

Annual Report 2024



بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ

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Chairman's Message

Chairman of the Board of Directors

Eyad Abdulaziz Al-Nafei



Dear Valued Shareholders,

Peace be upon you,

It is my pleasure to welcome you and present to you the Board of Directors' annual report on Tadweeer's operations and achievements for the fiscal year 2024, Tadweeer continues its efforts to strengthen its leadership position in metal production through recycling electronic and electrical devices and cable and cars, adhering to the highest environmental sustainability standards.

Since Tadweeer's establishment in 2015, we have set a clear vision aimed at contributing to environmental protection and promoting sustainability by offering innovative solutions for electronic waste management in a sustainable and safe manner, We have remained committed to this vision by investing in cutting-edge technologies and forging strategic partnerships that enhance our ability to achieve our goals.

Today, we take pride in Tadweeer's status as a member of Saudi Arabia's Parallel Market, a milestone that reflects the trust of our shareholders and the community in our performance, In this regard, Tadweeer is making steady progress toward meeting the requirements for listing on the Main Market, a move that will enhance our

ability to attract investments and expand our operations both locally and regionally.

We firmly believe that our future strategy centered on innovation and sustainability will drive sustainable growth that positively impacts all stakeholders, including our shareholders, the community, and the environment.

In conclusion, and all praises to Allah, and then i extend my sincere gratitude and appreciation to the esteemed leadership of our nation for their unwavering support, guidance, and encouragement in this sector. I also extend my heartfelt thanks to the members of the Board of Directors, our outstanding team, and, most importantly, our valued shareholders for their continuous support and great confidence. We are confident that, together, we will achieve even greater successes in the years to come, God willing.

Best regards,



Managing Director's Message

Managing Director

Nasser Mohammed Al-Dueb



Honorable Shareholders,

Peace be upon you,

It is my pleasure to present to you Tadweeer's Annual Report for the fiscal year 2024 an opportunity for us to reflect on our achievements and share our future aspirations. In this report, we will highlight our financial performance, production report, and the outstanding initiatives undertaken by Tadweeer throughout the year.

Tadweeer continues its relentless pursuit of innovative solutions in metal production by recycling electronic and electrical devices and cable and cars positively impacting our financial performance, This report provides detailed financial data, revealing total revenues of 806,045,768 SAR and a net profit of 36,164,558 SAR, marking a 40,19% increase compared to the fiscal year 2023.

Additionally, the production report showcases our progress in extracting metals from electronic and electrical devices and cable and cars and converting it into reusable materials, further strengthening our market position, In line with our expansion strategy, Tadweeer increased its capital to 116,160,000 SAR on December 18, 2024 (17 Jumada Al-AKhirah 1446H), with a nominal share value of 1 SAR per share through a 1-for-1 bonus share issuance.

This report also includes disclosures on Tadweeer's Board of Directors' activities, committee meetings, and general assemblies, in adherence to corporate governance standards applied in the Kingdom of Saudi Arabia, We remain committed to enhancing transparency in our operations and implementing best practices that foster a safe and sustainable work environment.

Under our ambitious vision for a promising future, we are determined by the will of God to sustainably expand our production capacity to meet the growing market demand, To achieve this, Tadweeer is investing in advanced technologies, enhancing its operational capabilities, and establishing strategic partnerships with Key industry stakeholders, As part of a pivotal strategic move, Tadweeer will submit an application to enter the Main Market, working diligently to fulfill the necessary requirements and conditions, This step will enhance transparency, attract further investments, and strengthen our ability to achieve greater success and sustainable growth.

We continuously strive for excellence in all aspects of our business through our unwavering commitment to corporate governance, transparency, and operational excellence. Our success, above all, is a result of teamwork and the fruitful collaboration between Tadweeer's employees, Board of Directors, and its committees.

In conclusion, I extend my deepest gratitude to everyone who contributed to the success of this remarkable year filled with challenges and achievements, A special thanks goes to our talented team for their innovation and relentless efforts in achieving Tadweeer's objectives. I also express my appreciation to our partners and shareholders for their unwavering trust and support.

Peace be upon you



Tadweeer's Achievements in the Fiscal Year 2024

Tadweeer has achieved numerous milestones during the fiscal year 2024, leveraging its strong financial position and competitive advantages to establish a solid foundation for executing its expansion and growth strategies with confidence, Tadweeer remains committed to adopting the best global practices across all its activities, Some of Tadweeer's most notable achievements in 2024 include, but are not limited to:



Developing Tadweeer's five-year strategic plan (2025-²2029), which is set to be presented to the Board of Directors in the first half of 2025 for approval.



Obtaining technical qualification for cybersecurity, health, and safety from Apple and successfully renewing its registration for the next three years in compliance with environmental, health, safety, and quality management system standards (ISO 14001, ISO 9001, ISO 45001), Additionally, all necessary operational and business licenses were issued and renewed, ensuring Tadweeer operates in full compliance with regulations.



continuation of the "Istibdal" Initiative in collaboration with the Saudi Energy Efficiency Center, aimed at replacing old air conditioners with high-energy consumption units with more energy-efficient alternatives.



Increasing production capacity by 33.33% compared to the fiscal year 2023, expanding from 300,000 tons per year to 400,000 tons by the end of 2024.



Expanding raw material collection operations by leasing sites totaling approximately 10,000 m² in western and southern Saudi Arabia.



Growing Tadweeer's assets by (27,57%) from SAR (324,666,663) in 2023 to SAR (420,792,563) in 2024.



Signing a contract with various European companies to procure non-ferrous metal and cable separation lines valued at approximately 30 million SAR.



Establishing a strategic partnership with Net Zero Company to qualify Tadweeer for issuing carbon credit certificates in line with Saudi Arabia's Vision 2030 objectives, aimed at achieving sustainability, environmental protection, and net-zero emissions by 2060.

About Tadweer

Company Overview

Tadweer Environmental Recycling Company was established as a closed joint stock company in 2015 with an initial capital of SAR 15,000,000. Over the years, the company has increased its capital multiple times, reaching SAR 58,080,000. On December 18, 2024 (17 Jumada Al-Akhirah 1446H), Tadweer further increased its capital by 100% through a 1-for-1 bonus share issuance, bringing the total capital to SAR 116,160,000, with a nominal share value of SAR 1 per share.

Tadweer launched its first recycling plant in Saudi Arabia at the end of 2017, specializing in metal production from the electronic and electrical devices and cable and cars. Initially, the company's production capacity stood at 15,000 tons per year, but by the end of the current fiscal year, it has grown to approximately 400,000 tons per year. Tadweer also provides Information Technology Asset Disposition (ITAD)

services, a globally recognized secure data destruction technology.

Tadweer's primary activity is the production of metals from recycled electronic and electrical devices and cable and cars in strict adherence to environmental standards set by regulatory bodies, including:

The National Center for Waste Management (MWAN)

The National Center for Environmental Compliance

Tadweer business model aligns with Saudi Arabia's environmental protection regulations and promotes sustainability. Tadweer processes electronic and electrical devices by shredding, sorting, and separating mixed metals using multiple ways and among them is AI-powered technologies. This results in the extraction of high-purity metals, including:



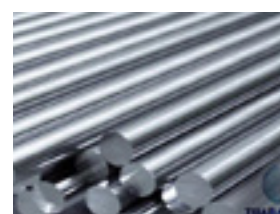
Copper (various types)



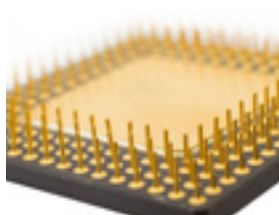
**Aluminum
(various types)**



**Stainless steel
(various types)**



Nickel and chromium



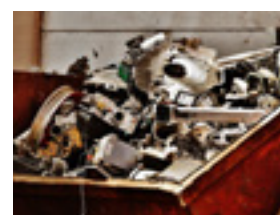
**Electronic boards
containing precious metals
such as gold and silver**



Light and heavy iron



**Plastic recovered
from electronic and
electrical devices**



**Other solid metal
varieties**

Global Market Presence

Tadweer sells its recycled metals with purity levels reaching 99% to both local and international markets, Key export destinations include:



Saudi Arabia



United Arab Emirates



China



Republic of India



Japan



South Korea



Taiwan



Republic of Belgium



Malaysia

General Principles of Tadweer (Policies)

Tadweer sells its recycled metals with purity levels ranging between 80% and 99% to both local and international markets, Key export destinations include:

Health, Safety, and Environment (HSE)

Tadweer is committed to adhering to standard practices in health, safety, and environmental systems and regulations, Keeping pace with local and global developments and updates, and implementing continuous improvement and development.

Quality

Commitment to the highest standards of product quality and excellence in technical and administrative practices across Tadweer's operations and activities. To achieve this, the company seeks to attract expertise and initiatives that support this approach.

Transparency

Commitment to the principle of transparency and building strong communication channels with investors and success partners to safeguard their rights in contributing to Tadweer's journey toward greater horizons.



Human Capital

Adopting the best methodologies for attracting top talent while focusing on developing, training, and motivating skilled professionals to foster a positive work environment that enhances Tadweer's overall performance.

Commitment

Commitment to the regulatory and legal framework, as well as all governance controls, references, and statutory documents, while implementing all recommended measures to maintain the highest standards of regulatory performance.

Stakeholders

Building and maintaining a balanced relationship with customers, suppliers, and stakeholders to safeguard everyone's rights and enhance work methodologies.

Tadweer's Vision



To be a pioneer in the production of metals from recycling electronic and electrical equipment, cars, wires and cables in the Middle East region and among the top 10 recycling companies in the world.

Tadweer's Message



Tadweer develops recycling material solutions that align with its clients' aspirations to reduce negative environmental impact, ensuring community well-being. Additionally, the company is committed to increasing shareholder value, professionally nurturing its workforce, and making a meaningful contribution to society. Tadweer also plays a role in supporting Saudi Arabia's vision to reduce carbon emissions and achieve net-zero neutrality by 2060.

Tadweer's Strategy



Tadweer's strategy is based on four main pillars aimed at enhancing its operational efficiency and achieving sustainable growth in the recycling sector of metals recovered from electronic and electrical waste, vehicles, and cables:

★ Recycling all materials available in the market

Tadweer's seeks to expand its technical capabilities to accommodate and recycle various types of materials available in the market within its scope of work.

★ Achieving the highest levels of purity in final products

Continuous investment in the latest technologies ensures the extraction of metals at the highest levels of purity, enabling Tadweer to meet global recycling standards and enhance its competitiveness in local and regional markets.

★ Complete separation of final products:

Tadweer applies advanced technologies to ensure precise separation of final products after the recycling process, enabling efficient material recovery and facilitating their reuse in various industries.

★ Buying from the source and selling to the final customer

Tadweer adopts a strategy of reducing intermediate stages in the supply chain by purchasing raw materials directly from the source and selling the finished products to the final customer (such as smelters), which enhances operational efficiency, reduces costs, and increases profit margins.

Tadweeer's Future Plans



Tadweeer seeks to expand its business and improve the quality of its final outputs, driven by its vision, mission, and operational strategies. Its expansion plans are based on four main pillars:

★ Investing in Advanced Technologies

Tadweeer intends to purchase modern equipment and production lines based on advanced technologies to reach a production capacity of 500,000 tons per year by the end of fiscal year 2025.

★ Diversifying raw materials and expanding markets

Tadweeer seeks to expand its range of input materials, enabling it to enter new markets and strengthen its market share.

★ Establishing collection sites within Saudi Arabia

Two raw material collection sites are currently being constructed, one in the western and the other in the southern regions of Saudi Arabia, helping to ensure continuous supply of larger quantities.

★ Investing in the Tadweeer team

Continue to strengthen the Tadweeer team with distinguished competencies and continue to develop the team through training.

Tadweeer's Competitive Advantage



The most efficient recycling facility for electronic, electrical, vehicle, and cable waste.



Highly skilled technical team.



Certified with multiple quality standards (ISO 9001, ISO 14001, ISO 45001).



Continuous improvement in production capacity and material quality.

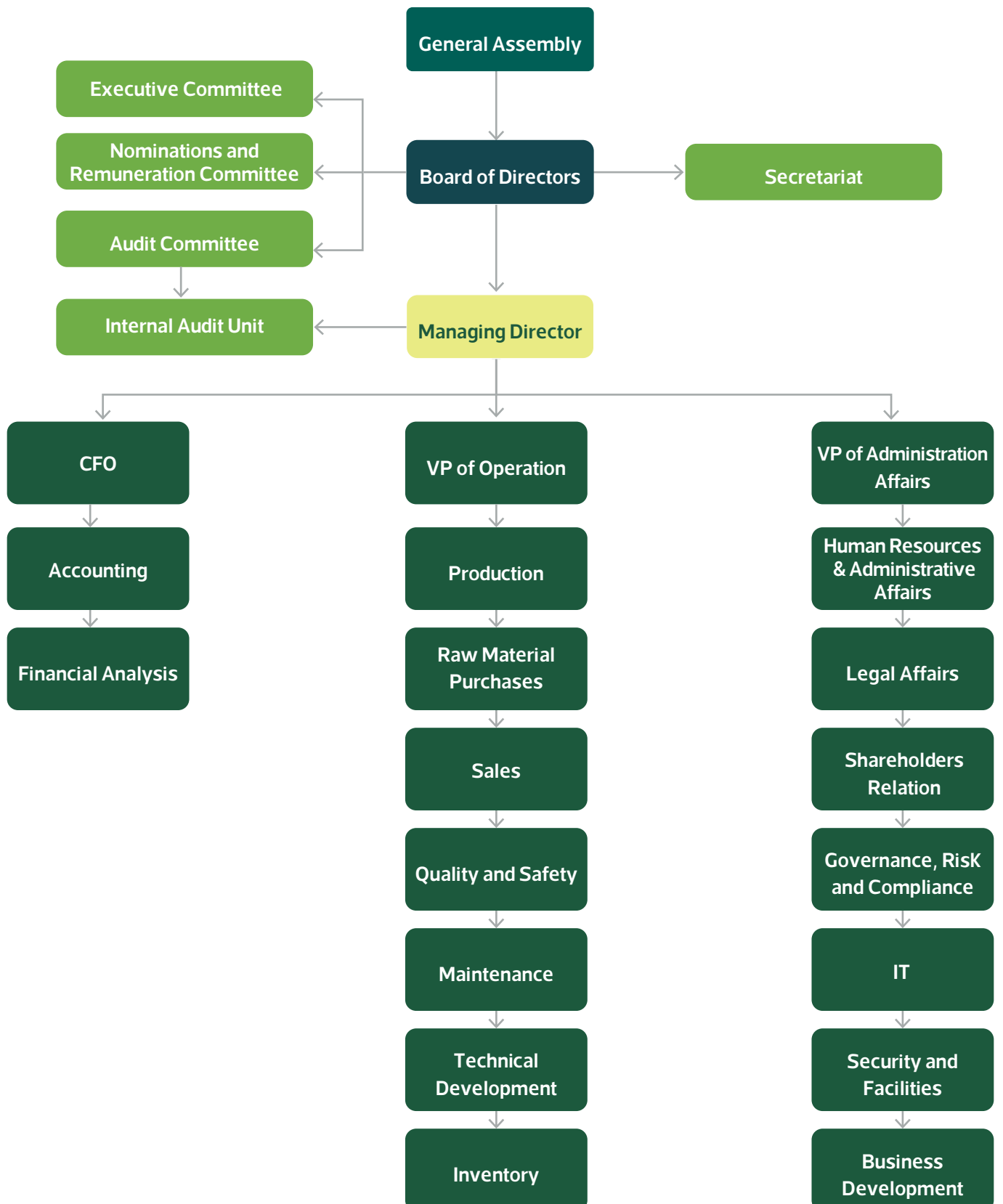


Operational flexibility



Ability to enter new and diverse sales markets.

Organizational Structure



Financial and Operational Performance

Operational Performance Summary

"The production capacity reached approximately 400,000 by the end of the fiscal year, The table below presents a comparison of production volumes over the past five years :

Product (tons)	2024	2023	2022	2021	2020
Copper	12,458	15,214	10,297	3,678	2,507
Aluminum	22,648	15,496	11,244	3,654	997
Electronic boards and valuable materials	249	152	319	158	81
Iron	181,156	67,707	13,556	10,057	7,769
Other materials	12,387	12,374	7,176	3,395	1,557

Products sales on a quarterly basis

Product (SAR)	2024				2023			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Copper	90,383,609	79,160,342	75,089,962	72,669,980	70,985,329	111,246,992	100,217,696	114,058,635
Aluminum	40,783,582	43,789,431	43,059,149	36,418,767	23,821,075	22,004,094	28,936,359	37,397,901
Electronic boards and valuable materials	439,818	1,333,964	1,394,440	1,951,633	1,496,479	421,732	1,387,845	1,138,968
Iron	60,182,331	62,096,515	69,680,868	90,755,484	6,211,170	19,064,619	27,540,872	54,369,322
Other materials	8,881,792	9,839,939	9,841,689	8,292,476	351,292	2,391,069	3,365,561	5,501,918

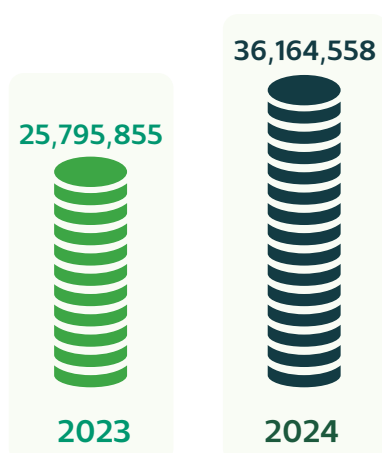
Products sales on a yearly basis

Product (SAR)	2024	2023	2022	2021	2020
Copper	317,303,893	396,508,653	282,954,453	100,267,594	49,067,131
Aluminum	164,050,928	112,159,428	81,691,002	27,907,193	4,491,100
Electronic boards and valuable materials	5,119,854	4,445,024	11,621,006	3,922,512	2,483,494
Iron	282,715,197	107,185,983	22,660,800	16,324,595	9,267,180
Other materials	36,855,896	11,609,840	3,522,756	5,181,106	3,545,501

Net profits and Share profitability

Tadweer achieved a net profit of 36,164,558 SAR by the end of the fiscal year 2024, compared to a net profit of SAR 23,818,079 in the fiscal year 2023, as illustrated below.

Net Profit (SAR)



Share Profit (SAR/share)

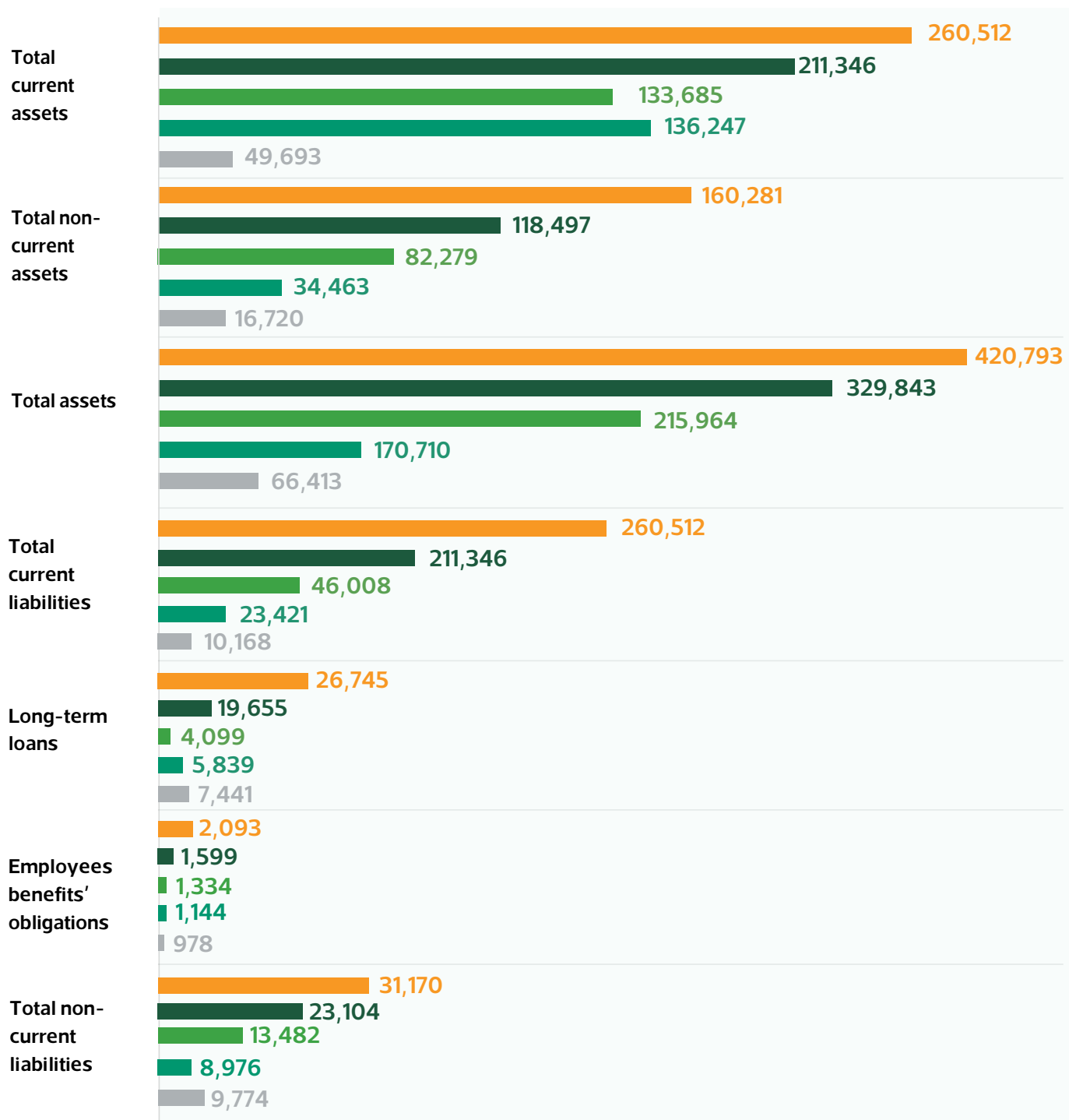


The increase in net profits for the current fiscal year compared to the previous fiscal year is attributed to the increase of revenues and the decrease of some expenses.

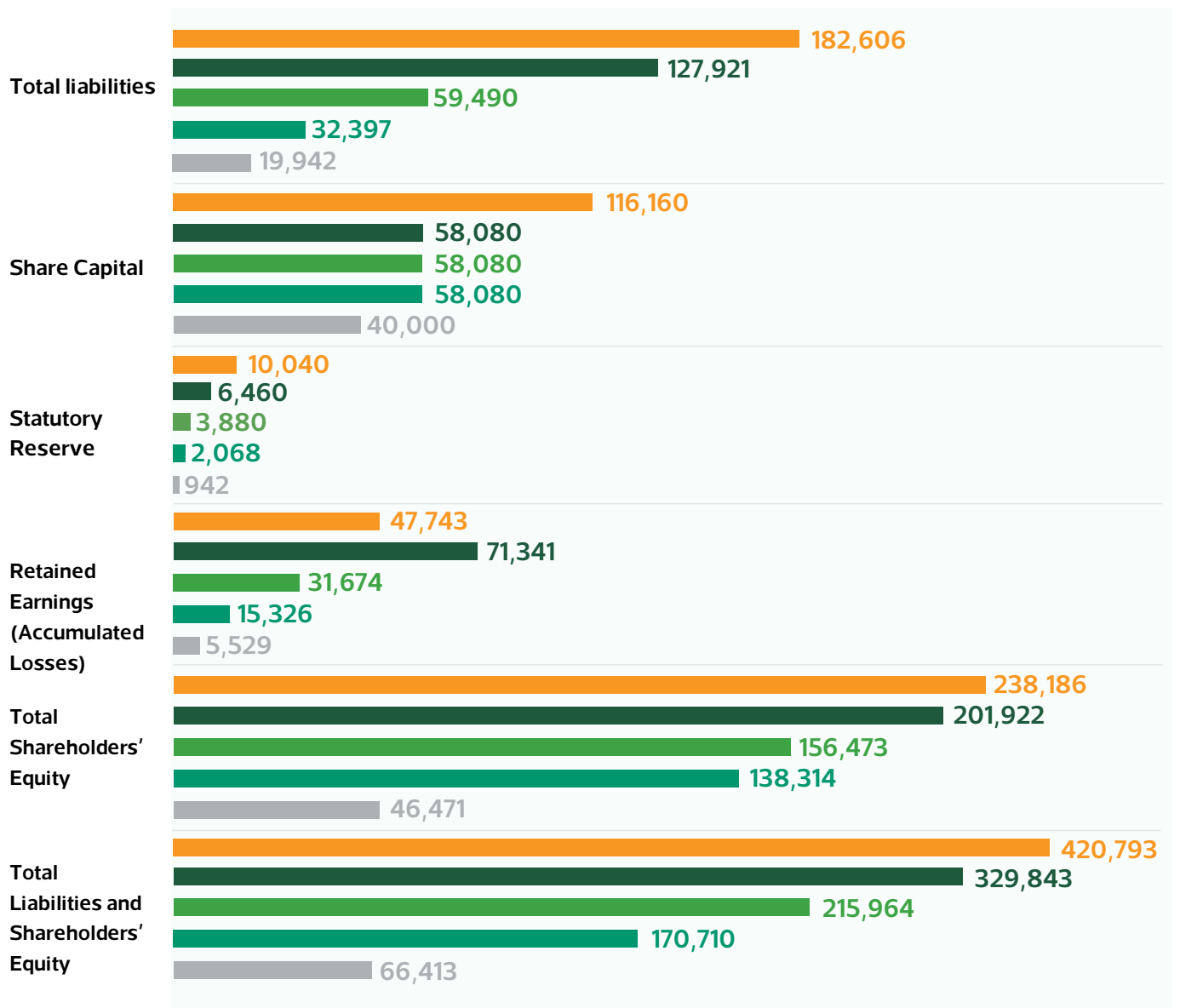
Financial Position Statement

Financial Position Summary (x 1000)

2020 2021 2022 2023 2024



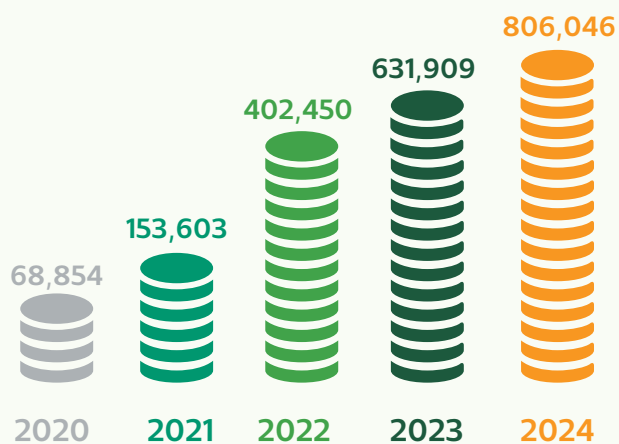
2020 2021 2022 2023 2024



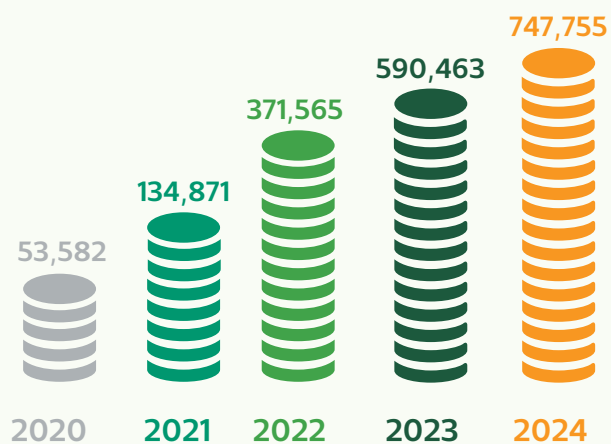
Income Statement (Independent)

Income Statement Summary (x 1000)

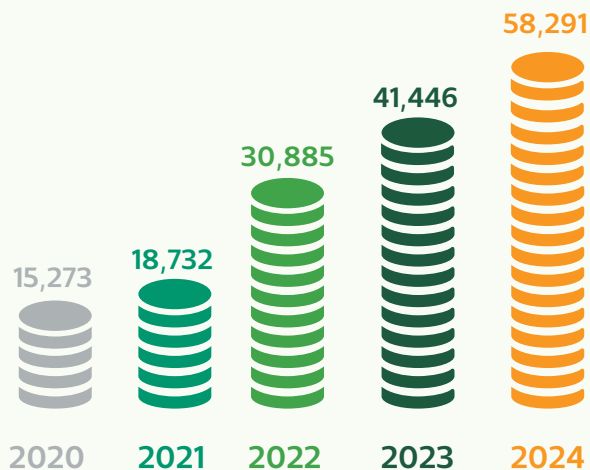
Revenue



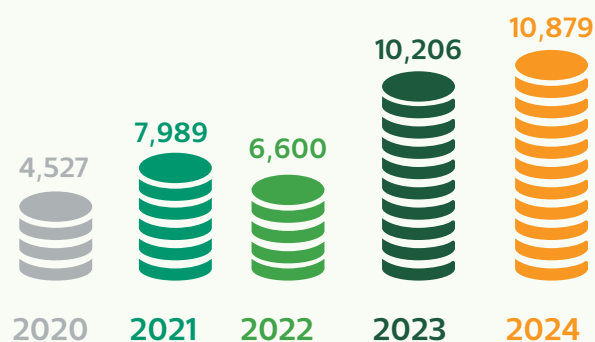
Cost of Revenues



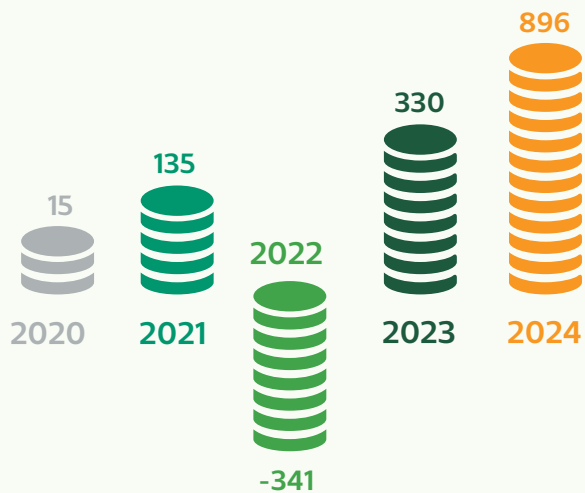
Gross Income



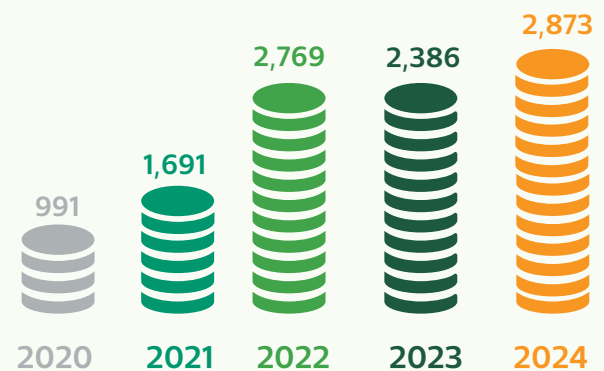
General and Administrative Expenses



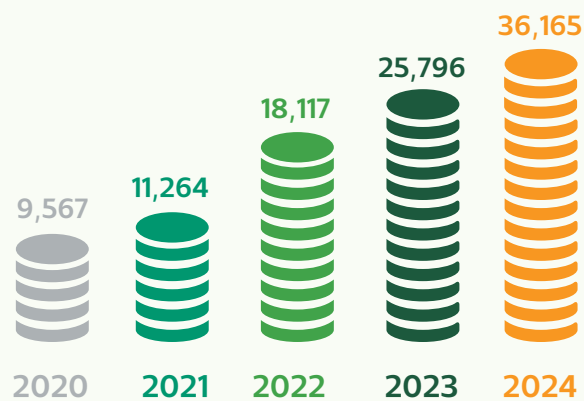
(Losses) Other Income



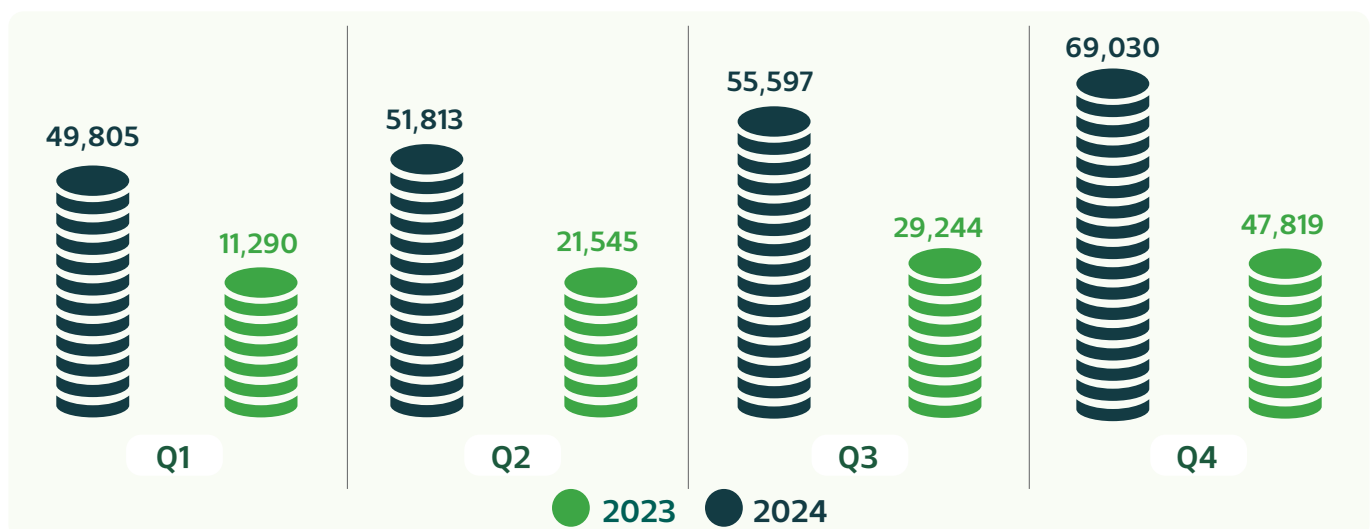
ZaKat



Net Profit for the Year



Sales (ton)



Geographical Analysis



Kingdom of
Saudi Arabia

ﷲ 300,072,954



United Arab
Emirates

ﷲ 47,446,792



People's Republic
of China

ﷲ 160,055,428



Republic of India

ﷲ 178,192,169

Republic of India:



Republic of
South Korea

ﷲ 15,071,126



Japan

ﷲ 45,326,483



Taiwan

ﷲ 11,764,734



Republic of
Belgium

ﷲ 8,823,910



Malaysia

ﷲ 15,707,741



Clarifying differences in operational results

The operational results of 2023

31,121,212

The operational results of 2024

46,108,836

At the foremost, the increase is attributed to the annual growth of sales and opening new markets for selling Tadweer's products and increase of the base of clients for purchase of the raw material.

Clarifying the difference from accounting standards

Tadweer's financial statements for the fiscal year ended December 31, 2024, were prepared in accordance with the International Financial Reporting Standards (IFRS) adopted in the Kingdom of Saudi Arabia and the accounting standards issued by the Saudi Organization for Chartered

and Professional Accountants, There were no deviations in the application of these standards, nor were there any material observations or reservations from the auditors regarding Tadweer's semi-annual and annual financial statements for the fiscal year 2024.

Loans

#	Name of the loan granting entity	Date the loan was obtained	Type of loan	Due date	Principal amount of Loan	Term of the loan	Amounts paid in repayment of the loan during the year	The remaining amount of the loan
1	Sidf	14-Jun-17	Capex	13-Apr-25	10,141,000	2,860	2,600,000	1,571,000
2	Riyad bank	19-Sep-24	CAPEX	16-SEP-29	2,300,000	1,823		2,300,000
3	Riyad bank	30-Sep-24	Capex	25-SEP-29	2,919,850	1,821		2,919,850
4	Riyad bank	06-Oct-24	Capex	01-OCT-29	2,967,000	1,821		2,967,000
5	Riyad bank	10-Oct-24	Capex	07-OCT-29	2,000,000	1,823		2,000,000
6	Riyad bank	31-Oct-24	CAPEX	26-OCT-29	4,095,381	1,821		4,095,381

#	Name of the loan granting entity	Date the loan was obtained	Type of loan	Due date	Principal amount of Loan	Term of the loan	Amounts paid in repayment of the loan during the year	The remain- ing amount of the loan
7	Riyad bank	03-Nov-24	Capex	29-OCT-29	3,519,360	1,821		3,519,360
8	Riyad bank	13-Nov-24	Capex	11-NOV-29	2,198,409	1,824		2,198,409
9	Riyad bank	11-Jan-23	CAPEX	07-JAN-30	5,581,513	2,553	797,359	4,784,154
10	Exim bank	01-Oct-24	WorkIng capital	30-MAR-25	11,699,700	180		11,699,700
11	Exim bank	07-Oct-24	WorkIng capital	05-APR-25	11,699,700	180		11,699,700
12	Exim bank	10-Nov-24	WorkIng capital	09-MAY-25	25,277,850	180		25,277,850
13	Yanal finance company	26-Oct-22	CAPEX	25-SEP-26	9,441,794	1,430	2,156,470	6,081,437
14	Yanal finance company	14-Feb-23	CAPEX	30-NOV-26	6,618,815	1,385	1,472,880	4,645,268



Regular Payments

Entity	Paid during the year	Due by the end of the year	Reasons
ZaKat (Islamic Tax)	2,146,852	2,872,565	Tadweer is subject to ZaKat and income laws in KSA, ZaKat allocations are calculated according to ZaKat base or amended net profit whichever is higher.
Customs Fees	454,106	0	Tadweer is subject to customs laws and the due customs value shall be paid in advance upon entry of any tools or equipment imported by Tadweer.
Visa Fees	17,502	0	A statutory requirement to allow the personnel to enter or exit.
Other Government Fees	237,755	0	Tadweer is subject to the laws of the National Center for Waste Management and other sponsor governmental bodies. Such fees shall be paid on the due dates thereof.
Social Insurance Subscription	516,474	0	Tadweer's employees are subject to the Social Insurance system, and subscriptions shall be paid based on eligibility.
Fees for Residencies and Work Permits Renewal	1,192,625	0	Non-Saudi employees at Tadweer are subject to residency laws of KSA and the fees of issuance and renewal shall be paid on the due dates thereof.

Value Added Tax

0 Saudi Riyal









Big share of Tadweer's sales (about 80%) is through exports and it is exempted from the Value Added Tax (VAT); hence, Tadweer does not pay VAT based on the net income but it redeems the VAT amount (i.e. Input Tax) paid to purchase raw materials and/or other items and services.



Penalties and Sanctions Imposed on Tadweer

No penalties or sanctions were imposed on Tadweer by any entity during the fiscal year 2024.




Capital

Authorized Capital 116,160,000 SAR 	Paid-up Capital 116,160,000 SAR 
Number of Issued Shares* 116,160,000 SAR 	Nominal Value per Share 1 SAR 
Paid-up Value per Share 1 SAR 	Financial Market of trading Nomu - Parallel Market 
Share code 9540 	International Securities Identification Number (ISIN) SA15IH0KL210 

* All shares of Tadweer are common shares.

It is worth noting that Tadweer (General Assembly) approved a capital increase from SAR 58,080,000 to SAR 116,160,000 through a 1-for-1 bonus share issuance on December 18, 2024 (17 Jumada Al-Thani 1446H).

Treasury Shares

Number of Retained Treasury Shares	Value	Date of Retention	Retention Reasons
4,000,000 	4,000,000 	9/2021 	<ol style="list-style-type: none"> 1. Retaining them as treasury shares for employee incentive program 2. For assets or companies acquisition.

Capital Constraints

No constraints are imposed on Tadweeer's shares according to its Bylaws and the rules and regulations issued by supervisory and regulatory entities



Risk Management

Risk Management Concept

The importance of risk management lies in its proactive approach to identifying, analyzing, and monitoring risks to address and mitigate their impact, this enables Tadweer to achieve its objectives and sustainability, as well as attract investor confidence and capital.

Through its management, Tadweer works to highlight potential risks in several areas related to its operations and activities, We review some of these risks in this report, along with methods for managing them.

Why is Tadweer interested in

- ⦿ Tightening control over the risks surrounding the activities of Tadweer.
- ⦿ Determine the qualitative treatment for each type of risk and follow it up periodically by the company's departments.
- ⦿ Work to reduce losses and accept them as least as possible.
- ⦿ Provide appropriate confidence to all stakeholders in Tadweer, especially shareholders, creditors, customers and suppliers, in order to protect the ability to generate profits despite any incidental losses that may lead to shrinking or non-realization of profits.

Types of Risks and Mitigation Strategies

Financial Risks

- ⬆ **Revenue Volatility Risks:** Arising from fluctuations in the prices of recycled materials or changes in demand for Tadweer's products.
- ⬆ **Financing Risks:** Related to securing the necessary funds for business expansion or covering operational expenses in case of revenue decline.

Financial Risk Management:

- ⬆ Implementing revenue diversification strategies.
- ⬆ Securing flexible financing from banks or financial institutions.
- ⬆ Continuously monitoring and analyzing cash flows to ensure financial sustainability.

Operational Risks

- ▲ **Downtime Risks Due to Technical Failures:** Such as machinery breakdowns or malfunctions in the recycling process.
- ▲ **Worker Safety Risks:** Recycling operations involve handling machinery and equipment, which may lead to workplace accidents.

Operational Risk Management

- ▲ Investing in regular maintenance and continuous equipment inspections.
- ▲ Providing employee training on workplace safety standards.
- ▲ Establishing emergency response plans to address unexpected breakdowns..

Environmental and Regulatory Risks

- ▲ **Regulatory Changes:** Including updates to recycling laws and environmental restrictions that may impact operations.
- ▲ **Environmental Risks:** Potential unintended environmental impacts resulting from recycling processes.

Environmental and Regulatory Risk Management

- ▲ Complying with the highest environmental standards set by regulatory authorities overseeing Tadweer's operations.
- ▲ Establishing monitoring points and a structured compliance measurement system.
- ▲ Maintaining regular communication with regulatory bodies to ensure ongoing compliance.
- ▲ Implementing eco-friendly technologies in the recycling process.

Technological Risks

- ▲ **Rapid Technological Advancements:** Tadweer may face challenges in keeping up with the latest recycling technologies.
- ▲ **Cybersecurity Risks:** As Tadweer relies on digital systems for operations management, it may be exposed to cyber threats that could disrupt daily activities.

Technological Risk Management

- ▲ Investing in regular technology upgrades.
- ▲ Training employees on data protection mechanisms.
- ▲ Implementing advanced cybersecurity systems to safeguard sensitive information.

Partner and Supplier-Related Risks

- ▲ **Supply Chain Risks:** Shortages of raw materials and/or delays in receiving necessary materials for operations.
- ▲ **Risks Related to Supplier and Partner Relationships:** Such as the agency agreement with Sims Metal Management.

Partner and Supplier Risk Management

- ▲ Diversifying the supplier base to ensure continuous supply.
- ▲ Setting clear contractual terms with partners to ensure adherence to agreements.
- ▲ Monitoring joint performance with Sims Metal Management to align with strategic objectives.

Market Risks

- ▲ **Competition:** The entry of new competitors into the electronic waste recycling market could impact Tadweer's market share.
- ▲ **Changes in Customer Demand:** A decline in environmental awareness and/or shifts in consumer behavior may affect demand.

Market Risk Management:

- ▲ Enhancing customer service and innovating to offer distinctive solutions.
- ▲ Strengthening relationships with existing customers and promoting environmental awareness in the market.

Conclusion

By proactively managing these risks, Tadweer can maintain its market sustainability, achieve its strategic objectives, and explore new investment opportunities in the recycling sector.



Tadweer Governance

About Governance and Abidance at Tadweer

As a leading company in metal production through recycling electronic and electrical devices, and cable and car waste in Saudi Arabia, Tadweer is committed to corporate governance standards to ensure transparency, accountability, and environmental sustainability. Since its establishment, Tadweer

has placed great emphasis on developing a robust governance framework, aiming to achieve high levels of administrative and financial performance in line with regulatory requirements and the regulations of the Saudi financial market.

Tadweer has taken significant steps to enhance its governance, including:

- Establishing an effective organizational structure that ensures transparent decision-making and operational management.
- Developing internal policies to prevent conflicts of interest and strengthen shareholder rights.
- Ensuring full compliance with Saudi financial market regulations.

Additionally, Tadweer has implemented a monitoring and evaluation system to enhance accountability and internal oversight. The company has also engaged consulting partners to support well-informed strategic decision-making that drives sustainable growth. Furthermore, Tadweer is committed to regular compliance reviews and financial reporting. Tadweer continues its dedicated efforts to advance the metal production and recycling sector in Saudi Arabia by maintaining effective corporate governance and regulatory compliance, reinforcing its competitive edge in the industry.

Abiding by Corporate Governance Regulations

Tadweer affirms its full adherence to the rules and regulations of the Saudi financial market, including all provisions related to shareholder rights. Tadweer also ensures the implementation of all articles and provisions of the Corporate Governance Regulations, except for a few guiding provisions.

No	No. of Article/ Paragraph	Paragraph Status	Text of Article/Paragraph	Reasons of non-abidance
1	Article (39)	Guiding	Establishing the necessary mechanisms to assess the annual performance of the Board, its members, its committees, and the executive management.	Tadweer is developing a mechanism to assess the performance of the Board of Directors, its committees, and the executive management.
2	Article (67)	Guiding	Formation of the Risk Committee.	The Audit Committee undertakes the roles and responsibilities of the Risk Committee.
3	Article (68)	Guiding	Responsibilities of the Risk Committee.	
4	Article (69)	Guiding	Risk Committee meetings.	
5	Article (84)	Guiding	The General Assembly, based on a proposal from the Board of Directors, sets a policy that ensures a balance between its objectives and the goals that society seeks to achieve.	Since Tadweer is listed on the Parallel Market, the provisions of the Corporate Governance Regulations are not mandatory but rather serve as guiding principles. However, driven by its commitment to best governance practices, Tadweer has initiated the implementation of all provisions and is in the process of obtaining approval.
6	Article (92)	Guiding	Formation of the Corporate Governance Committee.	The Managing director undertakes the roles and responsibilities of the Corporate Governance. And provides the necessary reports to the Executive Committee.

Related Parties Transactions

Tadweer aims at studying any potential case for conflict of interests among the members of the Board and Executive Management, Since Tadweer deals with related parties, these transactions were made in accordance with the Corporate Law and the Capital Market Authority Regulations,

The following is a statement of work and contracts in which Tadweer is a party or is one of the members of the Board or Executive Management who have a direct or indirect interest during the fiscal year 2024.

Company	Nature of Relationship and Name of Related Member	Transaction Nature	Transaction Amount (SAR)	Terms of Transaction
Al nafeiFactory for Building Materials Co	Chairman of the Board, Mr. Eyad Abdulaziz Alnafi, who also serves as the Vice Chairman of Al nafeiFactory for Building Materials Co.	Miscellaneous Scrap (Purchase Transaction)	12,195.41	No Terms
Al nafeiFactory for Building Materials Co	Chairman of the Board, Mr. Eyad Abdulaziz Alnafi, who also serves as the Vice Chairman of Al nafeiFactory for Building Materials Co.	Miscellaneous Scrap (Purchase Transaction)	29,498.98	No Terms
Al nafeiFactory for Building Materials Co	Chairman of the Board, Mr. Eyad Abdulaziz Alnafi, who also serves as the Vice Chairman of Al nafeiFactory for Building Materials Co.	Miscellaneous Scrap (Purchase Transaction)	20,825.98	No Terms
Al nafeiFactory for Building Materials Co	Chairman of the Board, Mr. Eyad Abdulaziz Alnafi, who also serves as the Vice Chairman of Al nafeiFactory for Building Materials Co.	Miscellaneous Scrap (Purchase Transaction)	30,931.55	No Terms
Al nafeiFactory for Building Materials Co	Chairman of the Board, Mr. Eyad Abdulaziz Alnafi, who also serves as the Vice Chairman of Al nafeiFactory for Building Materials Co.	Miscellaneous Scrap (Purchase Transaction)	18,998	No Terms
Al nafeiFactory for Building Materials Co	Chairman of the Board, Mr. Eyad Abdulaziz Alnafi, who also serves as the Vice Chairman of Al nafeiFactory for Building Materials Co.	Miscellaneous Scrap (Purchase Transaction)	16,103.80	No Terms

Board of Directors and it's committees

Board of Directors

Tadweer shall be managed by a Board of Directors composed of (6) members elected by the Shareholders' Ordinary General Assembly for a period that does not exceed four years with the possibility of re-election for a similar term.

Board of Directors Responsibilities

Taking into account the terms of references assigned to the General Assembly, the Board has the broadest powers and authorities in managing and supervising the management and the execution of Tadweer's business, The role of the Board of Directors depends briefly on setting general strategies, policies, the main plans and the financial objectives of the Tadweer's business and the appointment

of Tadweer's executive directors and the ratification of all financial precautions and budgets in addition to what is stipulated in Tadweer's by laws, In addition, the Board of Directors protects shareholders' interests by ensuring full compliance with all the applicable laws and regulations in the Kingdom in accordance with the bylaws and the rules and regulations of the Capital Market Authority.

Board of Directors Members CV



Mr. Eyad Abdulaziz Alnafi
Chairman of the Board
Non-Executive Member

Current Role

Businessman

Previous Role

Assistant General Manager of Al nafi Factories for Building Materials Co.

Qualifications

Bachelor's Degree in research and operations

Experience & Other Board

Memberships

- ▲ Extensive experience in the field of Finance, Business and Management of Industrial Companies
- ▲ Vice-Chairman of the Board of Directors of Alnafi Factory Construction Materials
- ▲ Chairman of Mqayes Company



Mr. Abdulmohsen Abdulaziz Al Faris
Vice Chairman of the Board
Non-Executive Member

Current Role

Businessman

Previous Role

Managing Director of Alinma Bank

Qualifications

Master's Degree in Accounting

Experience & Other Board

Memberships

- ▲ Extensive experience in accounting, Audit and internal audit area, assumed many positions in the Central Bank and Zakat, Tax and Customs Authority
- ▲ Board member of Alinma Investment
- ▲ Board member of Alinma Tokyo Marine



Dr. Nasser Abdulrahman Al Rashid

Board Member
Independent Member

Current Role

General Manager of Tafweidh Building Materials Manufacturing Co.

Previous Role

General Manager of Al Maskan Real Estate Co.

Qualifications

PhD and Master's Degree in Statistics and Management.

Experience & Other Board

Memberships

- ▲ Founder and Owner of a group of closed shareholding companies
- ▲ Member of the Board of Directors of Dyar Al Khouzama
- ▲ Member of the Board of Maskan Estate Company
- ▲ Member of the Board of Directors of Tafweed for Building Materials
- ▲ Member of the Board of Directors of Al Mahmal Real Estate Company



Mr. Khalid Abdullah Al Rumaih

Board Member
Independent Member

Current Role

Retired

Previous Role

Government Affairs Manager - Central Region, Saudi Aramco

Qualifications

Bachelor's Degree from King Saud University - Riyadh - with training courses in the Kingdom and abroad in Administrative Leadership, Finance, Planning, and Crisis Management

Experience & Other Board

Memberships

- ▲ Over 45 years of practical experience in administrative, financial, and planning leadership in the corporate and government sectors.
- ▲ Former independent member of the Board of Directors of Alinma Tokyo Marine, Chairman of the Nominations and Remuneration Committee, member of the Investment Committee, member of the Executive Committee, and member of previous investment boards. He currently serves as Chairman of the Board of Directors of the Alinma Saudi Riyal Liquidity Fund, Alinma Balanced Multi-Asset Fund, Alinma Saudi Equity Fund, Alinma Diversified Saudi Riyal Fund, Alinma Emerging Markets Index Fund, Alinma IPO Fund.



Mr. Nasser Mohammed Al-Dueb

Managing Director
Executive Member

Current Role

Managing Director of Tadweeer

Previous Role

Worked in the Microfinance Unit at the Arab Gulf Programme for Development (AGFUND).

Qualifications

Master of Business Administration (MBA) and Bachelor's Degree in Operations Research

Experience & Other Board

Memberships

- ▲ Nearly 30 years of experience in project management, finance, and strategic planning. Served as a CEO for over 10 years with significant contributions to the microfinance industry in the Arab world. Co-founder of Tadweeer.



Mr. Fawzi Abdullah Al-Suwayeh

Board Member and Chairman of the Audit Committee
Independent Member

Current Role

Management Adviser

Previous Role

CFO at Petro Rabigh.

Qualifications

Bachelor's Degree in Accounting and Business Administration

Experience & Other Board

Memberships

- ▲ Consultant and expert in accounting and management, with nearly 30 years of experience at Saudi Aramco. Previously served as the Chief Financial Officer of Petro Rabigh.



**Dr. Hisham Mohammed
Al-BarraK**
Audit Committee Member

Current Role

Assistant Professor in the Accounting Department at Al Faisal University

Previous Role

Academic Consultant for Training and Development at the Saudi Organization for Auditors and Accountants.

Qualifications

PhD in Accounting

Experience & Other Board

Memberships

- ▲ Over 15 years of experience in information and communication technology, leading numerous private and government projects, contributing to various strategies, and developing innovative business models.



**Mr. Suleiman Abdullah
Al-Suqair**
Audit Committee Member

Current Role

Independent Adviser in Executive and Senior Administrative Affairs

Previous Role

Chief Executive Officer of Communications and Information Technology at the Saudi Electricity Company.

Qualifications

Bachelor's and Master's Degree in Computer Science

Experience & Other Board

Memberships

- ▲ Approximately 35 years of experience in vital sectors and services, and in-depth expertise in Senior executive management, strategies, operational and institutional excellence.
- ▲ Member of the Board of Directors of Dhawiyat Communications and Technology Company Information (formerly).
- ▲ Member of the Audit Committee at Alinma Tokyo (formerly).



Board of Directors meetings and membership classification

The following table shows the classification of members of the Board of Directors and the number of the Board meetings, and their attendance during the fiscal year 2024:

Name of the member	Classification	Meetings of the Board of Directors			
		First meeting 02/22/2024	Second meeting 29/08/2024	Third meeting 23/10/2024	Fourth meeting 30/12/2024
Mr. Eyad Abdul Aziz Al-Nafei	non-executive	✓	✓	✓	✓
Mr. Abdulmohsen Abdulaziz Al-Fares	non-executive	✓	✓	✓	✓
Dr. Nasser Abdulrahman Al-Rasheed	independent	✓	✓	✓	✓
Mr. Khaled Abdullah Al-Romeih	independent	✓	✓	✓	✓
Mr. Nasser Mohammed Al-Dueb	Executive	✓	✓	✓	✓
Mr. Fawzi Abdullah Al-Suwayeh	independent	✓	✓	✓	✓

Audit Committee

The Audit Committee consists of at least three members and no more than five, It is responsible for overseeing Tadweer's operations, ensuring the integrity and accuracy of its financial reports and internal control systems. The committee's scope includes:

Financial Reports

- Reviewing Tadweer's interim and annual financial statements and related performance announcements, and recommending them to the Board of Directors.
- Providing a technical opinion on whether the Board of Directors' report and Tadweer's financial statements have been prepared in accordance with the applicable regulatory requirements for their preparation and presentation.
- Examining any unusual matters included in the financial statements and recommending appropriate actions if necessary.
- Investigating any issues raised by Tadweer's Chief Financial Officer (or acting CFO), Compliance Officer, or external auditor.
- Verifying the accounting estimates for material matters in the financial reports.
- Reviewing Tadweer's financial and accounting policies, providing opinions, and making recommendations to the Board of Directors.

Internal Audit

- Reviewing and assessing internal control, financial control, and risk management systems to ensure their effectiveness based on periodic internal audit reports or other sources, The committee also follows up on recommendations and corrective actions.
- Supervising the performance and activities of Tadweer's internal auditor and internal audit department (if applicable) to ensure sufficient resources and effectiveness in carrying out assigned tasks, If Tadweer does not have an internal auditor, the committee must provide a recommendation to the Board regarding the necessity of appointing one.
- Reviewing and approving the annual audit plan in coordination with the internal audit department.
- Recommending to the Board the approval of the internal audit department's organizational structure and job descriptions, ensuring its independence within Tadweer's organizational structure.
- Recommending to the Board the appointment of the Head of Internal Audit or internal auditor and proposing their remuneration.

External Auditor

- Recommending to the Board of Directors the appointment, dismissal, and remuneration of external auditors, as well as assessing their performance after ensuring their independence and reviewing the scope of their work and contractual terms.
- Ensuring the independence and effectiveness of the external auditor's work in accordance with relevant regulations and standards.
- Reviewing the external auditor's plans and work to ensure compliance with applicable legal and regulatory standards.
- Responding to inquiries from Tadweer's external auditor and providing necessary support to facilitate their work.
- Reviewing the external auditor's report and comments on the financial statements and monitoring the corrective measures taken.

Compliance Assurance

- Reviewing Tadweer's regulations and policies, providing feedback and recommendations before submitting them to the Board of Directors for approval or to the General Assembly.
- Reviewing reports from regulatory authorities and ensuring Tadweer has taken the necessary actions in response.
- Ensuring Tadweer's compliance with applicable laws, regulations, policies, and directives.
- Reviewing Tadweer's proposed contracts and transactions with related parties and submitting recommendations to the Board of Directors.
- Reporting and recommending necessary actions to the Board on matters requiring their attention.

Risk Management

Recognizing the critical importance of risk management at Tadweer and aiming to establish a robust risk management framework, the committee is responsible for the following:

- Collaborating with executive management to establish a comprehensive risk management policy aligned with Tadweer's business nature, activities, objectives, and strategy, and recommending its approval to the Board.
- Conducting periodic reviews of the risk management policy to ensure its suitability in light of changes in Tadweer's operations, internal environment, and regulatory framework, and recommending necessary updates to the Board.

- Advising the Board on Tadweer's risk appetite and ensuring that actual risks remain within acceptable levels while working to minimize the gap between actual risks and the risk appetite.
- Overseeing Tadweer's risk management systems, evaluating policies and frameworks, ensuring their effectiveness, and monitoring and measuring potential risks.
- Annually assessing the feasibility of Tadweer's continued operations and business continuity while identifying threats that may impact its sustainability.
- Reviewing periodic reports from the Risk Management

Department, making necessary decisions, and submitting recommendations to the Board regarding risk-related matters.

- Examining the organizational structure of the Risk Management Department and recommending any necessary adjustments before Board approval.
- Ensuring the independence of risk management personnel from activities that may expose Tadweer to risks.
- Promoting a risk-aware culture within Tadweer's management and employees.

Fraud and Corruption Prevention

- Overseeing the effectiveness of executive management, internal auditors, and external auditors in fulfilling their responsibilities regarding fraud and corruption prevention.
- Inquiring with the internal and external auditors regarding their assessment of the risk of material misstatements related to fraud and corruption, including the nature and frequency of such assessments.
- Asking executive management, internal auditors, and external auditors whether they are aware of any actual, suspected, or alleged fraud or corruption affecting Tadweer's operations.
- Obtaining reports from internal and external auditors on any cases of fraud or corruption, whether material or immaterial, and providing appropriate recommendations to the Board.
- Ensuring the existence of a reporting mechanism and independent investigation procedures related to fraud and corruption, evaluating their effectiveness, and monitoring their implementation.

Meetings of Audit Committee:

Name of the member	Role	Meetings of Audit Committee				
		First meeting 09/01/2024	Second meeting 26/03/2024	Third meeting 06/05/2024	Fourth meeting 14/07/2024	Fifth meeting 10/11/2024
Mr. Fawzi Abdullah Al-Suwayeh	Chairman of the committee	✓	✓	✓	✓	✓
Dr. Hisham Mohammed Al-BarraK	Member of the committee	✓	✓	✓	✓	✓
Mr. Suleiman Abdullah Al-Suqair	Member of the committee	✓	✓	✓	✓	✓



Nominations and Remunerations Committee

The Nominations and Remunerations Committee consists of at least three members and performs its assigned duties in accordance with the approved authority regulations. The committee's scope of work includes the following:

- ◉ Preparing a clear policy for the remuneration of Board members, its committees, and the executive management, and submitting it to the Board for review and subsequent approval by the General Assembly. This policy should be performance-based, transparent, and ensure proper implementation.
- ◉ Periodically reviewing the remuneration policy to ensure its alignment with relevant legislative and regulatory changes, Tadweer's strategic objectives, and the necessary skills and qualifications to achieve them. The committee shall recommend any necessary amendments to the Board.
- ◉ Recommending to the Board the remuneration of its members, committee members, and senior executives in accordance with the approved policy.
- ◉ Ensuring the existence of a Board-approved incentive plan linked to performance to support the achievement of the long-term strategic objectives set by the Board. The awarding of incentives should be based on achieving these predefined strategic goals.
- ◉ Conducting periodic benchmarking studies of salary and compensation structures within Tadweer's industry.
- ◉ Developing and periodically reviewing remuneration policies, including fixed salaries, bonuses, and attendance fees for Board meetings, while ensuring compliance with relevant governance regulations.
- ◉ Preparing a policy and criteria for Board membership and recommending it to the Board for approval by the General Assembly.
- ◉ Recommending the nomination and re-nomination of Board members in accordance with the approved policies and criteria.
- ◉ Periodically reviewing the Board membership policy to ensure its alignment with relevant legislative and regulatory changes, Tadweer's strategic objectives, and the necessary skills and qualifications to achieve them. The committee shall recommend any necessary amendments to the Board.
- ◉ Determining the time required for each Board member to dedicate to their duties, including meeting preparation, reviewing reports, and attending discussions.
- ◉ Ensuring the existence of an orientation program for new Board members covering Tadweer's operations and providing ongoing training support to the Board.
- ◉ Reviewing the organizational structure of the Board, its committees, and the executive management, and recommending necessary changes.
- ◉ Annually verifying the independence of independent members and ensuring no conflicts of interest exist.
- ◉ Assessing whether any Board member is engaging in business activities that compete with Tadweer or its subsidiaries, and providing recommendations to the Board regarding such matters. This includes:
 - ★ Reviewing the technical aspects of the Board member's reported competing business.
 - ★ Studying the market(s) where the competing business or related products operate.
 - ★ Evaluating the competitive business's alignment with Tadweer's strategy and future directions.
- ◉ The committee has the right to request relevant information and seek external expertise to conduct necessary studies or evaluations.
- ◉ Establishing procedures for filling Board or executive management vacancies.
- ◉ Defining job descriptions for executive, non-executive, and independent Board members.
- ◉ Identifying the Board's strengths and weaknesses and proposing solutions that align with Tadweer's interests.
- ◉ Recommending performance evaluation criteria for the Board, its members, and committees.
- ◉ Ensuring that Board members receive introductory training (for new members) and additional training sessions related to Board and committee operations, including performance evaluation.

- Upon the Board's request, nominating members for other committees within Tadweer.

Meetings of the Nomination and Remuneration Committee:

Name of the member	 Role	 Meetings of the Nomination and Remuneration Committee	
		First meeting 04/03/2024	Second meeting 23/12/2024
Mr. Khaled Abdullah Al-Romeih	Chairman of the committee	✓	✓
Mr. Eyad Abdul Aziz Al-Nafei	Member of the committee	✓	✓
Mr. Abdul Mohsen Abdul Aziz Al Fares	Member of the committee	✓	✓



















Executive Committee

The Executive Committee consists of four members and is responsible for carrying out its assigned duties in accordance with the approved authority regulations. The committee's scope of work includes the following:

- Participating in and overseeing the development of Tadweer's strategic plan, evaluating proposals submitted by the executive management regarding Tadweer's vision, mission, strategic pillars, objectives, and financial and strategic initiatives, and submitting them to the Board for approval.
- Ensuring the implementation of Tadweer's overarching strategy and assessing its effectiveness in achieving the desired goals.
- Reviewing periodic management reports, evaluating performance, and reviewing new investments or reinvestments, approving them before submission to the Board for final approval.
- Reviewing budgets and annual plans, investigating significant budget variances (if any) before presenting them to the Board.
- Monitoring and receiving reports on the implementation and completion of Tadweer's major projects or significant expansion initiatives.
- Overseeing Tadweer's performance and seeking explanations for any deviations from approved plans, budgets, and forecasts.
- Recommending to the Board the establishment of wholly owned subsidiaries of Tadweer or the acquisition of a stake exceeding 50% in new or existing companies, regardless of Tadweer's capital size.
- Providing recommendations on mergers and acquisitions to the Board of Directors.
- Receiving periodic reports from Tadweer's management on the company's risk management activities, including risk assessments and the measures implemented to address and monitor these risks.
- Receiving regular management reports from the Managing Director on Tadweer's performance, discussing and reviewing them during Executive Committee meetings before presenting them to the Board, if necessary.
- Reviewing the minutes of committee meetings and tracking the decisions documented in the action plan from previous meetings to ensure corrective actions have been taken as required.
- Conducting an annual review and reassessment of the efficiency of these regulations and submitting recommendations on any proposed changes to the Board for approval.

- Undertaking any other activities in alignment with these regulations, Tadweer's Bylaws, and applicable laws, as deemed necessary and appropriate by the Board of Directors to ensure compliance with corporate governance guidelines, legal requirements, and regulations issued by various authorities and regulatory bodies.
- The committee must submit its reports to the Board of Directors ahead of the Board meeting, along with all resolutions and recommendations issued by the committee at least once a year

MEETINGS OF THE EXECUTIVE COMMITTEE:

Name of the member	 Role	 Meetings of the executive committee			
		First meeting 31/01/2024	Second meeting 24/09/2024	Third meeting 20/11/2024	Fourth meeting 22/12/2024
Mr. Abdul Mohsen Abdul Aziz Al Faris	Chairman of the committee				
Mr. Eyad Abdul Aziz Al-Nafei	Member of the committee				
Dr. Nasser Abdul Rahman Al-Rashid	Member of the committee				
Mr. Nasser Mohammed Al-Dueb	Member of the committee				



The current and previous positions, qualifications and expertise of the executive management.



Mr. Nasser Mohammed Al-Dueb
Manager Director

Current Position

Manager Director

Previous Position

Worked in the Microfinance Unit at the Arab Gulf Program for Development (AGFUND)

Qualifications

MBA in Business Administration & Bachelor's in Operations Research

Experience

▲ Nearly 30 years of experience in project management, finance, and strategic planning. Served as CEO for over 10 years, with significant contributions to the microfinance industry in the Arab world. Co-founder of Tadweeer.



Mr. Bharat Bhatnagar
Chief Financial Officer (CFO)

Current Position

Chief Financial Officer (CFO)

Previous Position

Consultant at PKC Consultancy - India

Qualifications

Master's in Islamic Finance & Master's in Commerce

Experience

▲ Nearly 25 years of experience in financial services and consultancy. Over 15 years as a consultant, playing a key role in multiple acquisition processes to attract investors to various investment funds.



Mr. Spyridon Fafoutis
Director at Expansion and Technical Department

Current Position

Director at Expansion and Technical Department

Previous Position

General Manager Metalvalius Ltd (Viohalco Group), Consultant and Project Director (Interim) at various Projects in Middle East and Europe

Qualifications

Project Management Professional (PMP), PMI Risk Management Professional (PMI-PMP), Master on Business Administration (MBA), 5-year Diploma in Mining and Metallurgical Engineering, NTUA

Experience

▲ He has more than 30 years of experience in the fields of metals recycling, waste management, EPR Systems, mining and mineral processing, metallurgy, cement and aggregates operations, project management and consulting. He has many achievements in the field of recycling including setting up greenfield projects, full scale operations optimization, business development and strategy for Greece, Balkans and Middle East



Mr. Hadi Hassan Hadadi
Sales, Purchase, Production,
and Inventory Manager

Current Position

Sales, Purchase, Production, and
Inventory Manager

Previous Position

Production supervisor at First
Waste Company.

Qualifications

Diploma in Computer Science

Experience

- Over 15 years of experience in metals and recycling, specializing in production planning and the development of periodic production reports.



Mr. Ra'ouf Borny
Quality, Safety, and
Maintenance Manager

Current Position

Quality, Safety, and Maintenance
Manager

Previous Position

Director of Operations

Qualifications

Bachelor's in Electromechanical Technology

Experience

- More than 17 years of experience ranging in many fields, including: internal audit, management and consulting, responsible for production, management and improvement



Mr. Nawaf Saud Al-Odailah
Human Resources and
Administrative Affairs Manager

Current Position

Human Resources and
Administrative Affairs Manager

Previous Position

HR Officer at the Charitable Society
for Orphans Care "Insan"

Qualifications

Bachelor's in Marketing

Experience

- Over 7 years of experience across real estate, the non-profit sector, and the private sector in various roles.



Mr. Abdulaziz Rashed Al-Kathiri

**Governance and Legal Affairs
Specialist**

Current Position

Governance and Legal Affairs
Specialist

Previous Position

Legal Specialist

Qualifications

Bachelor's in Law

Experience

- ▲ Nearly 4 years of experience in multiple fields, including legal affairs, corporate governance, and corporate secretarial services. Previously worked as a legal specialist and contributed to the legal aspects of various acquisition transactions for several companies.

Board of Directors, Committees, and Executive Management Remuneration

Board of Directors, Committees, and Executive Management Remuneration Policy:

- The remuneration policy for the Board of Directors and its committees aims to regulate compensation to attract board and committee members with the necessary scientific, technical, administrative competencies, and relevant experience, This encourages them to perform their duties professionally and efficiently, enhancing Tadweeer's overall performance, achieving its objectives, and strategically planning for its growth and competitive advantage.
- Annual remuneration for the Board of Directors and its committees is determined based on the remuneration policy and in accordance with Tadweeer's Bylaws.
- Remuneration is designed to attract board members with the required expertise and qualifications to strengthen Tadweeer's ability to achieve its goals.
- Compensation should be fair and proportionate to the member's role, responsibilities, and contributions, Tadweeer may link remuneration to the member's performance or meeting attendance rate.
- Annual compensation aims to incentivize board members to contribute to Tadweeer's growth and strategic objectives.
- In accordance with Article (18) of Tadweeer's Bylaws and Article (6) of the Board and Executive Management Remuneration Policy, which was approved by the General Assembly of Tadweeer's shareholders on June 23, 2024 (corresponding to Dhul-Hijjah 17, 1445H), the annual remuneration for each board member is set at a fixed amount of SAR 100,000, subject to the General Assembly's approval.
- Each committee member from outside the board is granted an annual remuneration of SAR 40,000.
- Each board member is entitled to a meeting attendance allowance of SAR 3,000 per meeting, with a maximum annual cap of SAR 12,000.
- Each committee member is entitled to a meeting attendance allowance of SAR 2,000 per meeting, with a maximum annual cap of SAR 10,000.
- Travel tickets will be provided for members residing outside the area where board, committee, or general assembly meetings are held, Alternatively, a cash

allowance of SAR 1,200 will be granted to cover related travel expenses for domestic and international trips.

- ⦿ The Board of Directors, based on the recommendation of the Nomination and Remuneration Committee, determines the types of compensation awarded to Tadweer's executive management, including fixed salaries or performance-based incentives.
- ⦿ Executive management may be granted remuneration in the form of shares, provided all regulatory requirements are met.
- ⦿ Executive management is entitled to salaries, compensation, and allowances as per their contractual agreements.
- ⦿ Tadweer affirms that the remuneration for the fiscal year 2024 will be distributed as per the above guidelines, subject to obtaining the necessary approvals.



Board of Directors Remuneration

Member name	Fixed remuneration							Variable Remuneration						End of service remuneration	Total amount	Expense allowance
	Fixed fee	Meeting attendance for Board members	Meeting attendance for Committee members Independent member	In-Kind benefits Independent member	Remuneration for technical, administrative and consulting work	Bod chairman md, and Secretary if is in the bod	TOTAL	Percentage of profits	Periodic remuneration	Short-term incentive Plan	Long-term incentive plan	Shares given	TOTAL			
INDEPENDET MEMEBER																
DR.NASSER ABDUL RAHMAN AL-RASHID	100,000	12,000	8,000	-	-	-	120,000	-	-	-	-	-	-	-	120,000	-
MR.FAWZI ABDULLAH AL-SUWAYEH	100,000	12,000	10,000	-	-	-	122,000	-	-	-	-	-	-	-	122,000	-
MR.KHALID ABDULLAH AL-ROMEIH	100,000	12,000	4,000	-	-	-	116,000	-	-	-	-	-	-	-	116,000	-
NON-EXECUTIVE MEMBER																
MR.EYAD ABDULAZIZ AL-NAFEI	100,000	12,000	12,000	-	-	-	124,000	-	-	-	-	-	-	-	124,000	-
MR.ABDUL MOHSEN ABDUL AZIZ AL-FARES	100,000	12,000	12,000	-	-	-	124,000	-	-	-	-	-	-	-	124,000	-
EXECUTIVE MEMBER																
MR.NASSER MOAHMMED AL-DUEB	100,000	12,000	8,000	-	-	-	120,000	-	-	-	-	-	-	-	120,000	-
TOTAL	600,000	72,000	54,000	-	-	-		-	-	-	-	-	-	-	726,000	-

Committee Members Remuneration

#	Member Name	Role	FIXED REMUNERATION	MEETINGS ATTENDANCE	Total
1	Mr. Fawzi Abdullah Al-Suwayeh	Chairman of the Audit Committee	-	10,000	10,000
2	Dr. Hesham Mohammed Al-BarraK	Member of the Audit Committee	40,000	10,000	50,000
3	Mr. Suleiman Abdullah Al-Suqair	Member of the Audit Committee	40,000	10,000	50,000

#	Member Name	Role	FIXED REMUNERATION	MEETINGS ATTENDANCE	Total
1	Mr. Khalid Abdullah Al-Romeih	Chairman of the Nomination & Remuneration Committee		4,000	4,000
2	Mr. Eyad Abdul Aziz Al-Nafei	Member of the Nomination & Remuneration Committee		4,000	4,000
3	Mr. Abdul Mohsen Abdul Aziz Al-Fares	Member of the Nomination & Remuneration Committee		4,000	4,000

#	Member Name	Role	FIXED REMUNERATION	MEETINGS ATTENDANCE	Total
1	Mr. Abdul Mohsen Abdul Aziz Al-Fares	Chairman of the Executive Committee		8,000	8,000
2	Mr. Eyad Abdul Aziz Al-Nafei	Member of the Executive Committee		8,000	8,000
3	Dr. Nasser Abdul Rahman Al-Rashid	Member of the Executive Committee		8,000	8,000
4	Mr. Nasser Mohammed Al-Dueb	Member of the Executive Committee		8,000	8,000

Executive Management Remuneration

Fixed Remuneration *	Salaries	2,810,741
	Allowances	490,398
	In-Kind Benefits	-
	Total	3,301,139
Variable Remuneration **	Periodical Remuneration	1,100,000
	Profits	-
	Short-term Incentive Plans	-
	Long-term Incentive Plans	-
	Granted Shares	-
		1,100,000
***End-of-service Award		522,162
****Board Executives Total Remuneration		120,000
Total		5,045,301

*The salaries of the senior executives for the fiscal year 2024

** The end of the year bonuses for the senior executives during the fiscal year 2024

*** The calculation of the end of service for the senior executives during the fiscal year 2024

**** The fixed and the meetings attendance rewards for the Managing Director during the fiscal year 2024

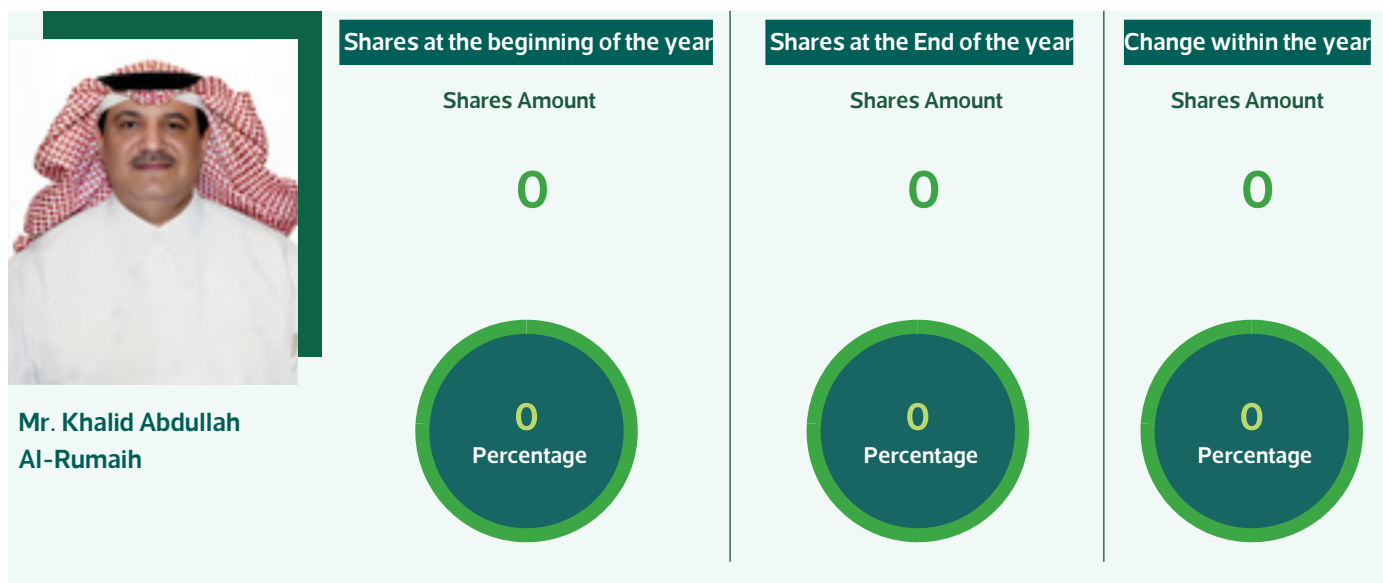


Equities of Board of Directors and their families at Company's shares

 <p>Mr. Eyad Abdulaziz Al-Nafei</p>	<p>Shares at the beginning of the year</p> <p>Shares Amount</p> <p>Before: 13,920,750</p> <p>After: 27,841,500</p> <p>23,96% Percentage</p>	<p>Shares at the End of the year</p> <p>Shares Amount</p> <p>Before: 13,920,750</p> <p>After: 27,841,500</p> <p>23,96% Percentage</p>	<p>Change within the year</p> <p>Shares Amount</p> <p>0</p> <p>0 Percentage</p>
 <p>Mr. Abdulmohsen Abdulaziz Al-Faris</p>	<p>Shares at the beginning of the year</p> <p>Shares Amount</p> <p>Before: 12,917,310</p> <p>After: 25,834,620</p> <p>22,40% Percentage</p>	<p>Shares at the End of the year</p> <p>Shares Amount</p> <p>Before: 12,917,310</p> <p>After: 25,834,620</p> <p>22,40% Percentage</p>	<p>Change within the year</p> <p>Shares Amount</p> <p>0</p> <p>0 Percentage</p>



 <p>Dr. Nasser Abdulrahman Al-Rashid</p>	<p>Shares at the beginning of the year</p> <p>Shares Amount</p> <p>Before: 1,026,161</p> <p>After: 2,052,322</p> <p>1,76% Percentage</p>	<p>Shares at the End of the year</p> <p>Shares Amount</p> <p>Before: 748,273</p> <p>After: 1,496,546</p> <p>1,28% Percentage</p>	<p>Change within the year</p> <p>Shares Amount</p> <p>555,776</p> <p>27.08 % Percentage</p>
 <p>Mr. Nasser Mohammed Al-Dueb</p>	<p>Shares at the beginning of the year</p> <p>Shares Amount</p> <p>Before: 1,296,316</p> <p>After: 2,592,632</p> <p>2,23% Percentage</p>	<p>Shares at the End of the year</p> <p>Shares Amount</p> <p>Before: 1,296,316</p> <p>After: 2,592,632</p> <p>1,28% Percentage</p>	<p>Change within the year</p> <p>Shares Amount</p> <p>0</p> <p>0 Percentage</p>
 <p>Mr. Fawzi Abdullah Al-Suwaih</p>	<p>Shares at the beginning of the year</p> <p>Shares Amount</p> <p>0</p> <p>0 Percentage</p>	<p>Shares at the End of the year</p> <p>Shares Amount</p> <p>0</p> <p>0 Percentage</p>	<p>Change within the year</p> <p>Shares Amount</p> <p>0</p> <p>0 Percentage</p>



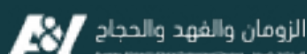
It is worth noting that Tadweer (the General Assembly) has increased the capital from SAR 58,080,000 to SAR 116,160,000 through a 1-for-1 bonus share grant on December 18, 2024 (corresponding to Jumada Al-Thani 17, 1446H).

Internal Audit, Control, and Audit Committee Findings

A specialized auditing firm has been appointed to carry out internal audit tasks for the fiscal year ending on December 31, 2024, In accordance with the International Standards for the Professional Practice of Internal Auditing issued by the Institute of Internal Auditors (IIA), the Audit Committee has reviewed the adequacy and effectiveness of the internal control system and reported its findings to the Board, The review covered the monitoring of general accounting controls, accounts receivable and payable, revenue accounts, trade receivables, supplier accounts, costs, fixed assets, and other financial components. Additionally, the committee examined the audit findings before submitting them to the Board of Directors.

Based on the reports of Tadweer's external and internal auditors, and given that no material weaknesses were identified in Tadweer's internal control systems, the Audit Committee believes that Tadweer's executive management has maintained an effective internal control system, The scope and depth of the audits, along with the discussions held during the Audit Committee's periodic meetings, provided a reasonable basis for this conclusion, However, it should be noted that no internal control system, regardless of its robustness and effectiveness, can provide absolute assurance regarding the efficiency of the implemented controls.

External Auditor's Report for Tadweer



The firm Al-Zoman, Al-Fahad & Al-Hajjaj for Professional Consultancy was appointed as Tadweer's external auditor for the fiscal year ending on December 31, 2024, following approval by the Ordinary General Assembly on June 23, 2024 (corresponding to Dhul-Hijjah 17, 1445H). The external auditor's report did not contain any reservations regarding Tadweer's semi-annual and annual financial statements for the fiscal year 2024.







Board of Directors' Declarations

Based on Tadweer's Bylaws and the external auditor's report, the Board of Directors declares the following:

- ✓ The financial records have been prepared correctly.
- ✓ The internal control system has been established on sound principles and implemented effectively.
- ✓ There are no significant doubts regarding Tadweer's ability to continue its operations.
- ✓ No Board member is engaged in any competing business activities related to Tadweer.
- ✓ Tadweer has not issued any convertible debt instruments, securities, subscription rights, or similar instruments, nor has it received any compensation in exchange for such instruments.
- ✓ There are no outstanding conversion or subscription rights related to convertible debt instruments, securities, or similar instruments issued by Tadweer in the 2024 fiscal year.
- ✓ No material conflicts of interest were recorded during 2024.
- ✓ Tadweer has not repurchased, redeemed, or canceled any redeemable debt instruments. Additionally, there is no distinction between Tadweer's listed securities and those purchased by its subsidiaries (if any).
- ✓ There are no agreements in which any shareholder has waived their rights to dividends.
- ✓ Tadweer has not created any investment funds or reserves for the benefit of its employees.
- ✓ There are no shares, securities, or subscription rights held by Board members, senior executives, or their relatives in Tadweer or its subsidiaries (if any), and there have been no changes in such interests during the 2024 fiscal year, except as disclosed in this report.
- ✓ There are no shareholders (excluding Board members, senior executives, or their relatives) who have disclosed any voting rights in Tadweer's shares, and no changes in such rights occurred in the 2024 fiscal year.

Board of Directors' Confirmations

In alignment with the Corporate Governance Regulations issued by the Capital Market Authority and Tadweer's Governance Framework, the Board of Directors confirms the following:

-  Tadweer is committed to protecting shareholders' rights, ensuring equal treatment among shareholders, and not restricting any shareholder rights.
-  Tadweer did not receive any requests from shareholders holding 10% or more of the company's shares to convene a General Assembly in 2024, nor was any such meeting held.
-  Tadweer did not receive any requests from shareholders holding 10% or more to add topics to the General Assembly agenda.
-  Tadweer did not receive any requests from the external auditor to convene a General Assembly in 2024.
-  Tadweer has not taken any actions that could prevent shareholders from exercising their voting rights, except for Board members who own shares in Tadweer, who were restricted from voting on the discharge of Board members' liabilities during the Ordinary General Assembly held on June 23, 2024 (corresponding to Dhul-Hijjah 17, 1445H).
-  Tadweer has not provided any cash loans of any kind to its Board members, nor has it guaranteed any loans taken by Board members from external entities.

Actions Taken by the Board to Address Shareholder Feedback

The Board of Directors, during its meetings, presents and discusses shareholder inquiries and observations (if any) regarding Tadweer's performance with its members.

Board Performance Evaluation

The Nomination and Remuneration Committee is collaborating with an external party to develop a mechanism for evaluating the Board's performance. Once the final draft of the evaluation framework is completed, it will be submitted to the Board of Directors as a recommendation for approval and implementation.

Audit Committee Recommendation on the Appointment of an Internal Auditor

During the 2024 fiscal year, the Audit Committee recommended to Tadweer's Board of Directors the appointment of an internal auditor to support the committee in internal auditing and risk management. The Board, in collaboration with the Audit Committee and Executive Management, is actively seeking the most qualified candidates to fill this role. This appointment aims to safeguard Tadweer's interests, protect shareholder rights, and minimize potential risks to the lowest possible level.



Shareholder Register Requests and Tadweer Announcements

Shareholder Register Requests

#	File type	Request date	Request reason
1	Shareholder	23/01/2024	Other
2	Shareholder	23/01/2024	Other
3	Shareholder	29/02/2024	Other
4	Shareholder	02/04/2024	Other
5	Shareholder	23/04/2024	Other
6	Shareholder	13/06/2024	Other
7	Shareholder	17/07/2024	Company's Actions
8	Shareholder	18/07/2024	Other
9	Shareholder	28/08/2024	Other
10	Shareholder	06/09/2024	Other
11	Shareholder	28/10/2024	Other
12	Shareholder	30/12/2024	Other

Tadweer Announcements During the 2024 Fiscal Year

#	Announcement Title	Announcement Date
1	Tadweer Environmental Co. Announces the Annual Financial Results for the Fiscal Year Ending on 31/12/2023	28/03/2024
2	Tadweer Environmental Co. Announces the Publication of the Board of Directors' Report for the Fiscal Year Ending on December 31, 2023, as Part of the Requirements for Transitioning to the Main Market	02/04/2024
3	The Board of Directors of Tadweer Environmental Co. Invites Shareholders to Attend the Ordinary General Assembly Meeting (First Meeting) via Modern Technology	02/06/2024
4	Tadweer Environmental Co. Announces the Results of the Ordinary General Assembly Meeting (First Meeting)	24/06/2024
5	Tadweer Environmental Co. Announces the Latest Developments Regarding the Publication of the Board of Directors' Report for the Fiscal Year Ending on December 31, 2023, as Part of the Requirements for Transitioning to the Main Market	06/08/2024
6	Tadweer Environmental Co. Announces the Signing of a Shariah-Compliant Credit Facility Agreement with Riyadh Bank	29/08/2024
7	Tadweer Environmental Co. Announces the Preliminary Financial Results for the Six-Month Period Ending on 30/2024/06/	29/08/2024
8	Tadweer Environmental Co. Announces the Board of Directors' Recommendation to Increase the Company's Capital Through Bonus Shares	29/08/2024
9	Tadweer Environmental Co. Announces the Signing of an Agreement to Qualify the Company for Carbon Credit Certification with Net Zero Company	27/10/2024
10	Tadweer Environmental Co. Announces the signing of Shariah-Compliant Credit Facilities	04/11/2024
11	Tadweer Environmental Co. Announces the Latest Developments Regarding the Board of Directors' Recommendation to Increase the Company's Capital Through Bonus Shares	05/11/2024
12	Tadweer Environmental Co. Announces the Signing of a Memorandum of Understanding with Re Sustainability Middle East to Establish Metal Smelters and Recycling Units	12/11/2024
13	Tadweer Environmental Co. Announces the Board of Directors' Resolution to Recommend Transferring the Share Premium Amount to the Retained Earnings Account	20/11/2024
14	Tadweer Environmental Co. Announces the Latest Developments Regarding the Board of Directors' Resolution to Recommend Transferring the Share Premium Amount to the Retained Earnings Account	27/11/2024
15	The Board of Directors of Tadweer Environmental Co. Invites Shareholders to Attend the Extraordinary General Assembly Meeting, Which Includes an Increase in the Company's Capital (First Meeting) via Modern Technology	27/11/2024
16	Tadweer Environmental Co. Announces the Results of the Extraordinary General Assembly Meeting, Which Approved the Increase in the Company's Capital (First Meeting)	19/12/2024

General Assemblies

The highest authority within the administrative hierarchy of any company is the Shareholders' General Assembly, which holds the broadest and most significant administrative powers. These powers include electing or dismissing Board members, approving the consolidated financial statements, appointing the external auditor, determining their fees, and approving the Policies of the Audit Committee and the Nomination & Remuneration Committee. These policies must outline the procedures, responsibilities, member selection criteria, nomination process, membership duration, and remuneration. Additionally, the General Assembly approves dividend distributions to shareholders based on the Board of Directors' recommendations. The Extraordinary General Assembly (EGA) is responsible for approving capital increases or reductions and amending the company's Bylaws.

The General Assembly meeting is chaired by the Chairman of the Board or, in their absence, the Vice Chairman. If both are unavailable, the Board appoints a representative to preside over the meeting. Each shareholder has the right to attend the General Assembly meeting either in person or by granting a written proxy to a representative, provided they are not a Board member.

As part of its commitment to sound governance principles, Tadweer held two General Assembly meetings during the year. Tadweer ensures that the time and location were convenient, allowing the largest possible number of shareholders to attend and participate. Additionally, Tadweer implemented an electronic voting system and enabled remote participation to facilitate shareholders' right to vote, in compliance with the company's Bylaws and governance regulations.

The following table provides details of the General Assembly meetings held during the year, along with the attendance records of Board members:

Name	Ordinary General Assembly Meeting (June 23, 2024)	Extraordinary General Assembly Meeting (December 18, 2024)
Mr. Eyad Abdul Aziz Al-Nafei	✓	✓
Mr. Abdul Mohsen Abdul Aziz Al-Fares	✓	✗
Dr. Nasser Abdul Rahman Al-Rashid	✓	✓
Mr. Fawzi Abdullah Al-Suwaih	✗	✗
Mr. Nasser Mohammed Al-Dueb	✓	✓
Mr. Khaled Abdullah Al-Romieh	✓	✓

Dividend Distribution Policy and Distributions

Dividend Distribution Policy:

As stated in Tadweer's Bylaws, the annual net profits are distributed as follows:

- 1 10% of the net profits shall be allocated to form the statutory reserve of Tadweer, The Ordinary General Assembly may decide to discontinue this allocation once the reserve reaches 30% of the paid-up capital.
- 2 The Ordinary General Assembly, upon the recommendation of the Board of Directors, may allocate a percentage of net profits to form a discretionary reserve, to be utilized as deemed beneficial for Tadweer.
- 3 The Ordinary General Assembly may decide to form additional reserves, to the extent that serves Tadweer's best interests or ensures the distribution of stable dividends to shareholders whenever possible, It may also allocate amounts from net profits for the establishment of social institutions for Tadweer employees or to support existing ones.
- 4 The Ordinary General Assembly, based on the Board of Directors' recommendation, shall determine the dividend distribution percentage for shareholders after deducting the necessary reserves, if applicable.
- 5 Tadweer may distribute interim dividends to its shareholders semi-annually or quarterly, in accordance with the regulations issued by the Capital Market Authority.

Dividends Distributed During the 2024 Fiscal Year:

No dividends were distributed to shareholders for the fiscal year ending December 31, 2024.



Shareholder Relations

Social Responsibility:

The core activities, business operations, and strategic objectives of Tadweer play a crucial role in promoting environmental safety in Saudi Arabia, which positively impacts both individuals and society. The recycling of hazardous materials from electrical and electronic devices, cables, cars serves as a purification process for the environment.

Tadweer actively develops initiatives that align its objectives with environmental benefits, such as the "Istibdal" initiative, which reduces environmental damage and supports Saudi Arabia's vision of reducing carbon emissions and achieving net-

zero emissions by 2060. Additionally, the company collaborates with relevant authorities to explore partnership opportunities and adopt initiatives that serve the community's well-being.

Moreover, Tadweer is committed to empowering young talents by enhancing their practical skills in their respective fields. Tadweer dedicates significant efforts to training young professionals entering the workforce through cooperative training programs in collaboration with universities and other educational institutions.

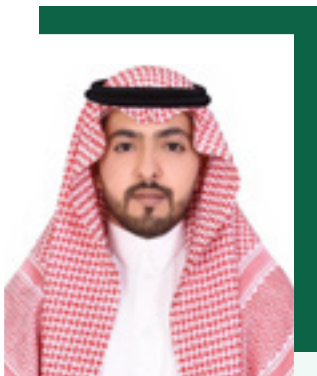
Shareholder Relations:

Driven by its commitment to joining the Saudi Main Financial Market (Tadawul) and fostering shareholder trust, Tadweer's Board of Directors recognizes the importance of direct engagement with shareholders. Tadweer highly values shareholder feedback, suggestions, and insights on its performance and has established dedicated communication channels to strengthen shareholder relations. This ensures transparency, high governance standards, and a collaborative approach to achieving Tadweer's strategic goals.

To safeguard shareholder rights, Tadweer's internal policies, Bylaws, and Governance Regulations comprehensively outline shareholders' participation rights and provide full visibility into Tadweer's strategic direction and performance.

Tadweer is committed to providing all shareholders with accurate, unbiased, and transparent information to enable them to fully exercise their rights through General Assembly meetings. The company ensures continuous updates on its latest developments via its official website and the Saudi Exchange (Tadawul) platform.

Shareholder Relations Officer



Abdulaziz Rashed Al-Kathiri



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