style="list-style-type: none"> 1. Discharge / acquittal shall be after the lapse of at least one complete 	<p>investment, mortgage, release of mortgage, mark title deeds with indication of merging, parceling out, grant, payment or collection of price, transfer, and to sign before notary publics or any other government bodies;</p> <ol style="list-style-type: none"> e. approve the acquisition or disposition by the Corporation of its ownership of or interest in, companies, organizations, institutes, joint ventures, or other entities; f. approve the establishment of subsidiaries, branches, offices, agencies or any other type of entities or participations, and approve, carry out any act relating to the Corporation's participation in these entities including to approve the articles of association and any amendment thereto, approve partners resolutions, appoint managers, members to board of directors of such companies and the representatives of the Corporation in assemblies of partners or shareholders, attend and vote, on behalf of the company, in shareholders or partners' meetings, including constituent, ordinary and extraordinary assemblies, adopt and vote on all decisions and any other related acts; g. take any act deemed appropriate to promote the interests of companies it owns and direct and indirect subsidiaries (whether wholly or partially owned), including but not limited to making equity investments, providing loans and credit facilities, and transferring assets of the Corporation to any such companies and guaranteeing such companies, and open, operate and close bank accounts of any type and in any country, and perform all transactions for these accounts including withdrawing, depositing and transferring funds, collecting and disbursing funds of the Corporation and claiming its dues; h. guarantee or provide security for the principal and interest of any sukuk, bonds, or other indebtedness issued by the Corporation, or obligations incurred by the Corporation, or any entity that is a subsidiary of the Corporation or in which the Corporation has a stake

Current Article	Proposed Amendment
<p>calendar year following the maturity of debt.</p> <p>2. Discharge of debt shall be for a ceiling amount specified for each year, for each debtor.</p> <p>Discharge of debt is an exclusive right of the Board of Directors and may not be delegated except in cases pertaining to the Corporation's debtors who are its employees or the like.</p>	<p>in or where such guarantee or security is otherwise in furtherance of the interests of the Corporation;</p> <ul style="list-style-type: none"> i. contract for loans and finance leases, grant mortgages, issue sukuk, bonds, trust certificates or other debentures, and enter into any other financing instruments by the Corporation, whatsoever their terms; j. purchase and sale of and mortgage over and invest in the Corporation's movable and immovable assets, terminate mortgages, and receive their value, and transfer the Corporation's title deeds; k. obtain loans and other credit facilities on behalf of the Corporation, whatsoever their terms, including loans from governmental financing funds, affiliates, export credit agencies, commercial banks, financing and credit companies or any other financing entity; l. approve the financial position, financial statements and annual budget of the Corporation; m. approve the Corporation's business plans, and its programs for capital and other investments; n. present any matter for approval by the General Assemblies; and o. practice any of the Board of Directors powers inside or outside the Kingdom. <p>The Board of Directors may also delegate its authorities, in full or in part, as it deems appropriate, to any person(s) or Board of Directors' committee subject to any restrictions set forth in applicable laws or regulations.</p>

Current Article	Proposed Amendment
<p><u>Article 19:</u></p> <p>The Chairman of the Board of Directors, or any representative approved by the Board, may appear before courts of law and arbitration panels on behalf of the Corporation. The Board shall specify the authorities and jurisdictions not covered by these By-laws.</p> <p>The Chairman of the Board of Directors may authorize one or more persons to take specific actions or procedures or carry out specific works.</p>	<p><u>Article 18:</u></p> <p>a. The Chairman of the Board of Directors, or his or her delegate(s), shall have the authority to represent the Corporation before any entity or person, including but not limited to, courts of law, arbitration panels, judicial bodies, ministries, other governmental entities, and any other private or public entity or person and take any action necessary in relation to such representation.</p> <p>b. Furthermore, the Board of Directors shall specify the authorities and jurisdictions of the Chairman not covered by these Bylaws.</p> <p>c. The Chairman of the Board of Directors may authorize one or more persons to take specific actions or procedures or carry out specific works.</p>
<p><u>Article 20:</u></p> <p>If the office of any Board Member not representing the Government becomes vacant, the Board of Directors may appoint a temporary member to fill the vacancy regardless of the number of votes attained, provided that such temporary appointment shall be laid before the first Ordinary General Meeting. If the office of any Board member who represents the government becomes vacant, the Board may appoint a temporary member to fill the vacancy based on a nomination by the Public Investment Fund (PIF), provided that such temporary appointment shall be laid before the first Ordinary General Meeting. In both cases, the Ministry of Commerce and Investment and the Capital Market Authority (CMA) shall be notified with such appointment within five (5) business days from the date of appointment. The new member shall complete the unexpired term of his predecessor. If the number of Board Members falls below three (3), the</p>	<p><u>Article 19:</u></p> <p>If the office of any Director becomes vacant, the Board of Directors may appoint a temporary member to fill the vacancy regardless of the order of votes attained, provided that such temporary appointment shall be laid before the first Ordinary General Assembly to convene after such appointment. The Ministry of Commerce and Investment and the CMA shall be notified of such appointment within five (5) business days from the date of appointment. The new member shall complete the unexpired term of his predecessor. If the number of Directors falls below three (3), the Ordinary General Assembly must be convened within sixty (60) days to elect the required number of members.</p>

Current Article	Proposed Amendment
<p>Ordinary General Meeting must be convened within sixty (60) days to elect the required number of members.</p>	
<p><u>Article 22:</u></p> <p>The Board of Directors shall specify the Chief Executive Officer's remunerations, salaries or other material/in-kind benefits, in addition to the remuneration prescribed for the Members of the Board.</p>	<p><u>Deleted</u></p>
<p><u>Article 23:</u></p> <p>The Chairman of the Board of Directors, or any representative approved by the Board, shall have the right to sign on behalf of the Corporation. The Chief Executive Officer, or his representative approved by the Board Chairman shall have the right to sign on behalf of the Corporation within the scope of the Chief Executive Officer's prescribed powers and authorities.</p>	<p><u>Article 21:</u></p> <p>The Chairman of the Board of Directors, or his representative who must be approved as such by the Board, shall have the right to sign on behalf of the Corporation.</p>
<p><u>Article 24:</u></p> <p>The Board of Directors may appoint one or more Executive Vice Presidents working under the supervision of the Chief Executive officer and the Board of Directors. The Executive Vice President may be authorized to sign on behalf of the Corporation.</p>	<p><u>Deleted</u></p>

Current Article	Proposed Amendment
<p><u>Article 26:</u></p> <p>Every shareholder shall have the right to attend the General Meeting in person, or via a written proxy given to another shareholder or another person who is not himself a member of the Board of Directors or an employee at the Corporation. The juristic personalities, including the Public Investment Fund, shall designate their respective representatives in the Shareholders' General Meetings.</p>	<p><u>Article 23:</u></p> <p>Shareholders intending to attend the meeting shall register their names prior to the date of the meeting. A statement shall be prepared showing the names and residence addresses of shareholders and the proxies intending to attend the meeting, the number of shares held by each of them, in person or by proxy, and the number of votes assigned to these shares.</p>
<p><u>Article 28:</u></p> <p>The General Meeting shall be held at the Corporation's headquarters, and shall be convened at least once a year within the next six months following the end of the Corporation's fiscal year. The Board of Directors may call other Ordinary General Meetings whenever it deems necessary. The Board of Directors shall call a General Meeting when so requested by the Auditor / Comptroller or by a number of shareholders representing at least five percent (5%) of the capital. If one month elapses after the date fixed for holding the Meeting without calling the said Meeting, the Concerned Party shall have the right to call the Meeting upon request by a number of shareholders representing at least two percent (2%) of the capital if the cases stipulated for in the Law of Companies are met.</p>	<p><u>Article 25:</u></p> <p>The General Assembly shall be held in the city in which the Corporation's headquarters are located or any other venue the Board of Directors deems appropriate, and shall be convened at least once a year within the first six months following the end of the Corporation's fiscal year. The Board of Directors may call other Ordinary General Assemblies whenever it deems necessary. The Board of Directors shall call a General Assembly when so requested by the Auditor or by a number of shareholders representing at least five percent (5%) of the capital. If one month elapses after the date fixed for holding the meeting without calling the said meeting, the concerned party shall have the right to call the meeting upon request by a number of shareholders representing at least two percent (2%) of the capital if any of the cases stipulated for in the Companies Law or relevant regulations applies.</p>
<p><u>Article 29:</u></p> <p>The invitation for the General Meeting, venue, and agenda shall be published at least ten (10) days ahead of the date fixed for convening the Meeting. The invitation shall be posted on the CMA website, the Corporation's website and shall also be published in a daily newspaper</p>	<p><u>Article 26:</u></p> <p>The invitation for the General Assembly, venue, and agenda shall be published at least twenty one (21) days ahead of the date fixed for convening the meeting. The invitation shall be posted on the CMA's website, the Corporation's website or in a daily newspaper widely</p>

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<p>widely circulated in Saudi Arabia. The invitation shall include the date, time, venue and agenda of the General Meeting in addition to the items requiring approval by Shareholders. A copy of the invitation and the agenda shall be sent to the Ministry of Commerce and Investment and the CMA during the period fixed for publication.</p>	<p>circulated in the Kingdom. The invitation shall include the date, time, venue and agenda of the General Assembly in addition to the items requiring approval by shareholders. A copy of the invitation and the agenda shall be sent to the Ministry of Commerce and Investment and the CMA during the period fixed for publication.</p>
<p><u>Article 33:</u></p> <p>The Ordinary General Meeting shall not be valid unless attended by shareholders representing at least fifty percent (50%) of the capital. If such quorum requirement is not met at the first meeting, a second meeting shall be called to be held within the next thirty (30) days following the date of previous meeting. The second meeting shall be valid regardless of the number of shares represented thereat. Resolutions shall be passed by majority votes, and in case of a tie, the Chairman's vote shall carry (shall be the casting vote). The General Meeting may not deliberate on subjects other than those on its agenda, unless an unexpected matter arises after calling the Meeting and before or during its session.</p>	<p><u>Article 30:</u></p> <p>The Ordinary General Assembly shall not be valid unless attended by shareholders representing at least fifty percent (50%) of the capital. If such quorum requirement is not met at the first meeting, a second meeting shall be called to be held within the next thirty (30) days following the date of the previous meeting, or it can be held one (1) hour after the end of the period specified for the first meeting provided the first meeting's invite contains the possibility of such adjourned meeting. The second meeting shall be valid regardless of the number of shares represented thereat.</p> <p>The General Assembly may not deliberate on subjects other than those on its agenda, unless an unexpected matter arises after calling the meeting and before or during its session.</p>
<p><u>Article 34:</u></p> <p>The Extraordinary General Meeting shall be empowered with amending the provisions of these By-laws - except for the provisions which cannot be amended by virtue of law. The Extraordinary General Meeting may pass resolutions falling under the jurisdiction of the Ordinary General Meeting on the same conditions and in the same situations prescribed for the latter.</p>	<p><u>Article 31:</u></p> <p>The Extraordinary General Assembly shall have the authority to amend the provisions of these Bylaws, except for the provisions which cannot be amended by virtue of law. The Extraordinary General Assembly may pass resolutions falling under the jurisdiction of the Ordinary General</p>

Current Article	Proposed Amendment
	Assembly on the same conditions and in the same situations prescribed for the latter.
<p><u>Article 35:</u></p> <p>The Extraordinary General Meeting shall be valid only if attended by shareholders representing at least sixty percent (60%) of the capital. If such quorum is not met at the first Meeting, a second Meeting shall be called to be held within the following thirty (30) days and shall be valid if attended by shareholders representing at least forty percent (40%) of the capital.. If the quorum is not met in the second meeting, a third meeting shall be called on the same conditions stipulated for in this Article and the third meeting shall be valid regardless of the number of shares represented thereat after the approval of the concerned party.</p>	<p><u>Article 32:</u></p> <p>The Extraordinary General Assembly shall be valid only if attended by shareholders representing at least fifty percent (50%) of the capital. If such quorum is not met at the first meeting, a second meeting shall be called on the same conditions stipulated for in Article (26) of these Bylaws, or it can be held one (1) hour after the end of the period specified for the first meeting provided the first meeting's invite contains the possibility of such adjourned meeting, and shall be valid if attended by shareholders representing at least twenty-five (25%) of the capital. If the quorum is not met in the second meeting, a third meeting shall be called on the same conditions stipulated for in Article (26) of these Bylaws and the third meeting shall be valid regardless of the number of shares represented thereat after the approval of the competent authority.</p>
<p><u>Article 36:</u></p> <p>The Ordinary General Meeting passes its resolutions by absolute majority of the shares represented thereat, and in case of a tie, the Chairman's vote shall carry (shall be the casting vote). Meanwhile, the resolutions of the Extraordinary General Meeting shall be passed by the two-thirds (2/3) majority of the shares represented at the Meeting. In case the resolution is related to increasing or decreasing the capital or extending or shortening the term/duration of the Corporation, it shall not be valid unless passed by three-fourths (3/4) majority of the shares represented at the Meeting.</p>	<p><u>Article 33:</u></p> <p>The Ordinary General Assembly passes its resolutions by simple majority of the shares represented thereat. Meanwhile, the resolutions of the Extraordinary General Assembly shall be passed by the two-thirds (2/3) majority of the shares represented at the meeting. In case the resolution is related to increasing or decreasing the capital or to extend or shorten the Corporation's term, it shall not be valid unless passed by three-fourths (3/4) majority of the shares represented at the meeting.</p>

Current Article	Proposed Amendment
<u>New Article.</u>	<p><u>Article 34:</u></p> <p>An Audit Committee shall be formed by a resolution of the Ordinary General Assembly, which shall consist of not less than three (3) and not more than five (5) members from among the non-executive Directors, whether shareholders or others. The resolution of the Ordinary General Assembly shall specify the tasks, responsibilities, and procedures of the Audit Committee and the remuneration of its members.</p>
<u>New Article.</u>	<p><u>Article 35:</u></p> <p>A meeting of the Audit Committee shall only be quorate if attended by the majority of its members. The Audit Committee's resolutions will be taken by the majority of members in attendance, and the chairman of the Audit Committee shall have a casting vote in the event of a tie.</p>
<u>New Article.</u>	<p><u>Article 36:</u></p> <p>The Audit Committee shall have the power to supervise the business of the Corporation. In order to do so, it has the right to access records and documents of the Corporation and to request any clarification from the Board of Directors or executive management. Further, the Audit Committee may request the Board of Directors to call for a General Assembly meeting if its business was hindered by the Board of Directors or if the Corporation sustained material losses or damages.</p>
<u>New Article.</u>	<p><u>Article 37:</u></p> <p>The Audit Committee must review the financial statements of the Corporation and the reports and notes submitted by the auditor and provide its opinions thereon, if any. In addition, the Audit Committee must prepare a report on its opinion on the adequacy and efficiency of the</p>

Current Article	Proposed Amendment
	<p>Corporation's internal control system and the other acts it performed within its scope of work. The Board of directors must place sufficient copies of the Audit Committee's report in the head office of the Corporation at least (21) days ahead of the date set for convening the General Assembly meeting in order to provide any shareholder with a copy thereof. The Audit Committee's report must be read at the General Assembly meeting.</p>
<p><u>Article 37:</u></p> <p>The Corporation shall have one or more Auditors licensed to practice in the Kingdom. The Ordinary General Meeting shall appoint such Auditors annually, and shall determine their fees and may reappoint them as per the legally specified period of tenure. Moreover, the General Meeting may replace the auditor at any time without prejudice to his right for compensation should replacement occur at an inappropriate time or for an invalid excuse.</p>	<p><u>Article 38:</u></p> <p>The Corporation shall have one (1) auditor (or more) to be selected from the auditors licensed to practice in the Kingdom of Saudi Arabia. Upon recommendation of the Board, the Ordinary General Assembly shall appoint such auditor and fix the auditor's remuneration and tenure. Such auditor may be appointed for any period provided that the natural person accountant leading the audit shall be replaced at least every five (5) years, provided that the Board of Directors may extend the natural person accountant's period for a maximum of two (2) years at its discretion. Moreover, the General Assembly may replace the auditor at any time, during the auditor's tenure.</p>
<p><u>Article 38:</u></p> <p>The auditor shall present to the Ordinary General Meeting an annual report on the results of his work including Corporation's attitude as regards enabling him to obtain data and explanations requested by him, any violations which might have been discovered by him of the Companies Regulations or of these By-laws, and his opinion as to the extent fairness of the Corporation's financial statements.</p>	<p><u>Article 39:</u></p> <p>The auditor shall present to the Ordinary General Assembly an annual report on the results of his work including the Corporation's attitude as regards enabling him to obtain data and explanations requested by him (the auditor). The auditor's report shall also present any violations of the Companies Law or these Bylaws, or other relevant laws and regulations, which might have been discovered by him (the auditor). The auditor shall also present an opinion as to the extent of the fairness of the Corporation's financial statements.</p>

Current Article	Proposed Amendment
<p><u>Article 40:</u></p> <p>At the end of each fiscal year, the Board of Directors shall prepare the financial statements and profit and loss accounts of the Corporation and a report of its activities and financial position.</p>	<p><u>Article 41:</u></p> <p>(A) At the end of each fiscal year, the Board of Directors shall prepare the financial statements and profit and loss accounts of the Corporation and a report of its activities and financial position for such fiscal year, including the proposed method to distribute the dividends. The Board of Directors shall place documents at the disposition of the auditor at least (45) days ahead of the date set for convening the General Assembly meeting.</p> <p>(B) The Chairman, the chief executive officer and the chief financial officer of the Corporation shall sign the documents set forth in paragraph (A) of this Article and copies thereof shall be deposited at the Corporation's headquarters and be made available to shareholders at least (21) days ahead of the date set for convening the General Assembly meeting.</p> <p>(C) The Chairman shall provide the shareholders with the financial statements of the Corporation, the Board of Directors' report and the auditor's report, unless they are published in a daily newspaper distributed in the city where the head office of the Corporation is based. Copies of these documents shall also be sent to the Ministry of Commerce and the CMA at least (15) days ahead of the date set for convening the General Assembly meeting.</p>

Current Article	Proposed Amendment
<p><u>Article 41:</u></p> <p>The Corporation shall distribute the net annual or phased profits at the intervals specified by the concerned party as follows:</p> <ol style="list-style-type: none"> 1. Annually, the Corporation shall set aside ten percent (10%) of the net profits to form the statutory reserve. The Ordinary General Meeting may decide to stop this deduction whenever the said reserve amounts to thirty percent (30%) of the capital of the Corporation. If in any year, the reserve falls below thirty percent (30%) of the capital, the Corporation shall again set aside until the reserve amounts to thirty percent (30%) of the capital. The Ordinary General Meeting has the authority to decide other kinds of reserves. 2. After deducting the statutory reserve and any other reserve that may be decided by the Ordinary General Meeting, five percent (5%) of the paid-up capital shall be distributed from the annual net profits of the Corporation, to the shareholders as initial dividend. <p>With due regard to the provisions of the Law of Companies, the required amount shall be allocated for the Board members' remunerations approved by the Ordinary General Meeting in compliance with Article (15) of these Bylaws provided that entitlement for such remuneration shall be proportional to the number of sessions attended by the member and the member's jurisdictions and responsibilities. Thereafter, the balance shall be shall then be distributed to the shareholders as an additional dividend or carried over to the next years.</p>	<p><u>Article 42:</u></p> <p>The Corporation shall distribute the net annual profits at the intervals specified by the concerned authority as follows:</p> <ol style="list-style-type: none"> (A) Annually, the Corporation shall set aside ten percent (10%) of the net profits to form the statutory reserve. The Ordinary General Assembly may decide to stop such set-aside whenever the said reserve amounts to thirty percent (30%) of the capital of the Corporation. If in any year, the reserve falls below thirty percent (30%) of the capital, the Corporation shall again set aside until the reserve amounts to thirty percent (30%) of the capital. The Ordinary General Assembly has the authority to decide other kinds of reserves. (B) After deducting the statutory reserve and any other reserve that may be decided by the Ordinary General Assembly, an amount representing no less than five 5% of Corporation's paid up capital shall be distributed from the annual net profits of the Corporation. <p>The Corporation may distribute interim profits to its shareholder on half year or quarterly basis, in accordance with the regulations issued by the CMA.</p>

Current Article	Proposed Amendment
<p><u>Article 43:</u></p> <p>As per the criteria set forth by the concerned party, the Board of Directors may issue debt tools and (bonds/Sokouk) or any other tradable /negotiable securities whether per one unit, many units or through chain issues pursuant to one program or more to be established by the Corporation from time to time in all times, in amounts and subject to conditions and dates approved by the Board of Directors. Meanwhile, the Board of Directors shall have the right to take all required procedures to issue such (bonds/sokouk) or any other securities.</p>	<p><u>Article 44:</u></p> <p>The Corporation may issue and offer Sukuk, bonds and other debt instruments of any form and nature, for private or public subscription, in accordance with applicable laws and regulations and any requirements set forth by the competent authorities. Any meeting for such Sukuk, bond or other debt instrument holders shall be convened in accordance with the terms and conditions of such Sukuk, bonds and other debt securities' offering documents.</p>
<p><u>Article 46:</u></p> <p>The provisions of the Regulations for Companies/Law of Companies and Corporate Governance Regulations shall apply to whatever item not explicitly covered by these By-laws and the Bylaws shall be published in compliance with the Law of Companies and the Regulations thereof.</p>	<p><u>Article 47:</u></p> <p>The provisions of the Companies Law and other relevant laws and regulations shall apply to whatever item not covered by these Bylaws. These Bylaws shall be published in compliance with the Companies Law and its Implementing Regulations.</p>

Bylaws

of Saudi Basic Industries Corporation (SABIC)

A Listed Saudi Joint Stock Company

Incorporated pursuant to Royal Decree No. M/66 dated 13/09/1396H corresponding to 06/09/1976G



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Chapter (1): Incorporation

Article (1): Incorporation and Name of the Corporation

A Saudi joint stock corporation shall be incorporated in accordance with the Companies Law, its regulations, and these Bylaws and shall be called SAUDI BASIC INDUSTRIES CORPORATION, abbreviated as SABIC.

Article (2): Headquarters

The headquarters of the Corporation shall be in the city of Riyadh, Kingdom of Saudi Arabia. The Corporation may establish branches inside and outside the Kingdom by virtue of a resolution from the Board of Directors.

Article (3): Objectives

The Corporation's activities shall aim to further its objectives, which are as follows:

- a) Execution of petrochemical, fertilizer and other hydrocarbon-based industries.
- b) Construction of iron and steel and aluminium industries.
- c) Construction of other industries.
- d) Execution of projects necessary to supply the Corporation with its raw material requirements.
- e) Marketing, selling and distribution of industrial products inside and outside the Kingdom. The Corporation may, for realization of its objectives, carry out for its own account or for a third party's account, all industrial, financial and commercial activities of whatever kind whether related to real estate or chattels.
- f) Trading, importation and exportation of petrochemical materials, metals, fertilizers, soil conditioners/amendments, equipment and others; for the purpose of marketing or re-manufacturing.
- g) Management of affiliates or participation in the management of other companies and provision of the necessary support for them.

The Corporation shall carry out its activities in compliance with the applicable laws and after obtaining the required licenses from the concerned authorities, if any.

Article (4): Ownership, Participation and Merger

The Corporation may incorporate other companies, or may have an interest or may participate in any manner, alone or with other Saudi or foreign companies, organizations, entities or establishments. Moreover, the Corporation may own shares and stocks in other existing companies, or merge with them, and shall have the right to, alone or with others, form with others in forming companies after satisfaction of the requirements of the laws, regulations and instructions applicable in this respect. The Corporation may further dispose of such shares or stocks provided that disposition thereof should not include brokerage in the said shares or stocks.

Article (5): Duration

The Duration of the Corporation shall be ninety nine (99) years commencing from the date of issuance of the Royal Decree authorizing its incorporation. Such duration may be extended for similar or shorter period(s) by a resolution to be issued by the Extraordinary General Assembly at least one year before the end of the duration.

Article (6): Corporate Body/Juristic Personality

The Corporation shall be deemed duly existing and having an independent juristic personality as of the date of the Royal Decree authorizing its incorporation. The Corporation's Board of Directors shall take the necessary procedures for its publication.

Chapter (2): Capital of the Corporation and Shares**Article (7): Capital**

The capital of the Corporation shall be thirty billion Saudi Riyals (SR 30,000,000,000), divided into three billion (3,000,000,000) ordinary cash shares, each having a stated value of ten (10) Riyals, being fully subscribed to and paid up.

Article (8): Selling of Unpaid Shares

The value of the shares shall be paid on the fixed date and by whichever manner set forth by the Board of Directors. Successive owners of a share shall be jointly liable to the Corporation for the payment of the value of such share. If the shareholder defaults in the payment of the remaining of the share's value, the Corporation shall, after giving notice to such shareholder by registered mail, cancel the share the remaining value of which has not been paid, and issue a new share bearing the same serial number of the cancelled share. The new share shall be sold at a public auction and registered in the Corporation's books in the name of the buyer (the new owner). The Corporation shall recover from the proceeds of the sale such amounts as are due to it and shall refund the balance to the defaulting shareholder. If the proceeds of the sale fall short of the amount due, the Corporation shall have a claim on the entire assets of the defaulting shareholder only to the extent of satisfying the unpaid balance that remains outstanding after the sale of the shares to the new owner. The defaulting shareholder may avoid the compulsory sale of his share by paying the amount due from him, and the expenses incurred by the Corporation up to the date fixed for the auction.

Article (9): Issuance of Shares

Shares shall be nominal and shall not be issued at less than par value, but may be issued for more than par value; in which case the difference of value shall be added to an independent budgetary item as part of Shareholders' entitlements and shall not be distributed to Shareholders as profits.

A share shall be indivisible as far as the Corporation is concerned. If a share is jointly owned by several persons, they must elect one of them to exercise the rights attached to such share on their behalf, but they shall be jointly liable for the obligations arising from such ownership.

Article (10): Trading of Shares

Shares shall be traded according to the rules and regulations of the Capital Market Authority (the "CMA") and/or any other relevant laws and regulations.

Article (11): Preferred Shares

Pursuant to a resolution of the Extraordinary General Assembly, the Corporation may issue preferred or ordinary shares and may buy, sell, pledge/mortgage and convert its ordinary or preferred shares according to the relevant laws and regulations.

Article (12): Increase of Capital

- (A) The Corporation's capital may be increased by resolution of an Extraordinary General Assembly, on condition that the capital has been fully paid-up unless the unpaid portion of the capital pertains to shares issued against the conversion of debt instruments or finance bonds into shares and the period prescribed for such conversion has not yet elapsed. Such resolution shall specify the method of increasing the share capital.

- (B) In all cases, the shares issued upon increasing the capital, or a part thereof, may be allocated for the employees of the Corporation and some or all of its affiliates by an Extraordinary General Assembly resolution. Shareholders may not exercise the right of priority in subscribing to the shares allocation for the aforementioned employees.
- (C) The shareholders shall have pre-emptive rights to subscribe to the new cash shares according to the provisions of the Companies Law and the Capital Market Law. Such shareholders shall be informed of their pre-emptive right through a publication in a daily newspaper or by the posting on the CMA's website or the Corporation's website of the resolution to increase the capital and the subscription period, and such shareholders must demonstrate their intention to subscribe for the new cash shares within fifteen (15) days from the date of publication. The Extraordinary General Assembly shall have the right to suspend the shareholders' pre-emptive rights to subscribe for new cash shares or give priority to a shareholder or others in such cases as it deems appropriate for the benefit of the Corporation.
- (D) Subject to the criteria set forth by the competent authority, a shareholder may sell or assign the pre-emptive right within the period from the date of issuance of the General Assembly's resolution approving the capital increase until the last day of subscription to the new shares associated with such right.
- (E) The new shares issued upon increasing the capital may be for cash or for contributions in kind. In case consideration was contribution in kind, the Board of Directors shall take all actions stipulated for in the provisions of the Companies Law to verify the validity of estimating the value of such shares.
- (F) Subject to the provisions of Paragraph (D) above, the new shares shall be distributed amongst the holders of pre-emptive rights who have requested to subscribe to such shares as per their respective pre-emptive rights in proportion to the total pre-emptive rights resulting from the capital increase, provided that the new shares obtained by them shall not exceed the shares requested by them. The remaining new shares shall be distributed to the holders of pre-emptive rights who have requested more than their share. Distribution of new shares to such holders of pre-emptive rights shall be proportional to the pre-emptive rights held by them out of the total pre-emptive rights resulting from the capital increase, provided that the new shares obtained by them shall not exceed the shares requested by them. Thereafter, the remaining shares shall be offered for subscription by others unless the Extraordinary General Assembly decides otherwise or it is otherwise stipulated for in the Capital Market Law.

Article (13): Decrease in Capital

The Extraordinary General Assembly may resolve to decrease the capital if it exceeds the need of the Corporation or if the Corporation incurs losses. In the latter case only, the capital of the Corporation may be decreased to less than the minimum set out in article (54) of the Companies Law. The Extraordinary General Assembly resolution may only be issued after reading the auditor's report on the reasons for such decrease, the obligations to be fulfilled by the Corporation and the impact of the decrease on such obligations.

If the capital decrease is due to the capital being in excess of the needs of the Corporation, the creditors of the Corporation must be invited to submit their objection to such reduction within sixty days from the publication date of the resolution approving the decrease in a daily newspaper circulated in the region of the head office of the Corporation. Should any creditor raise an objection and submit its document to the Corporation within the period set above, the Corporation must pay the debt of the creditor if due, or provide the creditor with an adequate guarantee of payment if the debt is payable at a future date.

Chapter (3): Management of Corporation

Article (14): Formation of the Board of Directors

The Corporation shall be managed by a board of directors (the “**Board of Directors**”), composed of nine (9) members (each a “**Director**”), each of whom shall serve for a term not exceeding three (3) years, which could be renewed. The Board of Directors shall also elect a Chairman and a Vice Chairman from among its members.

The remuneration of the Chairman and each other member of the Board of Directors shall be set by the Board of Directors as it deems appropriate, without exceeding one million eight hundred thousand Saudi Riyals (SAR 1,800,000) for each member per year. In the event that the remuneration exceeded such amount, the matter shall be submitted to the General Assembly for a resolution. The remuneration may consist of a specified salary, an attendance allowance for the meetings, or a percentage of profits. The Board of Directors’ report shall contain a comprehensive statement of all remuneration, attendance allowances, expenses and other benefits received by Board members during the fiscal year in accordance with applicable law and regulations. Such report shall also include a statement of the earnings of the Board members in their capacities as employees or managers of the Corporation and their earnings for any technical, administrative or advisory work provided for the Corporation. The report shall also include a statement of the number of meetings of the Board of Directors and the number of meetings attended by each member from the date of the last meeting of the Ordinary General Assembly.

Article (15): Meetings of the Board

The Board of Directors shall meet at the headquarters at the invitation of its Chairman at least twice a year, or at any other venue as determined by the Chairman or the Board of Directors. The Chairman must call for a meeting whenever requested to do so by two (2) Directors. The meeting of the Board shall not be valid unless it is attended by at least five (5) members in person or by proxy. A Director may designate another Director to attend a meeting on his/her behalf by proxy. A Director may attend the meeting via any electronic means that allows the Director to actively and instantaneously participate in the Board meeting, and to listen to and follow presentations, present opinions and discuss and vote on resolutions in accordance with the guidelines set by the Board.

Article (16): Board Resolutions and Deliberations

Resolutions of the Board shall be adopted by majority votes of the Directors present. In case of a tie, the side on which the Chairman’s vote was cast shall prevail. Deliberations and resolutions of the Board shall be recorded in minutes to be signed by the Chairman, the present Directors and the Secretary of the Board and shall be kept in a special register signed by both the Chairman and Secretary of the Board. Moreover, the Board of Directors may adopt resolutions by written consent by way of circulation without holding a meeting unless a member requests the Board to convene for deliberation. Such resolutions shall be valid if signed by a majority of the Directors, and shall be presented to the Board of Directors in its next meeting.

Article (17): Authority and Jurisdiction of the Board

Subject to the authorities granted to the General Assemblies, the Board of Directors shall have the broadest powers to manage the Corporation, and shall in particular, and without limitation, have the power to:

- a. appoint and remove the chief executive officer of the Corporation and executive vice presidents;
- b. establish the duties and set the remuneration of the chief executive officer and executive vice presidents;

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- c. approve the Corporation's internal policies and systems such as the system of internal controls and procurement policies;
 - d. approve or authorize the Corporation's officers or any other person to sign, on behalf of the Corporation on any agreement, deed or any other document, including but not limited to, those relating to the disposal of the Corporation's assets, properties, developed or not developed real estates, funds, shares and stocks in other entities and other movable or immovable assets. Such disposal includes, among other things, transfer of the lands and buildings, sale, purchase, investment, mortgage, release of mortgage, mark title deeds with indication of merging, parceling out, grant, payment or collection of price, transfer, and to sign before notary publics or any other government bodies;
 - e. approve the acquisition or disposition by the Corporation of its ownership of or interest in, companies, organizations, institutes, joint ventures, or other entities;
 - f. approve the establishment of subsidiaries, branches, offices, agencies or any other type of entities or participations, and approve, carry out any act relating to the Corporation's participation in these entities including to approve the articles of association and any amendment thereto, approve partners resolutions, appoint managers, members to board of directors of such companies and the representatives of the Corporation in assemblies of partners or shareholders, attend and vote, on behalf of the company, in shareholders or partners' meetings, including constituent, ordinary and extraordinary assemblies, adopt and vote on all decisions and any other related acts;
 - g. take any act deemed appropriate to promote the interests of companies it owns and direct and indirect subsidiaries (whether wholly or partially owned), including but not limited to making equity investments, providing loans and credit facilities, and transferring assets of the Corporation to any such companies and guaranteeing such companies, and open, operate and close bank accounts of any type and in any country, and perform all transactions for these accounts including withdrawing, depositing and transferring funds, collecting and disbursing funds of the Corporation and claiming its dues;
 - h. guarantee or provide security for the principal and interest of any sukuk, bonds, or other indebtedness issued by the Corporation, or obligations incurred by the Corporation, or any entity that is a subsidiary of the Corporation or in which the Corporation has a stake in or where such guarantee or security is otherwise in furtherance of the interests of the Corporation;
 - i. contract for loans and finance leases, grant mortgages, issue sukuk, bonds, trust certificates or other debentures, and enter into any other financing instruments by the Corporation, whatsoever their terms;
 - j. purchase and sale of and mortgage over and invest in the Corporation's movable and immovable assets, terminate mortgages, and receive their value, and transfer the Corporation's title deeds;
 - k. obtain loans and other credit facilities on behalf of the Corporation, whatsoever their terms, including loans from governmental financing funds, affiliates, export credit agencies, commercial banks, financing and credit companies or any other financing entity;
 - l. approve the financial position, financial statements and annual budget of the Corporation;
 - m. approve the Corporation's business plans, and its programs for capital and other investments;
 - n. present any matter for approval by the General Assemblies; and
 - o. practice any of the Board of Directors powers inside or outside the Kingdom.

Subject to any restrictions under the applicable laws and regulations, the Board of Directors may also delegate its authorities, in full or in part, as it deems appropriate, to any person(s) or Board of Directors' committee.

Article (18): Authority of the Board Chairman

- a. The Chairman of the Board of Directors, or his or her delegate(s), shall have the authority to represent the Corporation before any entity or person, including but not limited to, courts of law, arbitration panels, judicial bodies, ministries, other governmental entities, and any other private or public entity or person and take any action necessary in relation to such representation.
- b. Furthermore, the Board of Directors shall specify the authorities and jurisdictions of the Chairman not covered by these Bylaws.
- c. The Chairman of the Board of Directors may authorize one or more persons to take specific actions or procedures or carry out specific works.

Article (19): Vacancy of Board Membership

If the office of any Director becomes vacant, the Board of Directors may appoint a temporary member to fill the vacancy regardless of the order of votes attained, provided that such temporary appointment shall be laid before the first Ordinary General Assembly to convene after such appointment. The Ministry of Commerce and the CMA shall be notified of such appointment within five (5) business days from the date of appointment. The new member shall complete the unexpired term of his predecessor. If the number of Directors falls below three (3), the Ordinary General Assembly must be convened within sixty (60) days to elect the required number of members.

Article (20): Authority of CEO

The Chief Executive Officer shall implement the Board of Directors' resolutions, administer the day-to-day business of the Corporation and preside over and manage all the Corporation's employees under the supervision and control of the Board of Directors. Moreover, the Board of Directors shall specify the duties and powers of the Chief Executive Officer in whatever respect not provided for in these Bylaws.

Article (21): Authority for signing on behalf of the Corporation

The Chairman of the Board of Directors, or his representative who must be approved as such by the Board, shall have the right to sign on behalf of the Corporation.

Chapter (4): Shareholders' Assemblies / General Assembly

Article (22): General Assembly

A duly constituted General Assembly represents all shareholders. All resolutions passed within the scope of the General Assembly's powers, as per these Bylaws, shall become binding on all shareholders.

Article (23): Attending of the General Assemblies

Every shareholder shall have the right to attend the General Assembly in person, or via a written proxy given to another shareholder or another person who is neither a shareholder nor an employee of the Corporation or via any other mean permitted under the relevant laws and regulations. Shareholders who are juristic personalities shall designate a representative to represent them in the Shareholders' General Assemblies.

Article (24): Registration for Attendance of the General Assemblies

Shareholders intending to attend the meeting shall register their names prior to the date of the meeting. A statement shall be prepared showing the names and residence addresses of shareholders and the proxies intending to attend the meeting, the number of shares held by each of them, in person or by proxy, and the number of votes assigned to these shares.

Article (25): The General Assembly

The General Assembly shall be held in the city in which the Corporation's headquarters are located or any other venue the Board of Directors deems appropriate, and shall be convened at least once a year within the first six months following the end of the Corporation's fiscal year. The Board of Directors may call other Ordinary General Assemblies whenever it deems necessary. The Board of Directors shall call a General Assembly when so requested by the Auditor or by a number of shareholders representing at least five percent (5%) of the capital. If one month elapses after the date fixed for holding the meeting without calling the said meeting, the concerned party shall have the right to call the meeting upon request by a number of shareholders representing at least two percent (2%) of the capital if any of the cases stipulated for in the Companies Law or relevant regulations applies.

Article (26): Call for a General Assembly

The invitation for the General Assembly, venue, and agenda shall be published at least twenty one (21) days ahead of the date fixed for convening the meeting. The invitation shall be posted on the CMA's website, the Corporation's website or in a daily newspaper widely circulated in the Kingdom. The invitation shall include the date, time, venue and agenda of the General Assembly in addition to the items requiring approval by shareholders. A copy of the invitation and the agenda shall be sent to the Ministry of Commerce and the CMA during the period fixed for publication.

Article (27): Presiding Over the General Assembly

The Chairman of the Board of Directors or the Vice Chairman in case of his absence, shall preside over the General Assembly. In case of the absence of both the Chairman and the Vice Chairman, the Board of Director shall designate one of its members to preside over the meeting. The Chairman of the General Assembly shall appoint a Secretary, who must be approved by the General Assembly.

Article (28): Votes at the General Assembly

Votes at the Ordinary and Extraordinary General Assembly shall be counted on basis of one (1) vote per share, provided that accumulative voting shall be adopted in the General Assembly for election of members of the Board of Directors. Nevertheless, members of the Board of Directors may not vote on the resolutions of the meeting relevant to their relief from liability for the periods of their membership.

Article (29): Authorities of the Ordinary General Assembly

The Ordinary General Assembly shall have jurisdiction over all affairs pertaining to the Corporation other than those entrusted to the Extraordinary General Assembly.

Article (30): Quorum of the Ordinary General Assembly

The Ordinary General Assembly shall not be valid unless attended by shareholders representing at least fifty percent (50%) of the capital. If such quorum requirement is not met at the first meeting, a second meeting shall be called to be held within the next thirty (30) days following the date of the previous meeting, or it can be held one (1) hour after the end of the period specified for the first meeting *provided* the first meeting's invite contains the possibility of such adjourned meeting. The second meeting shall be valid regardless of the number of shares represented thereat.

The General Assembly may not deliberate on subjects other than those on its agenda, unless an unexpected matter arises after calling the meeting and before or during its session.

Article (31): Jurisdictions of the Extraordinary General Assembly:

The Extraordinary General Assembly shall have the authority to amend the provisions of these Bylaws, except for the provisions which cannot be amended by virtue of law. The Extraordinary General Assembly may pass resolutions falling under the jurisdiction of the Ordinary General Assembly on the same conditions and in the same situations prescribed for the latter.

Article (32): Quorum of the Extraordinary General Assembly

The Extraordinary General Assembly shall be valid only if attended by shareholders representing at least fifty percent (50%) of the capital. If such quorum is not met at the first meeting, a second meeting shall be called on the same conditions stipulated for in Article (26) of these Bylaws, or it can be held one (1) hour after the end of the period specified for the first meeting *provided* the first meeting's invite contains the possibility of such adjourned meeting, and shall be valid if attended by shareholders representing at least twenty-five (25%) of the capital. If the quorum is not met in the second meeting, a third meeting shall be called on the same conditions stipulated for in Article (26) of these Bylaws and the third meeting shall be valid regardless of the number of shares represented thereat after the approval of the competent authority.

Article (33): Resolutions of the General Assemblies

The Ordinary General Assembly passes its resolutions by simple majority of the shares represented thereat. Meanwhile, the resolutions of the Extraordinary General Assembly shall be passed by the two-thirds (2/3) majority of the shares represented at the meeting. In case the resolution is related to increasing or decreasing the capital or to extend or shorten the Corporation's term, it shall not be valid unless passed by three-fourths (3/4) majority of the shares represented at the meeting.

Chapter (5): The Audit Committee

Article (34): Formation of the Audit Committee

An Audit Committee shall be formed by a resolution of the Ordinary General Assembly, which shall consist of not less than three (3) and not more than five (5) members from among the non-executive Directors, whether shareholders or others. The resolution of the Ordinary General Assembly shall specify the tasks, responsibilities, and procedures of the Audit Committee and the remuneration of its members.

Article (35): Quorum of the Audit Committee Meeting

A meeting of the Audit Committee shall only be quorate if attended by the majority of its members. The Audit Committee's resolutions will be taken by the majority of members in attendance, and the chairman of the Audit Committee shall have a casting vote in the event of a tie.

Article (36): Authorities of the Audit Committee

The Audit Committee shall have the power to supervise the business of the Corporation. In order to do so, it has the right to access records and documents of the Corporation and to request any clarification from the Board of Directors or executive management. Further, the Audit Committee may request the Board of Directors to call for a General Assembly meeting if its business was hindered by the Board of Directors or if the Corporation sustained material losses or damages.

Article (37): Audit Committee Reports

The Audit Committee must review the financial statements of the Corporation and the reports and notes submitted by the auditor and provide its opinions thereon, if any. In addition, the Audit Committee must prepare a report on its opinion on the adequacy and efficiency of the Corporation's internal control system and the other acts it performed within its scope of work. The Board of directors must place sufficient copies of the Audit Committee's report in the head office of the Corporation at least (21) days ahead of the date set for convening the General Assembly meeting in order to provide any shareholder with a copy thereof. The Audit Committee's report must be read at the General Assembly meeting.

Chapter (6): The Auditor

Article (38): Appointing the Auditor

The Corporation shall have one (1) auditor (or more) to be selected from the auditors licensed to practice in the Kingdom of Saudi Arabia. Upon recommendation of the Board, the Ordinary General Assembly shall appoint such auditor and fix the auditor's remuneration and tenure. Such auditor may be appointed for any period provided that the natural person accountant leading the audit shall be replaced at least every five (5) years, provided that the Board of Directors may extend the natural person accountant's period for a maximum of two (2) years at its discretion. Moreover, the General Assembly may replace the auditor at any time, during the auditor's tenure.

Article (39): Authority and Responsibility of the Auditor

The auditor shall present to the Ordinary General Assembly an annual report on the results of his work including the Corporation's attitude as regards enabling him to obtain data and explanations requested by him (the auditor). The auditor's report shall also present any violations of the Companies Law or these Bylaws, or other relevant laws and regulations, which might have been discovered by him (the auditor). The auditor shall also present an opinion as to the extent of the fairness of the Corporation's financial statements.

Chapter (7): Corporation's Accounts and Distribution of Profits

Article (40): Fiscal Year

The Corporation's fiscal year shall begin on the first day of January and end on the last day of December of each year. However, the first fiscal year shall cover the period from the date of the Corporation's registration to the end of December of the following year.

Article (41): Financial Documents

- (A) At the end of each fiscal year, the Board of Directors shall prepare the financial statements and profit and loss accounts of the Corporation and a report of its activities and financial position for such fiscal year, including the proposed method to distribute the dividends. The Board of Directors shall place documents at the disposition of the auditor at least (45) days ahead of the date set for convening the General Assembly meeting.
- (B) The Chairman, the chief executive officer and the chief financial officer of the Corporation shall sign the documents set forth in paragraph (A) of this Article and copies thereof shall be deposited at the Corporation's headquarters and be made available to shareholders at least (21) days ahead of the date set for convening the General Assembly meeting.
- (C) The Chairman shall provide the shareholders with the financial statements of the Corporation, the Board of Directors' report and the auditor's report, unless they are published in a daily newspaper distributed in the city where the head office of the Corporation is based. Copies of these documents shall also be sent to the Ministry of Commerce and the CMA at least (15) days ahead of the date set for convening the General Assembly meeting.

Article (42): Dividend Distribution

The Corporation shall distribute the net annual profits at the intervals specified by the concerned authority as follows:

- (A) Annually, the Corporation shall set aside ten percent (10%) of the net profits to form the statutory reserve. The Ordinary General Assembly may decide to stop such set-aside whenever the said reserve amounts to thirty percent (30%) of the capital of the Corporation. If in any year, the reserve falls below thirty percent (30%) of the capital, the Corporation shall again set aside until the reserve amounts to thirty percent (30%) of the capital. The Ordinary General Assembly has the authority to decide other kinds of reserves.
- (B) After deducting the statutory reserve and any other reserve that may be decided by the Ordinary General Assembly, an amount representing no less than five 5% of Corporation's paid up capital shall be distributed from the annual net profits of the Corporation.

The Corporation may distribute interim profits to its shareholder on half year or quarterly basis, in accordance with the regulations issued by the CMA.

Article (43): Entitled Profits:

Dividends shall be distributed in the place and at the times determined by the Board of Directors.

Chapter (8): Debt Instruments and Finance Bonds (*Sukuk*)

Article (44): Debt Instruments, Finance Bonds and Sukuk

The Corporation may issue and offer Sukuk, bonds and other debt instruments of any form and nature, for private or public subscription, in accordance with applicable laws and regulations and any requirements set forth by the competent authorities. Any meeting for such Sukuk, bond or other debt instrument holders shall be convened in accordance with the terms and conditions of such Sukuk, bonds and other debt securities' offering documents.

Chapter (9): Dissolution of the Corporation

Article (45): Losses of the Corporation

If the losses of the Corporation amount to half of the paid-up capital, the Board of Directors shall call for an Extraordinary General Assembly to convene and decide whether to increase the capital, reduce the capital to the extent at which the losses fall below fifty percent (50%) of the paid-up capital, or dissolve the Corporation prematurely before the end of the duration set forth in these Bylaws unless it is otherwise decided by the Extraordinary General Assembly.

Article (46): Winding up of the Corporation

Upon expiration of the Corporation's duration, or in the event of its dissolution before the end of its duration, the Extraordinary General Assembly shall specify the liquidation procedure, and shall appoint one or more liquidators and define their powers, their fees, the restrictions upon their authorities and the time required for liquidation. The voluntary dissolution period shall not exceed five (5) years and may not be extended unless by virtue of a judicial order. The authorities of the Board of Directors shall end at the time of the dissolution of the Corporation, but the Ordinary General Assembly shall continue in session throughout the Liquidation period and until it approves the liquidation.

Chapter (10): Closing Provisions*Article (47): Closing Provisions*

The provisions of the Companies Law and other relevant laws and regulations shall apply to whatever item not covered by these Bylaws. These Bylaws shall be published in compliance with the Companies Law and its Implementing Regulations.

Amendments to Remuneration Policy of Board Members, Committee Members and Executive Management

Text before Amendment	Text After Amendment
<p><u>PRINCIPLES AND RULES FOR REMUNERATIONS</u></p> <p>B. Board and Committees Members</p> <ul style="list-style-type: none"> A Board member is entitled to an annual remuneration not exceeding SR 200,000 for his membership of the Board. The Board may determine a different amount for such remuneration based on the recommendation of Remuneration and Nomination Committee. A Board member who is participating in the Board committees (including the Audit Committee) is entitled to an annual remuneration not exceeding SR 300,000, whether such member is participating in one or several committees. The Board may determine a different amount based on the recommendation of the Remuneration and Nominations Committee. 	<p><u>PRINCIPLES AND RULES FOR REMUNERATIONS</u></p> <p>A. Board and Committees Members</p> <ul style="list-style-type: none"> On the recommendation of the Remuneration and Nominations Committee, the Board of Directors determines remunerations of the Board Chairman and members as it deems appropriate; provided, however, that the total of annual remuneration and financial or in kind benefits shall not exceed SR1,800,000 (one million and eight hundred thousand Saudi riyals). To exceed that limit, the matter shall be presented to the General Assembly to decide thereon as it may deem appropriate.

REMUNERATION POLICY OF BOARD MEMBERS, COMMITTEE MEMBERS AND EXECUTIVE MANAGEMENT

OBJECTIVE

The objective of this Policy is to regulate the remunerations in a manner that attracts Board and committees members who possess appropriate academic qualifications and technical and administrative expertise that enable them to carry out their functions and duties at the highest standards of professionalism and efficiency, taking into consideration SABIC's business sectors and the skills and capabilities required to manage them.

The Company aims to create an attractive work environment through which it can attract and retain talents with the required skills and expertise to secure its sustainable growth and achieve its vision. This is attainable through the remuneration framework for Executive Management, which is consistent with the relevant laws, regulations, legislations, and best practices.

PRINCIPLES & RULES FOR NUMERATION

Considering the provisions regulating the remunerations for the members of the Board, committees and Executive Management, as provided for under the Companies Law, Corporate Governance Regulations, Regulatory Rules & Procedures issued pursuant to the Companies Law relating to Listed Joint Stock Companies, and the Company's By-Laws, the remunerations for the members of the Board, committees and Executive Management shall be according to the following principles and rules:

A. Board and Committees Members

- Based on the recommendations of the Remuneration and Nomination Committee, the Board determines the remunerations of the Board and committees members based on the following principles:
 - The remunerations shall be consistent with the Company's strategic objectives, and be as a motivating factor for the members to achieve
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REMUNERATION POLICY OF BOARD MEMBERS, COMMITTEE MEMBERS AND EXECUTIVE MANAGEMENT

those objectives, and to enhance the Company's ability to grow and sustain its business.

- Remunerations shall be appropriate to the nature of the Company' business and its size as well as the skills and expertise required.
 - The remunerations shall be a means for attracting Board members with the relevant expertise and qualifications to enhance the Company's ability to achieve its objectives.
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- On the recommendation of the Remuneration and Nominations Committee, the Board of Directors determines remunerations of the Board Chairman and members at its discretion; provided, however, that the total of annual remuneration and financial or in kind benefits shall not exceed SR1,800,000 (one million and eight hundred thousand Saudi riyals). To exceed that limit, the matter shall be presented to the General Assembly to decide thereon as it may deem appropriate.
 - A member (other than a Board member) of a committee (including the Audit Committee) is entitled to annual remuneration of SR 200,000.
 - The Company is entitled to claim compensation for damage to its reputation and to recover any remuneration, compensation, allowance or any other costs incurred by the Company, in the event the member:
 - Commits an offence of dishonesty, breach of trust, forgery, or violation of the laws and regulations of the Kingdom of Saudi Arabia or any other country.
 - Fails to carry out his/her responsibilities and duties to the extent that results in damage to the interest of the Company.
 - Membership is terminated by a decision of the General Assembly due to his/her absence from three consecutive meetings within one year without a legitimate excuse acceptable to the Board.
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REMUNERATION POLICY OF BOARD MEMBERS, COMMITTEE MEMBERS AND EXECUTIVE MANAGEMENT

B. Executive Management

- Based on the recommendation of the Remuneration and Nomination Committee, the Board determines the remunerations of the Executive Management according to the following principles:

Remuneration and compensation shall:

- be commensurate with the Company's strategic objectives and be as a motivating factor for the Executive Management to achieve these objectives, and to enhance the Company's ability to grow and sustain its business;
- be commensurate with the nature of the Company's business and size as well as with the required skills and expertise;
- enable the Company to attract senior executives with skills and qualifications necessary to enable the Company to achieve its objectives; and
- not raise any conflict of interest that might adversely impact the Company's interests and ability to achieve its objectives.

ENTRY INTO FORCE

- This Policy shall take effect from the date of its approval by the General Assembly. The responsibility of its application rests with the Board of Directors.
 - The Board of Directors – through the Remuneration and Nomination Committee – shall review the remunerations criteria regularly to ensure its consistency with changes affecting the relevant laws and regulations, the Company's strategic objectives, and the skills and qualifications required to achieve them. The Board shall provide recommendations to the General Assembly on the proposed changes to this Policy.
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