

Sustainability Report

2024

Saudi  
Tadawul  
Group



Towards a  
**Sustainable Growth**



Custodian of the Two Holy Mosques  
**King Salman Bin Abdulaziz Al Saud**



His Royal Highness  
**Mohammed Bin Salman Bin Abdulaziz Al Saud**  
Crown Prince, Prime Minister, Chairman of the Council of  
Economic and Development Affairs





The Group is internationally recognized as a leading financial market organization, demonstrating strong alignment with international standards

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The Group strives to lead in global capital markets through a strategy focused on achieving sustainable growth, stakeholder focus and achieving operational excellence.





# About this Report

This report focuses on the Group's progress, purpose and performance in 2024. It addresses the year's most impactful achievements, challenges and opportunities embraced to create a positive change across the Group's sustainability focus areas. From strategic milestones to the smaller everyday wins, each pillar showcases the organization's unwavering commitment to sustain long-term growth for all Stakeholders.



The Group aligns its report with the Global Reporting Initiative (GRI), Sustainability Accounting Standards Board (SASB) standards, and the GCC ESG metrics.

## Reporting Period

The information disclosed in this report covers the calendar year from 1 January to 31 December 2024 in line with its annual financial reporting cycle.

## Scope and Boundary

The Group's reporting boundary includes the operations and activities of the Group including its subsidiaries within the Kingdom of Saudi Arabia. Financial data is expressed in Saudi Riyals (﷼).

## Adopted Standards

Recognizing the growing international influence of the Saudi Capital Market, the Group remains committed to delivering globally consistent and comparable sustainability-related disclosures, which reinforces its leadership positions across the region and within the worldwide financial landscape.

The Group is committed to preparing its reports in alignment with the Global Reporting Initiative (GRI)

Standards, the Sustainability Accounting Standards Board (SASB) framework, as well as the Environmental, Social, and Governance (ESG) guidelines relevant to the GCC region.

The Group is internationally recognized as a leading financial market organization, demonstrating strong alignment with international standards. This includes additional alignment with United Nations Global Compact (UNGC) disclosures and consideration of the International Sustainability Standards Board (ISSB) frameworks: IFRS S1 (General Requirements for Disclosure of Sustainability-related Financial Information) and IFRS S2 (Climate-related Disclosures).

Additionally, throughout the report, the Group indicates its alignment with the United Nations Sustainable Development Goals (UNSDG), Saudi Vision 2030 and the Financial Sector Development Program (FSDP).

## Target Audience

This Sustainability Report is intended for all Stakeholders and individuals who play a role in or have an interest in the Group's sustainability performance, including investors, regulators, partners, employees, issuers, market participants and the broader community. The report aims to provide transparent insight into the Group's sustainability performance and priorities.

To gain a complete understanding of the Group's strategic direction, operational progress and financial results, readers are encouraged to read this report in conjunction with the Group's 2024 Annual Report. Together, these publications will offer the reader a holistic understanding of the Group's long-term value, as well as its commitment to sustainable development.

## Feedback

The Group is always looking for opportunities to grow, improve and better serve its Stakeholder and community. Inquiries, feedback and suggestions are welcomed. Please feel free to get in touch with us anytime at: sustainability@tadawulgroup.sa

## Forward-Looking Statement

As the Saudi Tadawul Group continues to evolve, it remains committed to driving a more resilient, transparent and inclusive capital market. Looking ahead, its focus will be on strengthening sustainability integration across financial markets and investment decisions while advancing digital innovation to enhance market efficiency and accessibility. With the support of its subsidiaries, the Group will continue expanding sustainable finance instruments, including green bonds, sustainability-linked sukuk and voluntary carbon trading mechanisms, to support Saudi Arabia's transition to a low-carbon economy. Increasing alignment with global sustainability frameworks such as IFRS S1 and S2 will ensure transparency and reliability in financial reporting, further reinforcing investor confidence. Group efforts will also prioritize enhancing workforce capabilities, fostering diversity and inclusivity, and equipping future leaders with sustainability knowledge to support market transformation.

Contributing to Saudi Vision 2030's economic diversification goals, the Group aims to enable stronger private sector growth, attract higher foreign direct investment and develop a globally competitive capital market that positions Saudi Arabia as a leading financial hub. These ambitions reflect its unwavering commitment to delivering long-term sustainable value to its Stakeholders and strengthening its role as a key driver of economic and environmental progress.



Please refer to the Appendices for relevant content indexes.



# About the Group



Saudi Tadawul Group is working to develop an advanced capital market as part of its commitment to realizing the objectives of the Financial Sector Development Program (FSDP) and its efforts to create a thriving financial sector that contributes to supporting and achieving the ambitious Saudi Vision 2030. The Group’s transformation in 2021 into a holding group represented a key milestone in this initiative.

Following the transformation into a holding group structure, it became the parent company with a portfolio of four wholly owned subsidiaries, including the Saudi Exchange Company (Saudi Exchange), the Securities Depository Center Company (Edaa), the Securities Clearing Center Company (Muqassa) and the Tadawul Advanced Solutions Company (WAMID). WAMID is an applied technology services business and the innovation arm of the Saudi Tadawul Group.

In alignment with the Group’s growth strategy and diversification ambitions, as outlined in its strategic plan, in June 2024, the Group announced the completion of its acquisition of a 32.6% strategic stake in DME Holdings Limited. Subsequently, DME Holdings Limited has been rebranded as the Gulf Mercantile Exchange (GME). This step supports the Group’s strategic move towards leveraging the Middle East’s geographic proximity to key

commodity production hubs and end markets. This transaction will unlock further opportunities in the energy, metals and agricultural commodity markets, and support the ongoing transition to a sustainable economy through the launch of next-generation derivative contracts.

In May 2023, the Group marked a significant milestone in advancing its strategic objectives for diversification and sustainable growth through its subsidiary, Wamid, acquiring a 51% stake in the issued share capital of Mubasher Financial Services. Building on this progress, the Group announced in December 2024 the acquisition of the remaining 49% equity interest in the company. These transactions underscore the Group’s commitment to unlocking new growth opportunities, strengthening innovation across regional financial markets, and broadening its revenue streams in alignment with its long-term strategic vision.

The Group is committed to driving a more resilient, transparent and inclusive capital market by strengthening sustainability integration into the Group's operations.

The Group benefits from its vertically integrated and diversified business model between its subsidiaries, ensuring efficient operations and the independence of each subsidiary. This facilitates the introduction of best-in-class services to all market participants, diversification of investment opportunities and continued development of the Saudi Capital Market.

Advancing the Saudi Capital Market’s infrastructure is one of the Group’s objectives, in line with global best practices, while solidifying Saudi Arabia’s position as an emerging market leader, a technologically advanced and attractive sophisticated global investment destination and the gateway to the MENA region.

The Group will remain one of the enabling forces for the Saudi economy and one of the main pillars for implementing the FSDP objectives to boost economic growth and diversify the economy.



## Vision

To be a world-leading holding group, fostering the development of a diverse Saudi Capital Market, and a bridge between global investors and regional economies.



## Mission

As part of its 2030 Vision, Saudi Tadawul Group is helping the Kingdom build a thriving economy with a technologically advanced and integrated capital market at its center.



## Values

Look ahead	Aim high	Challenge conventions	Make things happen
We keep things moving, staying focused on the future and what it has to offer. We anticipate change and are one step ahead of others.	Raising the bar means improving and adapting as we go. We operate with integrity and commit to progress in every way. We are always striving to advance our thinking and capabilities.	We are inquisitive, ask questions and challenge the status quo, never afraid to find new ways to create what’s different and better.	Our heads are in the sky but our feet are on the ground. We build high levels of trust and follow through to get things done. We keep our promises.



About the Group continued

The Group's Subsidiaries





About the Group continued

The Group's Path Forward

1926

- Commenced as an informal financial market.

1983

- A ministerial committee was formed to regulate and develop the market.

2003

- Came under the supervision of the Capital Market Authority (CMA) as the sole regulator.

2007

- Incorporation of the Saudi Stock Exchange (Tadawul) as the sole authorized entity for securities exchange in the Kingdom of Saudi Arabia.
- Establishment of the “Main Market”.

2008

- CMA approved the entry of foreign investment through swop agreements.

2009

- Establishment of the fixed-income market.

2010

- Launch of the Exchange Traded Funds (ETF) platform.

2015

- Qualified Foreign Investors (QFI) are allowed to invest through the QFI program.
- Launch of the Independent Custody framework in alignment with the best international practices and listing requirements for international indices.
- The Saudi Stock Exchange (Tadawul) launched the "X-Stream" trading platform in cooperation with Nasdaq.

2016

- Incorporation of the Securities Depository Center Company (Edaa).
- Launch of the Real Estate Investment Traded Funds (REIT) platform.

2017

- Establishment of Nomu – Parallel Market for the SME sector.
- Agreement with Nasdaq to revamp the Exchange’s post-trade infrastructure.
- Launch of securities borrowing and lending and short selling frameworks.
- Registration of all government bonds and sukuk in Edaa.

2018

- Incorporation of the Securities Clearing Center Company (Muqassa).
- MSCI, S&P and FTSE announce their intention to include the Saudi Stock Exchange (Tadawul) in their emerging markets indices.
- Listing of government sukuk and bonds on the debt instruments market.

2019

- The Saudi Stock Exchange (Tadawul) became one of the world’s 10 largest exchanges in terms of total market capitalization with the listing of the Saudi Arabian Oil Comapny (Aramco).
- Complete inclusion of the Saudi Stock Exchange (Tadawul) in MSCI and S&P emerging markets indices and partial inclusion in the FTSE Russell Emerging Index.
- Allow foreign listed companies to list (on a dual listing basis) on the Main Market.

2020

- Muqassa obtained its CMA license to operate as a qualified central counterparty (QCCP).
- Activated clearing derivatives with the launch of the derivatives market.
- Funds allowed to be listed on Nomu – Parallel Market.
- Completed the inclusion of the Saudi Stock Exchange (Tadawul) in the FTSE Emerging Index.
- Edaa launched REPO collateral transfer services.
- Listing, for the first time, sukuk and ETFs.
- Incorporation of Tadawul Advanced Solutions Company (WAMID), a subsidiary focused on technology and innovation.

2021

- The Saudi Stock Exchange (Tadawul) has restructured its name to Saudi Tadawul Group Holding Co. and established a new company under the name Saudi Exchange to assume all listing and trading services
- Launch of WAMID focused on solutions and pioneering technologies.
- Launch of the Close-Ended Funds (CEF) platform.
- Linking Clearstream with Edaa as the first International Central Securities Depository (ICSD), which allows foreign investors to invest in local listed bonds and sukuk.

2022

- The Saudi Capital Market ranked as the 9th largest global exchange in terms of market capitalization and reached ﷲ 9.9 trillion at the end of 2022.
- Completion of the first dual listing on the Saudi Exchange and Abu Dhabi Securities Exchange.
- Saudi Tadawul Group, in collaboration with the Public Investment Fund (PIF), established the Regional Voluntary Carbon Market Company.
- Completion of advancements to develop post-trade infrastructure, the largest bundle in the history of the Saudi Capital Market.
- Hosting the first edition of the Saudi Capital Market Forum.

2023

- Completion of the 51% acquisition of DirectFN.
- Hosting the second edition of the Saudi Capital Market Forum.

The group has evolved from its beginnings to become a regional and global powerhouse, driven by regulatory advancements, technological innovation, and continuous global expansion.



# Chairperson Statement

As we reflect on the significant strides made in 2024, Saudi Tadawul Group reaffirms its unwavering commitment to advancing sustainable growth, developing the infrastructure of the Saudi financial market, and solidifying its position as a leading global financial hub in alignment with the objectives of Saudi Vision 2030.

## Strategic Vision and Sustainable Commitment

Our commitment to sustainability is an integral part of our strategic vision, as sustainable economic development is inseparable from our environmental and social responsibilities. Our ambition remains clear to build an advanced and evolving capital market that supports Saudi Arabia's economic transformational and positions the Kingdom as a leading international financial hub. We are also committed to achieving net-zero emissions by 2050, a testament to our long-term commitment to environmental sustainability and global climate leadership.

We are committed to shaping public policy frameworks that align our strategic direction with global best practices, while reinforcing the principles of transparency and integrity across all aspects of our operations. These efforts aim to generate long-term value for all stakeholders.

## Growth, Diversification, and Market Infrastructure

In 2024, our acquisition of 32.6% strategic stake in the Gulf Mercantile Exchange (GME), was a defining moment in the execution of our strategy and gave us a firm foothold in one of the most important asset classes globally, in addition to support the ongoing transition to a sustainable economy through the launch of next-generation derivative contracts.

Similarly, the announcement made by our subsidiary and technology arm WAMID



to acquire the 49% of the entire remaining shares move in Direct Financial Network Company (DirectFN) underscores our belief in the tremendous potential of the data and technology sector, and its pivotal role in building an advanced digital infrastructure for financial markets.

As part of our commitment to advancing climate action and sustainable development, we recognize the importance of the Regional Voluntary Carbon Market Company (RVCMC) to the Group which allowed for the establishment for a transparent and efficient trading ecosystem for carbon credits, which empowers businesses to drive progress toward a low-carbon economy across the MENA region and beyond.

Complementing our strategic growth initiatives, we successfully completed the second phase of our Post-Trade Infrastructure Enhancements Program (PTTP), which contributed to enhancing the efficiency of the Saudi capital market and boosting its investment attractiveness in line with global best practices.

We continue to play a leading role in shaping a sustainable market infrastructure. The trilateral Memorandum of Understanding between the Ministry of Economy and Planning, the Capital Market Authority and the Saudi Exchange has laid the foundation for national sustainability disclosure standards. Building on our ESG Disclosure Guidelines, we are also collaborating with regulators to issue additional sustainability frameworks, helping issuers adopt responsible practices and increase the market transparency.

## Women's Empowerment and Leadership Diversity

As part of our ongoing commitment to empowering women and promoting leadership diversity and inclusion, the Saudi Tadawul Group continued its commitment toward building an inclusive and balanced work environment. The year 2024 marked key milestones in this journey, notably the appointment of the first female Chief Executive Officer of the Securities Depository Center Company (Edaa), one of the Group's subsidiaries. Reflecting an important shift in female representation at the decision-making level.

As a result of these efforts, the representation of women in senior leadership roles rose to 11%, reflecting notable progress in the Group's diversity journey and underscoring the effectiveness of its strategic vision in developing a strong pipeline of competent female leaders equipped to shape the future with confidence.

## Governance Applications and International Collaboration

Our governance principles are anchored in integrity and ethical business conduct, which strengthens stakeholder trust and fosters a culture of compliance through clear governance policies and ongoing training programs.

Our commitment to integrity is demonstrated through integrated approach focused on prevention, detection, and response, supported by stringent financial controls and advanced monitoring systems that ensure accountability and transparency.

We are continuously promoting financial and operational governance through thorough internal and external audits, complemented by a secure and confidential reporting system that empowers stakeholders and ensuring their protection and promoting a culture of responsible reporting. This reflects our steadfast commitment to transparency and integrity as fundamental pillars for business sustainability and success.

Internationally, we continued to strengthen Saudi Arabia's position within the global capital market ecosystem. Strategic partnerships with regulatory bodies and leading financial markets – including the Hong Kong Exchange and Clearing Limited (HKEX), Bahrain Bourse, and Johannesburg Stock Exchange – underscore our growing role in driving mutual growth, cross-border investment, and sustainability-aligned innovation.

Our success in the two international editions of the Capital Markets Forum - in Hong Kong and London - exemplified our distinguished ability to enhance global connectivity among the leading financial hubs. These initiatives, combined with our continuous efforts to attract foreign participation, achieved a

We continue our journey with an ambitious strategic vision to build an advanced and evolving capital market, firmly rooted in sustainable growth and ethical governance – supporting Saudi Arabia's sustainable economic growth.

Mrs. Sarah Jammaz Al-Suhaimi  
Chairperson

key milestone, marked by the number of Qualified Foreign Investors (QFIs) reaching 4,181 by the end of 2024.

Our people remain central to our strategy. We are committed to fostering a high-performance culture and inclusive work environment with continuous engagement and development initiatives that empower talent across all levels of the Group.



## Looking forward with Sustainable Future

Looking ahead, we will continue to diversify our offerings, expand our investor base, and deepen market liquidity through advanced products. Concurrently, we will accelerate our sustainability initiatives, and implement the best international standards for disclosing environmental, social, and

corporate governance practices, with the aim of enhancing transparency standards in the Saudi Capital Market.

I extend my sincere appreciation to the Custodian of the Two Holy Mosques, King Salman bin Abdulaziz Al-Saud, and His Royal Highness Prince Mohammed bin Salman bin Abdulaziz Al-Saud, Crown Prince and Prime Minister, for their leadership and support.

On behalf of the Board, I would also like to thank our partners across the public sector for their ongoing support.

My deepest gratitude goes to our Executive Management team and the dedicated individuals across the Group and its subsidiaries. Their outstanding contributions and spirit have been central to our growth and value creation. To our Shareholders, issuers, investors, brokers, custodians and partners, your continued trust and support are the cornerstone of our success and inspire us as we advance towards our strategic ambitions.





# Group Chief Executive Officer Message

At Saudi Tadawul Group, sustainability transcends mere compliance or corporate responsibility, it is a foundational element of our corporate strategy, operational excellence, and sustainable growth. Our unwavering commitment to sustainability aligns seamlessly with the Kingdom of Saudi Arabia’s Vision 2030, enabling economic prosperity, environmental stewardship, and societal well-being.

## Leading the Global Sustainability Transition

Throughout 2024, we advanced substantially in our sustainability journey, emphasizing transparency, market development, and operational excellence. Our achievements toward sustainability dimensions reflect our proactive role in leading sustainable financial practices and reinforcing robust governance standards.

A significant milestone achieved this year was our membership in the Net Zero Financial Service Providers Alliance (NZFSPA) during COP29. Joining this prestigious alliance underscores our firm commitment to achieving net-zero emissions by 2050, positioning the Group among global leaders in sustainable finance.

## Shaping Sustainable Markets

On the regulatory front, we are working closely with the regulatory bodies to establish the Saudi Exchange Sustainable Finance Issuance Guidelines. These guidelines will support the issuance of green, social, and sustainability-linked instruments, helping issuers align with global standards while deepening and diversified the market’s sustainable finance landscape.

Guided by our firm commitment to sustainability, and as part of our ongoing leadership in advancing disclosure and transparency practices, the Saudi capital market has witnessed significant progress in sustainability reporting, achieving a disclosure rate of 40% in the main market by the end of 2024, a substantial increase from just 8% in 2021. This underscores our effort in fostering a


culture of accountability and transparency across the market.

This year, we have also witnessed remarkable achievements with the market capitalization with market capitalization surpassed ₪ 10 trillion (USD 2.7 trillion) in Main Market and Nomu – Parallel Market, with over 400 securities listed on Saudi Exchange, including 100 securities on Nomu – Parallel Market demonstrating its effective role in enabling and supporting the growth and innovation journey in the Small and Medium Enterprises (SMEs), in addition to increasing investor confidence and broader economic diversification.

## Leadership Towards Excellence and Sustainability

To embed sustainability throughout our operations, we have established a Sustainability Committee, tasked with embedding sustainability into every facet of our operations and governance and ensuring our sustainability framework is implemented within the group’s strategy and decisions, actively sets measurable sustainability targets, and ensures alignment with international standards. It plays a pivotal role in promoting a culture of sustainability across the Group and among our stakeholders, reinforcing transparency, accountability, and best practice.

We at the Saudi Tadawul Group, and our subsidiaries, are committed to


**40%**  
 Sustainability disclosure rate in the main market

excellence, innovation and impactful contributions across the financial sector. The Group also received the ‘Silver Excellence Award’ from the Human Resources Development Fund (Hada), acknowledging our efforts in supporting SMEs through the FORSAH platform.

Additionally, we partnered with Sahn Capital to launch the Invest Wisely Program, offering participants a virtual platform that stimulates real-world stock market trading. To date, over 180,000 individuals have benefited from this program, with more than 1.2 million orders placed to support financial literacy and the interpretation of listed companies’ financial statements.

## Driving Environmental Responsibility

In 2024, we proudly hosted a "Rings the Bell for Climate" ceremony, reaffirming our commitment to promoting environmental awareness and sustainability dialogue among stakeholders. We announced the launch of the "STG Green Initiative", a comprehensive program aimed at embedding environmental responsibility across our operations, and community engagement. The initiative seeks to promote sustainable capital market practices, increase environmental awareness, and support measurable green impact.

During the ceremony, we also signed a Memorandum of Understanding with the Vegetation Cover Development


 Launched STG  
**Green**  
 Initiative

Foundation, "Morooj," a non-profit institution established by the Ministry of Environment, Water and Agriculture. This strategic collaboration aims to enhance environmental awareness, increase green spaces, and expand vegetation cover across the Kingdom through joint initiatives and impactful actions. As a result, we planted 2350 saplings, further promoting environmental awareness and contributing directly to environmental goals.

Internally, we have embedded sustainability into our operations by relocating to a Gold Leadership in Energy and Environmental Design "LEED"-certified building, further demonstrating our commitment to reducing our environmental footprint and enhancing our operational efficiency.

## Developing a competitive human capital for a sustainable future

People remain our most valuable asset. In 2024, we intensified our focus on employee engagement and development through comprehensive sustainability training programs and leadership development initiatives designed to build a culture of sustainability, and ensure sustainable professional development. We launched targeted initiatives focused on talent attraction and retention. In addition, we remain committed to developing our employees by providing a supportive

and innovation driven workplace environments that encourage continuous learning and growth.

The increase in female representation to 32% by the end of 2024 underscores our ongoing commitment to advancing diversity and inclusion across our workplace. Women continue to occupy pivotal management roles throughout various functions, underscoring our ongoing commitment to building a more balanced and inclusive workforce. We also reached 51% female participation in our Graduate Development Program, demonstrating a clear proof of our dedication to inclusive talent pipelines and leadership equity, in alignment with the Kingdom’s vision to establish an economy based on efficiency and knowledge.

## Resilience and Future Outlook

While we have made notable progress, integrating sustainability across all functions required constant recalibration to ensure balancing innovation with sustainable practices, while meeting the stakeholder expectations. This has provided an opportunity to enhance our institutional efficiency and develop work methodologies aligned with our future goals.

Looking ahead, we firmly believe that sustainable development is integral to future prosperity. We remain committed to building an ecosystem where economic advancement, environmental responsibility, and social equity and inclusion are inherently intertwined, driving enduring success for future generations.

On behalf of our management team, I would like to thank all our stakeholders for their contributions to advance the Group’s sustainability goals, demonstrating the importance of stakeholder involvement in driving positive changes.

I would also like to extend my gratitude to our Board of Directors for their exemplary leadership and strategic guidance, as well as our employees for their unwavering dedication and professionalism.

Thank you to our market members, issuers, shareholders and the capital market ecosystem for your trust, support, collaboration and innovation.

“Our efforts reflect an unwavering commitment to enabling a sustainable and responsible financial ecosystem locally and globally.”

Eng. Khalid Abdullah Al-Hussan  
 Group Chief Executive Officer  
 Member of the Board of Directors






# Sustainability Highlights

In 2024, Saudi Tadawul Group continued to advance its sustainability journey, achieving key milestones across environmental, social and governance areas. Through strategic initiatives, strengthened Stakeholder engagement and alignment with global standards, the Group reinforced its commitment to fostering a transparent, resilient and sustainable capital market. This year’s highlights reflect the Group’s ongoing efforts to integrate sustainability at the core of its operations, supporting Saudi Vision 2030 and driving long-term value creation.




**8.67**  
emissions intensity per FTE covering Scopes 1 and 2




**15**  
sustainability awareness workshops hosted




**Net Zero**  
commitment by 2050



**13,000+**  
announcements reviewed from issuers to assess compliance with Listing rules




**33**  
supervisory inspections conducted over market members, validating adherence to market regulations




**267**  
training programs



**75**  
one-on-one sustainability advisory sessions



**12**  
females employed in middle management



**Launched**  
STG Green Initiative



**Partnered** with the National Debt Management Center (NDMC) in launching its innovative savings Sukuk Program



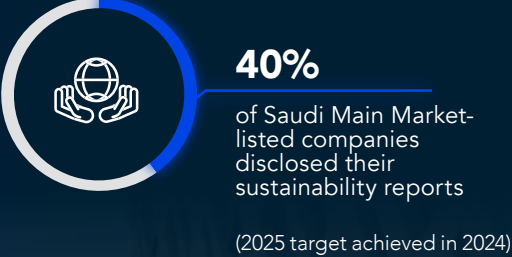
**Launched** the second phase of the Post-Trade Infrastructure Enhancements Program and completed the Post-Trade Technology Program (PTTP 2.0)

**Participated**  
in global cyber resilience simulation

**0**  
data breaches from 2020-2024

**Strengthened**  
compliance with NCA requirements and improved security controls

**0**  
Incidents of corruption, fraud or money laundering  
  
**57**  
average training hours per employee





# 2024 Awards and Certifications



## Silver Excellence Award

Saudi Tadawul Group's Procurement & Facility Management Department received the Silver Excellence Award from the Human Resources Development Fund (HRDF) for the second consecutive time, reaffirming its commitment to operational excellence, talent development and the facilitation of sustainable economic growth by supporting SMEs through platforms such as "Forsah".



## 1st Place — Best Digital Annual Report for 2023 — In the Middle East

Saudi Tadawul Group was recognized for excellence in digital reporting, securing first place in the best Digital Annual Report category at the 2023 MEIRA Conference and Awards, reaffirming the Group's commitment to advancing transparency and providing an interactive, cutting-edge interface.



## Top 50 most influential Saudi Brands in Social Responsibility Award

Saudi Tadawul Group was honored as one of the Top 50 Most Influential Saudi Brands in Social Responsibility, a recognition published by Forbes Middle East in collaboration with the National Center for Responsibility and Studies (Saudi CSR).



## 2nd Place — Best Printed Annual Report for 2023 in the Middle East

Saudi Tadawul Group earned second place in the Best Printed Annual Report category at the 2023 MEIRA Conference and Awards, reflecting the Group's dedication to high-quality corporate reporting and its commitment to transparency.



## ISO 9001:2015 Quality Management System

- The Securities Clearing Center Company (Muqassa) successfully completed the annual audit and review process for ISO 9001:2015
- The Group's Procurement & Facility Management Department achieved ISO 9001:2015
- The Group's Information Technology Division has successfully passed the annual surveillance audits achieving ISO 9001:2015



## ISO 41001:2018 Facilities Management System

Saudi Tadawul Group's Procurement and Facility Management department has reinforced its adherence to global standards by meeting the requirements for ISO 41001:2018 (Facilities Management System) during the latest annual surveillance audits.



## ISO 20000-1:2018 IT Service Management Systems

Saudi Tadawul Group's Information Technology division has successfully passed the annual surveillance audits for ISO 20000-1:2018 (IT Service Management Systems).



# Sustainability Journey

On the Group’s sustainability journey, characterized by its aspiration to lead globally within its sector, it is committed to raising awareness of sustainability practices and empower individuals and corporates with the essential tools to embark on their sustainability journeys.

The Group strives to inspire meaningful change and drive collective action toward a more sustainable future. It is committed to providing the necessary resources, following best practices and engaging Stakeholders at all levels to create a positive impact on the environment and society.

## 2017

- Established the Nomu – Parallel Market for the SME sector
- Launched the Invest Wisely Program, providing free investment workshops to empower new investors.

## 2018

- Joined the Sustainable Stock Exchanges (SSE) Initiative.
- Helped conserve the environment by adopting tree-saving campaigns.

## 2019

- Joined nearly 80 global exchanges in partnership with the UN sustainable stock exchange initiative to promote women empowerment in capital markets.
- Established the Graduate Development Program (GDP) to train and hire young Saudi graduates aspiring careers in the Capital Market.

## 2020

- Introduced the Day Care Allowance for female employees for children from the date of birth to age five.
- The Group's CEO signed the Women's Empowerment Principles directed toward strengthening the role of women in the Capital Market as well as in listed companies.

## 2021

- Published ESG disclosure guidelines for listed companies.
- Joined the World Federation of Exchanges and IOSCO's global campaign to promote investor education during World Investor Week.

## 2022

- Partnered with PIF to launch the Regional Voluntary Carbon Market Company.
- Engagement in the White Stick project to raise awareness among employees for the visually impaired community and engagement to support differently abled children.

## 2023

- Conducted 53 ESG advisory sessions, including key issues such as climate impact.
- Achieved target for 30% of companies listed on the Saudi Exchange to issue ESG disclosures.
- Established sustainability webinars, designed to provide valuable insight to listed companies and Stakeholders.
- Raised awareness of sustainability disclosures and practices among all companies listed on the Main Market and Nomu – Parallel Market through executive education and advisory services.
- Collaborated with MSCI in the Building Your Sustainability Journey Program, striving to raise awareness of sustainability practices.
- Published the Group's first Sustainability Report.

## 2024

- Recognized as one of **Saudi Arabia’s 50 most socially responsible businesses** by Forbes Middle East and the National Center for Responsibility and Studies.
- Announced **Net Zero** Commitment by 2050.
- Launched the **STG Green Initiative**, demonstrating the Group’s commitment to environmental stewardship and alignment with the Saudi Arabia’s ambitious Vision 2030.
- Partnered with Sahm Capital and launched the **Invest Wisely Program**, providing participants with a virtual platform to experience realistic stock market stimulations.
- Achieved **40% rate** of listed companies on the Main Market disclosing sustainability reports.
- Signed a **Memorandum of Collaboration** with the Children with Disability Association.
- Muqassa achieved compliance with the **Principles for Financial Market Infrastructures**.



### Future focus area

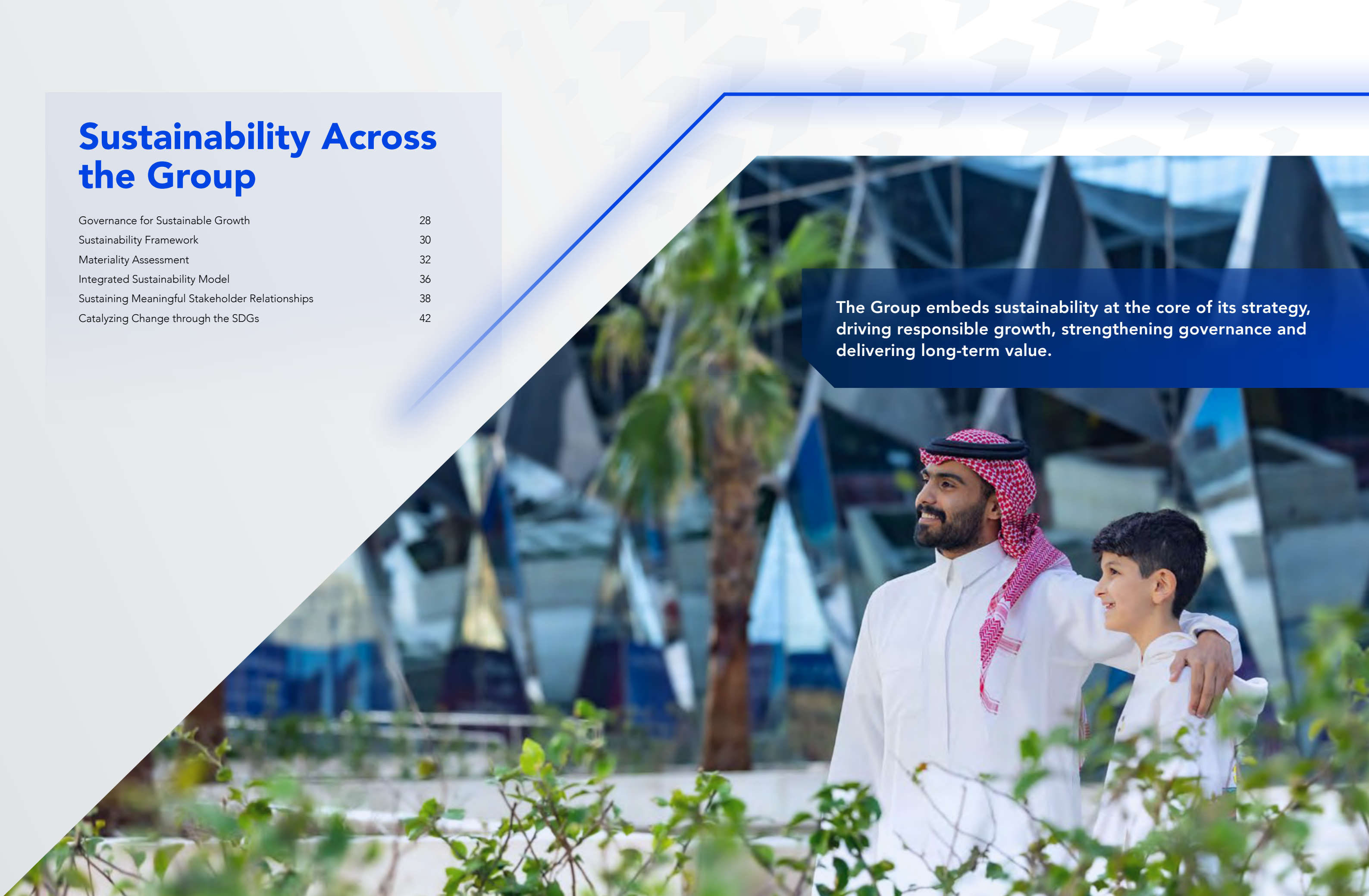
- Continue to participate in regional and global sustainability dialogue to raise awareness and provide clear guidance for the market.
- Ongoing revision and improvements of the Group’s ESG guidelines to highlight key Stakeholders adapt to the evolving landscape and continue to foster the Saudi Capital Market’s growth.
- Reward excellence, foster market literacy and provide robust support to market participants.
- Continue improving the Group’s comprehensive scorecard to align with the latest sustainability frameworks and standards.
- Finalize Sustainable Finance Issuance Guidelines.
- Aim to launch the ESG platform to serve as a common digital platform to facilitate the collection, analysis and reporting of sustainability data by corporates across the Kingdom.



# Sustainability Across the Group

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The Group embeds sustainability at the core of its strategy, driving responsible growth, strengthening governance and delivering long-term value.





# Governance for Sustainable Growth

Saudi Tadawul Group recognizes sustainability governance as fundamental to its commitment to sustainable growth, transparent market practices and effective Stakeholder engagement.

The Board of Directors of Saudi Tadawul Group reviewed and approved the sustainability strategy, maintaining oversight of initiatives related to sustainability, compliance and economic impacts submitted by the Governance, Risk and Compliance Committee

At Saudi Tadawul Group, a dedicated committee focused on sustainability was established to oversee sustainability performance and

progress on key performance indicators, set targets and monitor their implementation, ensure compliance with reporting obligations to meet sustainability requirements and contribute to aligning sustainability objectives with the Group's overall strategic direction

Please refer to the Group's 2024 Annual Report for details on Board composition.

Board Approval on the announcement to the commitment to Achieving Net-Zero by 2050



## Sustainability Governance Model

### Board of Directors

Oversees overall sustainability/ESG risks and opportunities, ESG Strategy, performance, and disclosures



### Group Chief Executive Officer

Ensures high quality ESG risks/opportunities monitoring, ESG Strategy, performance, and disclosures and provides timely updates to BoD



### Sustainability Committee

Approves sustainability related initiatives, reviews and updates ESG Strategy, and ESG risks/opportunities, and periodically update and approve Group-level related policies and position statements



# Our Sustainability Framework

The Group’s Sustainability Framework seeks to build long-term value through robust governance, risk management, environmental preservation and ethical business practices. This includes programs to boost sustainability performance and mitigate risks for the Group and its Stakeholders.

Guided by its strategic ambitions, the Group’s sustainability framework is designed to accelerate the achievement of three key ambitions:

- 1
 Improving priority internal sustainability practices in line with the highest international standards.
- 2
 Working with issuers to adopt sustainability management and disclosures while continuously improving performance and encouraging market investors to incorporate sustainability in their investment decision-making.
- 3
 Accelerating the market shift toward sustainability by expanding the Group’s range of sustainability-related products and services.

The Group integrates related opportunities into six key areas of responsibility, which capture the most significant Group-wide sustainability opportunities and impacts.

Pillar 1  
 Continuously elevate the sophistication of the Saudi Capital Market



Pillar 2  
 Promote integrity



Pillar 3  
 Become a global hub for debt-related sustainable finance



Pillar 4  
 Lead the market toward ESG adoption and disclosure



Pillar 5  
 Address climate change and foster a circular carbon economy



Pillar 6  
 Support the talent that drives market progress





# Materiality Assessment

The Group conducted an extensive assessment to identify the sustainability issues that are material to its sustainability ambitions, aligning them with the Saudi aspirations and international best practices. This assessment involved a range of consultations and a review of the current landscape, including the following:

- National priorities such as the ambitious Saudi ambitious Vision 2030, Saudi Green Initiative, 2060 Net Zero target set by the Kingdom, PIF's 2050 Net Zero Commitment, and notably, the Financial Sector Development Program (FSDP), all shaped the direction of this initiative.
- International sustainability-related frameworks and standards such as the UN SDGs, GRI, SASB and the Task Force on Climate-related Financial Disclosures (TCFD).

- The latest sustainability reporting guidelines and the IFRS SDS as set out by the International Sustainability Standards Board (ISSB).
- Industry initiatives such as the WFE and the United Nations SSE Initiative of which the Group is a member.
- Direct views of the key Stakeholders, including but not limited to, national and international issuers and potential issuers, employees, suppliers and business partners, and the public.
- ESG focus areas of the global exchange group peers and their sustainability performance levels.
- The Group's ESG ratings to understand where its biggest gaps are and on what it needs to focus from an investor perspective.

## Identifying Material Matters

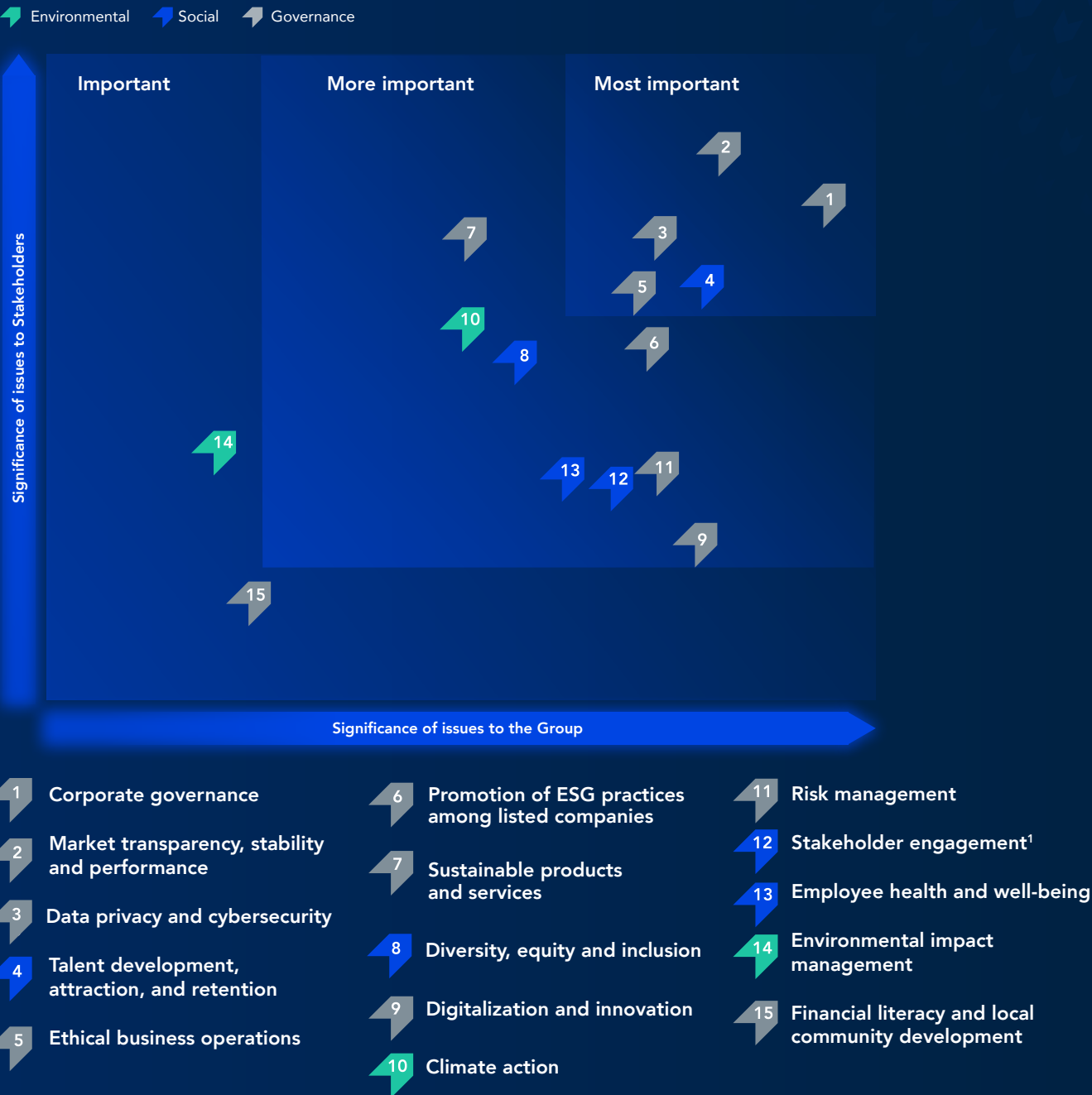
In 2024, the Group conducted a review of its materiality matrix to strengthen the alignment with local and global transition. It focused on prioritizing the sustainability issues that are most significant to the business and Stakeholders. Through this materiality assessment exercise, the Group identified 15 issues that are most relevant, presented in the materiality matrix.

The ESG material issues identified link closely to the Group's Sustainability Framework and overarching corporate strategy. As markets develop and Stakeholder expectations evolve, the Group will regularly review, update and refine its materiality matrix.



## Materiality Matrix

The following matrix indicates the relevance and importance of each material issue to our business and Stakeholders.





Material Assessment continued

Sustainability Impact Drivers

EnvironmentalSocialGovernance



Material topics	Relevant strategic pillar	ESG element	UN SDG	Saudi Vision 2030
1 Corporate governance	Promote integrity	G	16	
2 Market transparency, stability and performance	Continuously elevate the sophistication of the Saudi Capital Market	G	8, 9, 16	
3 Data privacy and cybersecurity	Promote integrity	G	8, 9, 16	
4 Talent development, attraction and retention	Support the talent that drives market progress	S	3, 4, 5	
5 Ethical business operations	Promote integrity	G	10, 16	
6 Promotion of ESG practices among listed companies	Lead the market toward ESG adoption and disclosure	G	8, 11, 16, 17	
7 Sustainable products and services	Become a global hub for debt-related sustainable finance	G	8, 16	
8 Diversity, equity and inclusion	Support the talent that drives market progress	S	3, 5, 8, 10	
9 Digitalization and innovation	Continuously elevate the sophistication of the Saudi Capital Market	G	8, 9	
10 Climate action	Address climate change and foster a circular carbon economy	E	7, 11, 12, 13	
11 Risk management	Promote integrity	G	10, 16	
12 Stakeholder engagement	Stakeholder engagement directly impacts the Group’s ability to operate effectively and sustainably. It encompasses all the Group’s pillars, as it involves building trust and relationships, identifying material issues, supporting decision-making, risk management, transparency and accountability	E, S, G	17	
13 Employee health and well-being	Support the talent that drives market progress	S	3, 8	
14 Environmental impact management	Address climate change and foster a circular carbon economy	E	6, 7, 11, 12, 13	
15 Financial literacy and local community development	Support the talent that drives market progress	S	4, 5, 11	










































# Sustaining Meaningful Stakeholder Relationships

Stakeholder input on sustainability-related impacts plays a crucial role in supporting the Group to identify its most material matters and steer the effective execution of its sustainability strategy. The Group values its strong and constructive engagement with Stakeholders, recognizing the collaboration as critical to advancing its shared vision for the transformation of the Saudi Capital Market.

	<div></div> <div>Shareholders</div>	<div></div> <div>Employees</div>	<div></div> <div>Community</div>	<div></div> <div>Regulators</div>
Engagement channels	<ul style="list-style-type: none"><li>• Earnings calls</li><li>• Local and international roadshows and conferences</li><li>• General Assembly Meetings</li><li>• Audited financial statements, annual reports and sustainability reports</li><li>• Market announcements</li><li>• Website and social media channels</li><li>• Direct communication through phone and emails</li></ul>	<ul style="list-style-type: none"><li>• Governance</li><li>• Directives</li><li>• Audited financial statements</li><li>• Annual reports</li><li>• Daily and monthly meetings</li></ul> <ul style="list-style-type: none"><li>• Social events</li><li>• Training programs</li><li>• Surveys</li><li>• Internal communications activities</li><li>• Committees</li><li>• Emails</li></ul>	<ul style="list-style-type: none"><li>• Media coverage (including TV programs and social media channels)</li><li>• Community support activities and contributionsw</li></ul>	<ul style="list-style-type: none"><li>• Governance activities</li><li>• Directives</li><li>• Audited financial statements</li><li>• Annual reports</li><li>• Regular meetings</li><li>• Board related Governance</li></ul>
Stakeholders' concerns	<ul style="list-style-type: none"><li>• Constant, constructive and transparent dialogue</li></ul>	<ul style="list-style-type: none"><li>• Fostering a best-practice culture of inclusivity and innovation</li><li>• Providing clear pathways to professional development and career advancement</li><li>• Facilitating seamless and timely communication</li></ul>	<ul style="list-style-type: none"><li>• Education and skills development</li><li>• Sustainable local procurement</li><li>• Employment for Saudi nationals (particularly youth)</li><li>• Health and well-being support</li></ul>	<ul style="list-style-type: none"><li>• Accurate Board composition and structure</li><li>• Compliance with labor, competition, anti-money laundering, value-added tax and companies law, as well as corporate governance regulations and securities obligations</li><li>• Smooth, transparent and ethical market operations</li><li>• Trust and confidence among market participants</li></ul>
Group response	<ul style="list-style-type: none"><li>• Discussions about financial and operational performance, strategic objectives and direction, sustainability initiatives, market environment and the Group's contributions to regional economic development and the Saudi's ambitious Vision 2030 objectives</li><li>• Incorporate insight and feedback from discussions into the Group's official communications and reportS</li></ul>	<ul style="list-style-type: none"><li>• The Organizational Health Index assessment provides insight into workforce dynamics, enabling improvements to employee policies and practices</li><li>• The Graduate Development Program offers comprehensive training, including focused development of women's leadership skills to promote gender equality and advancement into senior roles</li><li>• Employee culture events and other initiatives, including human resources policy reviews</li><li>• Prioritize Saudization and diversity with initiatives supporting and empowering Saudi nationals and female employees</li></ul>	<ul style="list-style-type: none"><li>• Public awareness campaigns on diverse investment topics</li><li>• Collaboration with Al Yamama University across various fields</li><li>• Blood donation campaigns</li><li>• Step-by-step financial literacy initiative</li><li>• Supporting local SMEs</li></ul>	<ul style="list-style-type: none"><li>• The Governance and Compliance Department guarantees Group-wide compliance with all relevant laws and regulations</li><li>• Weekly Code of Conduct awareness sessions for new joiners</li><li>• Annual compliance sessions and anti-money laundering training for all employees</li><li>• A strong Governance Manual in place, promoting ethical leadership, accountability and effective oversight across all levels Group</li><li>• The Group regularly reviews regulatory compliance and submits reports to the Governance, Risk and Compliance Committee of the Board of Directors</li></ul>
Relevant pillars	<div><div></div><div>Pillar 4</div><div></div><div>Pillar 6</div></div> <div><div></div><div>Pillar 2</div><div></div><div>Pillar 5</div><div></div><div>Pillar 6</div></div> <div><div></div><div>Pillar 5</div><div></div><div>Pillar 6</div></div> <div><div></div><div>Pillar 1</div><div></div><div>Pillar 2</div><div></div><div>Pillar 3</div><div></div><div>Pillar 4</div><div></div><div>Pillar 5</div><div></div><div>Pillar 6</div></div>			



Sustaining Meaningful Stakeholder Relationships continued

	 Market participants	 External business partners	 Issuers	 Data vendors and index providers
Engagement channels	<ul style="list-style-type: none"><li>• Statistical reports</li><li>• Notifications</li><li>• Website</li><li>• Workshops, conferences, presentations and webinars</li><li>• Regular virtual and face-to-face meetings</li></ul>	<ul style="list-style-type: none"><li>• Memorandums of Understanding</li><li>• Regular virtual and face-to-face meetings</li><li>• Emails</li><li>• Reports</li></ul>	<ul style="list-style-type: none"><li>• Roadshows</li><li>• Relationship manager engagements</li><li>• Website and social media</li><li>• Workshops</li><li>• Regular virtual and face-to-face meetings</li><li>• Surveys</li></ul>	<ul style="list-style-type: none"><li>• Disclosures</li><li>• Websites</li><li>• Media</li><li>• Emails</li><li>• Meetings</li></ul>
Stakeholders' concerns	<ul style="list-style-type: none"><li>• Accurate and reliable data and Saudi news reports</li><li>• General market introductions and updates</li><li>• Solutions for sustainability reporting and ESG ratings issues</li><li>• Exchange products, developments and membership</li></ul>	<ul style="list-style-type: none"><li>• Opportunities for joint ventures or partnerships</li><li>• Access to expertise</li></ul>	<ul style="list-style-type: none"><li>• Consistent information</li><li>• Compliance with listing rules and disclosure requirements</li><li>• Saudi Capital Market developments</li></ul>	<ul style="list-style-type: none"><li>• Accurate and up-to-date information</li><li>• Specific data and products for trading in the market</li></ul>
Group response	<ul style="list-style-type: none"><li>• Coordinate interactions with relevant Group subsidiaries</li><li>• Continuously improve product development</li><li>• Group discussions with exchange issuers on sustainability and other issues</li><li>• Personalized advisory sessions and workshops with experts</li><li>• Promoting the Exchange to foreign investors</li></ul>	<ul style="list-style-type: none"><li>• Collaboration, knowledge exchange and awareness-raising workshops</li><li>• Initiate engagements by inviting partners to introductory meetings</li><li>• Foster ongoing relationships with partners</li><li>• Facilitate direct engagement with relevant Group teams</li><li>• Focus on knowledge sharing, contributing to the understanding of diverse market dynamics and Stakeholder needs</li></ul>	<ul style="list-style-type: none"><li>• Provide information and education about upcoming events and market changes</li><li>• Review feedback from issuers and act accordingly</li></ul>	<ul style="list-style-type: none"><li>• Manage existing relationships with over 270 clients (including issuers, fund managers and exchange members)</li><li>• Gather feedback to existing solutions and introduce new products that meet client demands</li></ul>
Relevant pillars	<div> Pillar 1</div> <div> Pillar 2</div> <div> Pillar 3</div> <div> Pillar 4</div>	<div> Pillar 1</div> <div> Pillar 2</div> <div> Pillar 3</div> <div> Pillar 5</div>	<div> Pillar 1</div> <div> Pillar 3</div> <div> Pillar 4</div> <div> Pillar 5</div>	<div> Pillar 1</div> <div> Pillar 3</div> <div> Pillar 4</div>



# Catalyzing Change through the SDGs

Saudi Tadawul Group is committed to supporting the United Nations Sustainable Development Goals (UNSDG) as part of its broader sustainability journey. By aligning its initiatives with these global goals, the Group aims to generate long-term value and contribute to a more inclusive, responsible and sustainable future. The following table outlines how the Group’s actions support specific SDG targets across key areas of its operations.

**SDG 3:**

**Ensure healthy lives and promote well-being for all, at all ages**

The Group fosters employee well-being through a comprehensive health and wellness program that includes health support, fitness initiatives, annual checkups and awareness campaigns aligned with global health days. The Group also offers daycare allowances to support work-life balance for working parents. Employees receive quality healthcare through comprehensive insurance plans, preventive care services and subsidized access to health clubs. To consistently present a safe workplace, trained security personnel are certified in CPR and first aid, and strict health and safety protocols are enforced across all operations.

**SDG 4:**

**Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all**

The Group offers a wide range of structured training and development programs to upskill employees across all levels. These include technical and leadership programs, soft skills training and tailored sustainability education in partnership with leading institutions. The Group’s Graduate Development Program equips young professionals with market-relevant skills. Additionally, the High Potential Program (HiPo) helps develop future leaders through targeted coaching and skill-building modules.

**SDG 5:**

**Achieve gender equality and empower all women and girls**

The Group upholds a strong commitment to gender equality through its HR Policy and Employee Code of Conduct, which guarantee equal employment opportunities and explicitly prohibit discrimination based on gender, position, appearance, religion, disability, age or any other protected characteristic. The Group ensures equal pay for equal work and facilitates parental leave for both male and female employees. To advance females into leadership, the Group has introduced dedicated programs such as the Future Leaders Program – providing tailored coaching, mentorship and development opportunities. In 2024, females represented 51% of the Graduate Development Program participants, and the appointment of the first female CEO of its subsidiary, Edaa, marked a key milestone in leadership inclusion.

**SDG 6:**

**Ensure availability and sustainable management of water and sanitation for all**

The Group promotes water conservation by upgrading infrastructure and encouraging responsible use across its operations. The Group collaborates with environmentally responsible service providers and continues to explore improvements in water reuse and management practice.

**SDG 7:**

**Ensure access to affordable, reliable, sustainable and modern energy for all**

In 2024, the Group relocated to a LEED Gold-certified headquarters with energy-efficient systems and smart lighting. While renewable energy is not yet integrated, the Group is actively exploring clean energy options and monitoring energy use to support the shift toward sustainable energy.

**SDG 8:**

**Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all**

The Group advances economic development and diversification by expanding its Capital Market through product innovation, digital transformation and broader listings across equity, debt and derivatives. Strategic investments in WAMID and the acquisition of DirectFN have accelerated infrastructure modernization and enabled AI-powered insight. Simultaneously, the Group promotes sustainable growth through ESG-aligned listings, green debt instruments and resource-efficient infrastructure showcasing how economic expansion can be decoupled from environmental degradation.

The Group also upholds strong commitments to decent work and employee well-being. With robust occupational health and safety policies, zero workplace incidents in the past five years, and comprehensive wellness initiatives – including health support and continuous awareness programs – Saudi Tadawul Group fosters a safe, inclusive and equitable work environment.



Catalyzing Change through the SDGs continued



SDG 9: Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation

The Group continues to strengthen the resilience of the Capital Market through advanced infrastructure development, including the Voluntary Carbon Market Exchange platform and co-location services that expand inclusive access to financial services for both local and international participants. These initiatives improve regional and cross-border connectivity while contributing to a more agile financial ecosystem.

Through the Nomu – Parallel Market and sustainability-focused financing frameworks, the Group enables broader SME participation in capital markets by lowering listing thresholds and diversifying access to alternative funding options.

Innovation is actively supported through WAMID’s leadership in developing AI-based ESG tools, strategic data initiatives and partnerships with SaaS providers. The Group also fosters industry innovation by collaborating with academic institutions and hosting platforms like the Capital Market Forum, which facilitates research, dialogue and market advancement.



SDG 10: Reduce inequality within and among countries

The Group fosters an inclusive work environment by making certain that there are equal opportunities for all. The Group supports career progression through leadership training, inclusive policies such as parental leave and daycare allowances, and adherence to a non-discrimination Employee Code of Conduct.

To reduce outcome disparities, the Group provides regular ethics and compliance training, maintains fair performance evaluations and promotes equal pay for equal work.

At the market level, the Group strengthens regulation and oversight by collaborating with authorities, refining listing rules and enforcing structured review and monitoring systems to elevate transparency and investor confidence.



SDG 11: Make cities and human settlements inclusive, safe, resilient and sustainable

The Group supports sustainable urban development through its LEED Gold-certified headquarters, which embodies environmentally responsible design with a focus on energy and water efficiency. In 2024, the Group implemented advanced energy and waste management strategies, achieving reduction in electricity use and total waste. Foundational systems and employee awareness programs are actively minimizing the Group’s urban environmental footprint and aligning with Saudi Arabia’s broader green building goals.



SDG 12: Ensure sustainable consumption and production patterns

The Group reduced waste generation by 49% in 2024 by advancing digitization and streamlining operations. While formal recycling systems are under development, all waste is managed by certified third-party contractors, aligning with safe disposal practices and regulatory standards.



SDG 13: Take urgent action to combat climate change and its impacts

The Group integrates climate action into its core strategy by committing to Net Zero emissions by 2050, outpacing the national target. It actively contributes to the national climate agenda through partnerships like the Regional Voluntary Carbon Market and its participation in the Net Zero Financial Service Providers Alliance (NZFSPA).



SDG 16: Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels

The Group promotes integrity and accountability through its Governance, Risk and Compliance Committee (GRCC), which oversees the implementation of ethical standards, regulatory compliance and governance best practices. The Group enforces conflict of interest controls and adheres to anti-corruption and anti-bribery regulations. Transparency is further reinforced through open Stakeholder engagement, periodic reporting and accessible whistleblowing mechanisms. These measures, along with internal policies and dedicated compliance functions, help protect sensitive information and reinforce trust in market operations.



SDG 17: Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development

The Group actively fosters strategic partnerships with public institutions, global exchanges, financial entities and society to advance sustainable finance, sustainability integration and capital market development. Through joint initiatives with regulators, collaborative training programs with leading sustainability organizations and high-profile events, such as the Saudi Capital Market Forum, the Group strengthens both regional and global cooperation. These efforts reinforce its role in enabling knowledge exchange, promoting responsible investment and supporting the broader goals of sustainable development.



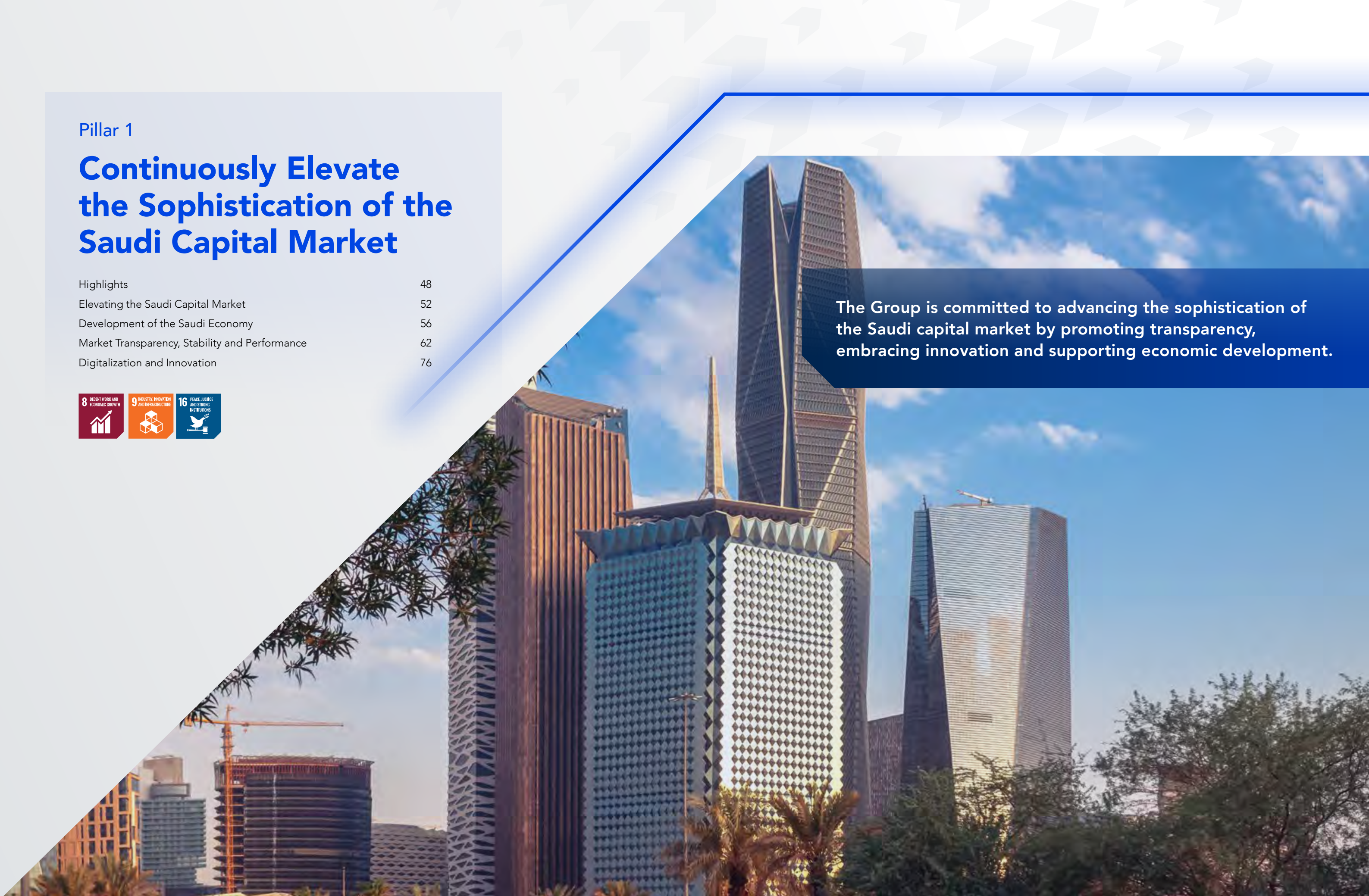
## Pillar 1

# Continuously Elevate the Sophistication of the Saudi Capital Market

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The Group is committed to advancing the sophistication of the Saudi capital market by promoting transparency, embracing innovation and supporting economic development.





# Highlights

## 2024 Achievements



55

new listings in the Main Market and Nomu – Parallel Market, and Sukuk and Bond Market



### Launched

the second phase of the Post-Trade Infrastructure Enhancements Program and completed the Post-Trade Technology Program (PTTP 2.0)



### Implemented

CPMI-IOSCO principles across all operations, strengthening post-trade infrastructure and aligning with global best practices



85

new data clients record-breaking acquisition achieved



### Upgraded

Tadawulaty's system allowing international central securities depositories (CSD) to seamlessly upload holding and transaction reports



### Expanded

acceptable collateral options by introducing non-Saudi Riyal cash and extending non-cash collateral to include all listed government bonds and sukuks



### Announcement

of the acquisition the remaining 49% stake in DirectFN, marking a strategic milestone in WAMID's growth journey



### Partnered

with the National Debt Management Center (NDMC) in launching its innovative savings Sukuk Program



### Introduced

the Capital Management System increasing efficiency and transparency in the Capital Market Offerings process

## 2025 Ambitions

### Refine

market transparency and data insight

### Attract

new listings and deepen market participation

### Launch

Edaa connect platform

### Elevate

market infrastructure

### Broaden

derivatives and liquidity services and products

### Embed

sustainability practices to create a transparent financial system supporting the growth of responsible businesses

مجموعة تداول السعودية  
Saudi Tadawul Group



Highlights continued

Progress against 2024 ambitions

2024 Ambitions	Progress	
<p><b>Expand</b></p> <p>our overall market-wide products and services</p>	<p><b>Launched</b></p> <p>the capital management system in our Main Market to enhance the efficiency and transparency of Saudi Capital Market offerings (equities, funds and sukuk)</p>	<p><b>Provided</b></p> <p>an initial validation application service for potential foreign issuers to ensure readiness before assigning a financial adviser</p>
<p><b>Diversify</b></p> <p>geographically by accelerating cross-listings and servicing international assets</p>	<p><b>Published</b></p> <p>the Foreign Companies Listing Guide outlining criteria for foreign issuers to access the Saudi Exchange</p>	<p><b>Facilitated</b></p> <p>CSD connectivity to ensure infrastructure readiness for cross-listing shares</p>
<p><b>Increase</b></p> <p>the number of listed corporate bonds and sukuk</p>	<p><b>Reduction</b></p> <p>in the minimum issuance size for sukuk and bonds, and the exclusion of debt instruments issued by the Kingdom's development funds, banks and sovereign funds under exempt offers from certain provisions</p>	<p><b>55</b></p> <p>new listings in the Main Market and Nomu – Parallel Market, and Sukuk and Bond Market</p>





# Elevating the Saudi Capital Market

The Group strives to present an advanced capital market in line with Saudi Arabia’s Vision 2030, particularly the Financial Sector Development Program (FSDP), with world-class infrastructure enabling optimal functioning of equity and debt markets. It also seeks to expand participation of small and medium-sized (SME) companies in capital markets and increase incoming foreign investment.

## Financial Sector Development Program (FSDP) – Advancing Capital Market Transformation



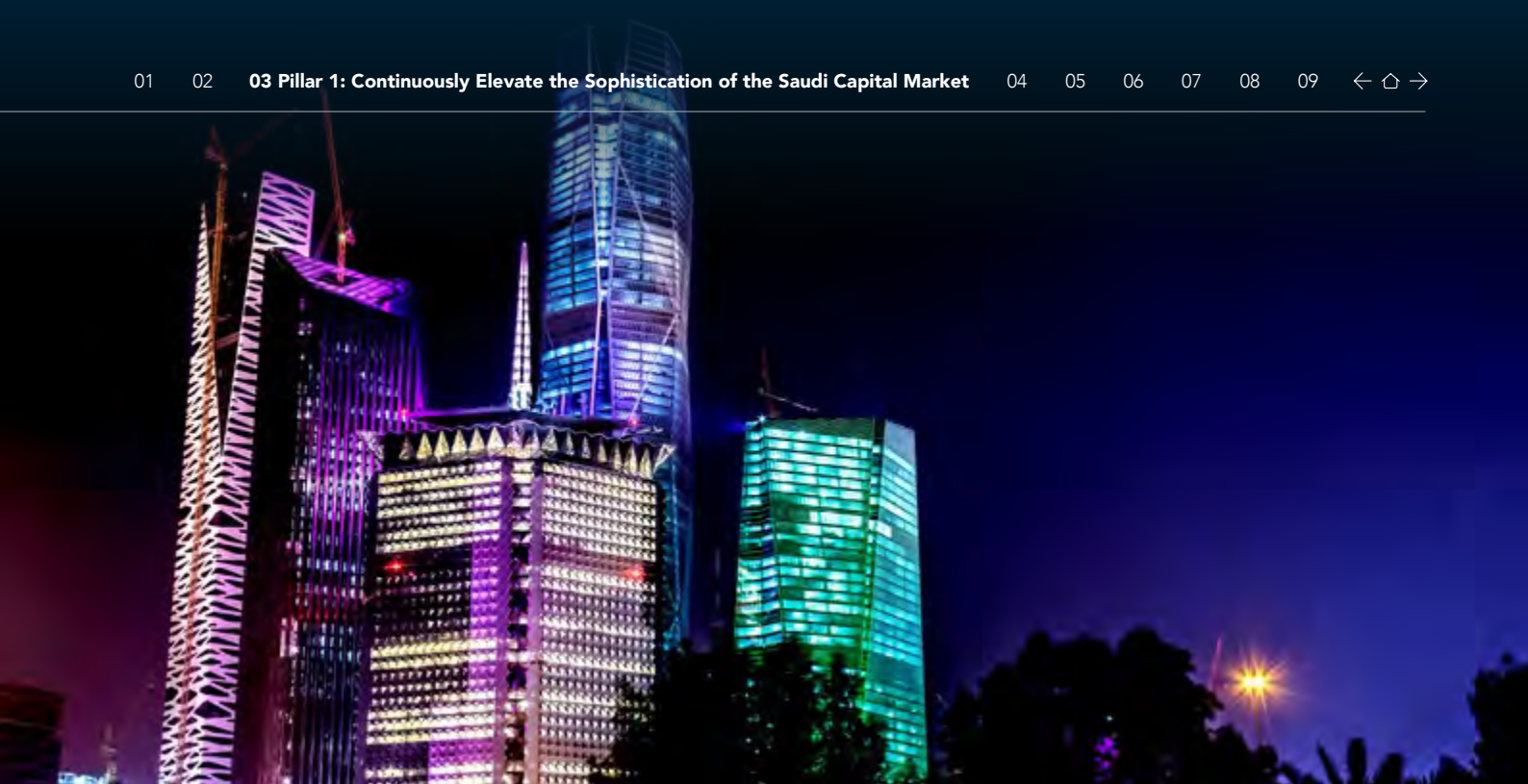
### Overview

The Financial Sector Development Program (FSDP) is a cornerstone of Saudi Arabia’s Vision 2030, designed to drive economic diversification, private sector empowerment and global integration. This program aims to stimulate savings, finance and investment by improving financial institutions and services while transforming the Saudi Exchange into an advanced capital market.

### Saudi Tadawul Group’s role

At the core of this transformation is Saudi Tadawul Group, whose strategic initiatives and integrated capital market infrastructure play an essential role in advancing the objectives of the FSDP. The Group’s transformation into a holding structure in 2021, along with continued modernization of market infrastructure, demonstrates its alignment with Vision 2030’s ambition to position the Kingdom among the world’s top 10 capital markets.

The Group’s efforts to promote diversified listings, deepen market liquidity, support the development of SMEs through Nomu – Parallel Market and facilitate foreign investor access all directly contribute to the FSDP’s goals of expanding and deepening the Capital Market. Through innovation, regulatory alignment and robust Stakeholder engagement, the Group continues to strengthen its role as a national champion and key enabler of financial sector transformation.



### Alignment with Vision 2030 objectives

Saudi Tadawul Group supports the FSDP’s alignment with Vision 2030 across multiple levels:

Level 1: Contributing to long-term economic sustainability through capital market growth, job creation and broadened financial literacy.

Level 2: Empowering the private sector, supporting non-oil economic expansion and fostering regional and global integration.

Level 3: Facilitating regulatory reforms, improving ease of doing business and enabling the listing and privatization of state-owned assets.

### Strategic pillars

The FSDP is structured around four pillars, where the Group actively contributes through its business lines and subsidiaries:

Enabling financial institutions to support private sector growth: Strengthening financial institutions to provide better support to the private sector.

Ensuring the formation of an advanced capital market: Developing a sophisticated capital market to attract investments and improve market efficiency.

Promoting and enabling financial planning: Encouraging financial planning among individuals and institutions to guarantee long-term financial stability.

Enhancing the Kingdom’s position as a fintech hub: Positioning Saudi Arabia as a leading center for financial technology innovation.

### Achievements

Since its inception, the FSDP has made significant strides in transforming Saudi Arabia’s financial sector.

Capital market growth: Saudi Arabia’s Capital Market has emerged as one of the world’s top 10 largest markets and is now featured on major global indices, including MSCI, S&P Dow Jones, and FTSE Russell.

Fintech advancement: A notable increase in the number of fintech companies, surpassing the FSDP’s targets and reflecting the Kingdom’s growing position as a fintech hub.

Regulatory reforms and economic diversification: The FSDP has played a pivotal role in implementing regulatory reforms to diversify the economy and reduce dependence on oil revenue. Supportive policies have been introduced to increase financial sector stability, promote competition and encourage innovation.

By supporting the goals of the FSDP, Saudi Tadawul Group is helping to build a transparent, innovative and resilient financial ecosystem that contributes to the Kingdom’s broader economic transformation.



Elevating the Saudi Capital Market continued

Saudi Tadawul Group actively elevates the sophistication of the Saudi Capital Market through various initiatives and strategies.

Market infrastructure development

The Group continuously invests in strengthening market infrastructure to support a more advanced and efficient trading environment. This includes upgrading trading systems, improving market data dissemination and robust regulatory frameworks.

Diversifying listings

The diversified listings of local and international companies on the Saudi Exchange creates a more dynamic and resilient market.

New financial instruments

Addressing the evolving needs of investors, new financial instruments are regularly introduced such as derivatives, sukuk and bonds. This provides investors with a wider range of investment options and helps strengthen the market.

Encouraging foreign investment

Foreign access and connectivity to the Saudi Capital Market have been increased. This includes streamlining processes for foreign investors and increasing overall investment opportunities.

Promoting transparency in governance

The Group emphasizes the importance of transparency in good governance practices among listed companies. This helps build investor confidence and promotes the sustainability of the market.

Educational and awareness programs

The Group conducts various educational and awareness programs to broaden market participants' financial literacy. This helps investors make informed decisions and contributes to the overall sophistication of the market.





# Development of the Saudi Economy

Saudi Tadawul Group plays a pivotal role in driving Saudi Arabia’s economic growth and diversification as the parent company of the Middle East’s largest and most liquid stock market. Supporting Vision 2030 and the Financial Sector Development Program (FSDP)

The Group facilitates privatization of state-owned companies, broadens capital access for small and medium-sized enterprises (SME) and attracts foreign investment. By providing a robust platform for capital raising and trading, including services for listed and unlisted securities, the Group enables business growth, investor diversification and sustainable wealth creation. Efforts in 2024 focused on expanding market participation, introducing new investment products and improving post-trade mechanisms to align with global best practices. The introduction of additional market-making frameworks, improved trading mechanisms and refined risk management strategies – including the acceptance of non-Saudi Riyal cash collateral and the extension of non-cash collateral to include all listed government sukuk and bonds, which expanded financial flexibility –

facilitated broader risk management options for members and contributed to increased market depth and liquidity. Expanding investment opportunities and fostering global connectivity also played a vital role in attracting both domestic and international investors, reinforcing Saudi Arabia’s position as a key financial hub. Innovation and sustainability continue to shape the evolution of the Saudi Capital Market, with a strong emphasis on digital transformation and responsible finance. Leveraging advanced technologies, data-driven insight and AI-driven market intelligence, the Group has developed its accessibility, efficiency and transparency across its offerings.

The Group realizes its ambition to improve the debt market environment in line with global market standards through the unified trading commission and modernized post-trade infrastructure. Ongoing upgrades of post-trade technology infrastructure reached a milestone in 2024 with the completion of the second phase of the PTTP. Building on the first phase launched in 2022, this phase is expected to further expand investment opportunities, increase access to a variety of financial instruments and introduce new products, facilitating participation of local and international investors in the Saudi Capital Market. Upgrades in the second phase across subsidiaries (the Saudi Exchange, Muqassa and Edaa) aim to increase investment opportunities and access to a diverse range of financial instruments and products.





Development of the Saudi Economy continued



Saudi Exchange’s enhancements

Aligning the Exchange with best-in-class global peers, reinforcing its position as a global market leader and attractive investment destination, the PTPP improvements provide an efficient and dynamic mechanism for Saudi Capital Market participants.

The Exchange also advanced its technological capabilities by developing the new Capital Management System, a centralized platform for subscription and offer management. This platform, launched in 2024, strengthens the Exchange’s role in the Capital Market, providing issuers and investors with a tool to manage their subscription process.

The Exchange actively incentivized both the debt and equity capital markets. For the debt market, the minimum issuance size was reduced to encourage issuers, including SMEs, to raise funds publicly and enhance flexibility in structuring securities. This contributes to stimulating the issuance of sukuk and bonds and activating the debt capital market as one of the main channels for financing business and the economy, without compromising the level of investor protection.

The derivatives market and market-making developments enable market makers and high-frequency traders to benefit from the same trading functionalities in cash and derivatives markets, increasing liquidity and market efficiency. These changes aim to unify market services and improve transparency:

- An order flagging mechanism for automated order cancellation if an Exchange member is disconnected from the trading engine
- A reporting service to facilitate monitoring of trade and order activities by Exchange members
- Synchronization of bid/ask quotes for market makers, enabling more efficient quoting activity
- Allowing members to use their order management system to place and accept bilateral trades
- As part of its ongoing efforts to boost market liquidity and improve trading efficiency, the Saudi Exchange has strengthened its Equity Market Making framework. This includes increasing incentives in the trading commission reaching 100% discount, along with a 50% reduction in the minimum size and spread obligations for market makers. These adjustments are designed to lower entry barriers and encourage broader participation. Furthermore, the Exchange has successfully onboarded market makers for 19 additional securities listed on both the Main Market and the Nomu – Parallel Market during 2024, reflecting its commitment to deepening market activity and fostering a more dynamic and competitive trading environment.

Muqassa’s enhancements

Muqassa’s post-trade enhancements, aligning with global CCP best practices, aim to improve operational efficiency, reduce costs and increase transparency across both exchange traded and OTC products. In line with its efforts to expand market offerings, Muqassa obtained approval from the Capital Market Authority (CMA) to amend its rules and procedures, paving the way for new functionalities and greater operational efficiency.

These streamline the reconciliation process and enable real-time trade reconciliation with members. Improvements in trading limits for derivatives and covered call margining improve efficiency for members, enabling robust and secure handling of post-trade activities. A single clearing engine supports multiple asset classes, including equities, bonds and derivatives offered by only a few markets worldwide. Overall, market participants benefit from the following changes:

- Enhancements to the financial information exchange markup language (FIXML) feature available to Muqassa members
- Updated minimum margin requirements to reduce costs by improving efficiency
- Short sell rectification
- Upgrades to the trading limit to strengthen pre-trade risk management

- Migration to a multi-asset clearing engine through technological advancement, presenting a unified platform where all (cash, fixed income, OTC and derivatives) transactions are cleared through Muqassa to increase operational efficiency for members, which provides robust and secure handling of post-trade activities
- For options, such as a covered call, members can also deposit non-cash collateral to cover their margins as an effective risk management tool

Additionally, Muqassa made significant progress in expanding collateral options; the acceptance of non-ﷲ cash collateral and the extension of non-cash collateral to all listed government bonds and Sukuks, while doubling the accepted percentage per security from 5% to 10%, increasing overall market participation and usage of these options.

Edaa’s enhancements

Edaa has upgraded its post-trade infrastructure to bolster market efficiency and stability through improved governance. This creates a seamless and secure post-trade environment that attracts domestic and international investors by aligning with global best practices.

Key advancements include support for the ISO 20022 messaging standard, expanded functionality for transfer of title pledge and greater reporting capabilities. These improvements, aligned with international standards, elevate the experience for capital market institutions, custodians, settlement agents and investors.

Upgrading to messaging protocols and reporting processes further advances post-trade infrastructure.

Beyond post-trade infrastructure enhancements

The Saudi Exchange remains committed to developing the debt market by introducing a market-making framework for fixed income instruments as well as improving secondary market activity and the availability of negotiated deals.

Additionally, the Saudi Exchange’s high-frequency trading (HFT) services have removed the normal trade threshold and introduced mid-point closing prices for debt and exchange traded funds (ETFs) as well as a request-for-quote service.

In the coming year, the Group and its subsidiaries plan to launch new data solutions (to be in sync with international practices) and indices as well as valuable tracking options for investment products (such as ETFs, futures and options) as part of its ongoing efforts to heighten offerings and engage with all Stakeholders.



Development of the Saudi Economy continued

Powering Growth at the Saudi Capital Market Forum



The Group hosted the third Saudi Capital Market Forum in Riyadh on 19 and 20 February 2024. Under the patronage of His Excellency Mohammed Al-Jadaan, Minister of Finance and Chairman of the FSDP Committee, it focused on exploring the market’s potential and fostering understanding between issuers, investors and market members. The event gathered the world’s leading financial minds and decision-makers to nurture partnerships and discuss key issues facing the industry.

SCMF consistently focuses on key themes such as market evolution, investment strategies and regulatory developments, reflecting Saudi Tadawul Group's commitment to economic diversification and its strategic role in shaping the future of finance.

The objectives of the event, under the theme “Powering Growth”, included:

- Building recognition for the Saudi Capital Market and the Saudi Exchange and harnessing their opportunities for local, regional and international audiences.

- Demonstrating the Saudi Exchange’s status as a global financial center convening experts across the industry.
- Creating a platform for significant announcements.
- Facilitating connections between capital market institutions, issuers and international entities.

Attendance exceeded the previous year and established the event as one of the largest capital market conferences in the world.



15,000  
Meeting requests



640+  
Investors from 41 firms  
(almost 50% more investors than 2023)



4,200  
Meeting participants



4,400  
Delegates  
(2023: +3,000)

The Group, its subsidiaries and various entities signed strategic agreements during the event.

- 1 The Group and Shatlat to promote environmental awareness and tree planting initiatives
- 2 The Group and Atrium to cultivate Saudi Arabia’s art and culture
- 3 Saudi Exchange and the Ministry of Human Resources and Social Development to launch a Social Responsibility Index
- 4 Muqassa and Instimatch Global AG to enhance repo trading in the Saudi Capital Market

In addition, the Group announced that, for the first time, the Saudi Capital Market Forum would host an international edition in Hong Kong on 9 May 2024: Capital Market Forum – CONNECT Hong Kong, dedicated to fostering connectivity between Saudi Arabia and Asian capital markets.

The Saudi Capital Market Forum concluded with the presentation of the Saudi Capital Market Awards, in collaboration with CFA Society Saudi Arabia and the Middle East Investor Relations Association, recognizing industry excellence and best practices across various areas.





# Market Transparency, Stability and Performance

As part of its strategy to build a transparent, stable and high-performing financial market that drives sustainable economic growth, the Group focuses on key initiatives such as refining disclosure and reporting, strengthening regulatory compliance, advancing technology, improving market surveillance, promoting investor education and awareness, and fostering Stakeholder collaboration.

By incorporating sustainability considerations and encouraging responsible corporate behaviors, the Group is also increasing the overall attractiveness and financial performance of the Saudi Capital Market as intended by the FSDP.

## Ensuring Market Stability and Reliability

Muqassa, the Group's clearing house, is the sole securities clearing center in Saudi Arabia with a mandate to mitigate post-trade risk, manage centralized counterparty risk and develop clearing services aligned with global best practices.

Muqassa is committed to fostering transparency, trust and collaboration with market participants through proactive engagement, training and clear communication.



25+

training sessions in 2024 for market participants, including capital market institutions and clearing banks



25+

members equipped with the knowledge to effectively navigate products and services

To support the Post Trade Transformation Program Phase 2, comprehensive awareness was maintained via webinars, training sessions and market updates, with efforts led collaboratively by relevant teams to support seamless transitions.

Muqassa further demonstrated its proactive approach to risk management by establishing a Risk Working Group to provide strategic advisory support to its Risk Management Committee, promoting continued alignment with international best practices.

Collaboration remains central to Muqassa's approach, with a dedicated account management team maintaining open communication with Stakeholders. These efforts reinforce Muqassa's role in driving market confidence and supporting the continued growth of the Saudi financial sector. Muqassa joined the International Swaps and Derivatives Association (ISDA) as part of its ongoing commitment to service excellence and strategic alliances.

In 2024, Muqassa has implemented several initiatives, resulting in positive impact without significant challenges owing to effective planning, execution and adaptability to market needs and the Group's strategic direction.

Extended the range of underlying symbols for Single Stock Options (SSOs)

Continued to align with global standards and best practices to foster investor confidence

Demonstrated commitment to the highest international standards in financial infrastructure by achieving full Principles for Financial Market Infrastructures (PFMI) compliance and a successful ISO 9001:2015 quality management systems' audit

Participated in the CCP Global Cyber Resilience exercise to validate the robustness of Muqassa's systems and processes

Expanded accepted collateral options to include non-كش cash collateral and extending accepted non-cash collateral to include all listed government bonds and Sukuks

Launched phase 2.0 of the PTPP (including a new Nasdaq Central Counterparty Clearinghouse (CCP) system) to significantly improve efficiency, market integrity and regulatory compliance – positioning Muqassa as one of the elite CCPs globally with capabilities to support securities, derivatives and repo transactions on a single, resilient platform

Introduced Repo incentive plan to encourage members to utilize the Repo clearing service and increase market volume

Maintained a perfect track record with zero clearing member defaults and maintained a 100% settlement ratio

Seamlessly handled large-scale, high-value operations by facilitating and clearing two major transactions without failure and with a 100% settlement ratio: Saudi Aramco fully marketed offer and Saudi Telecom Company accelerated bookbuild offering

Maintained full compliance with Committee on Payments and Market Infrastructures (CPMI) and the International Organization of Securities Commissions (IOSCO) principles, and expanded collateral options to increase market participation while supporting the Group's broader sustainability initiatives

Improved Muqassa's trade management services and support market participants and fund managers to take advantage of allocation, splitting and rectifying trades, which resulted in a significant increase in utilization and adoption of the services

Expanded collateral options to increase market participation while supporting the Group's broader sustainability initiatives



Market Transparency, Stability and Performance continued

Recovery plan for market stability

Muqassa obtained regulatory approvals for its recovery plan, which will contribute to overall market stability by making sure the CCP can continue functioning during crises. This is vital for maintaining confidence in the financial system.

The plan, reviewed annually by the Board, sets out the actions needed to maintain continuity of its operations. It includes real-world scenarios for extreme circumstances that could prevent Muqassa from providing services as a going concern.

Looking ahead to 2025 and beyond, Muqassa plans to further advance on the resilience of the Saudi Capital Market and risk preparedness through the development of a comprehensive recovery plan and CCP default simulations. Key long-term initiatives include introducing tri-party repo services and advancing the Derivatives Program to position Muqassa as a leading derivatives hub in the MENA region. Additionally, Muqassa will collaborate with Group subsidiaries to address barriers to exchange traded derivatives, implement Phase 2.1 of the PTPP, and continue to maintain a 100% settlement ratio while targeting near-zero failure rates.

Expanding Market Access

A key responsibility of the Group under the FSDP is to encourage more private-sector companies to list on the Saudi Exchange, which plays a pivotal role in expanding the Saudi Capital Market and facilitating the listing of private companies.

In another landmark year for the Exchange, there was a total of 55 new listings, including 19 listings in the Main Market (including funds: 1 REIT listing, 2 CEF listings and 3 ETF listings), 30 new listings in Nomu – Parallel Market, and in terms of debt, the Group had one corporate and five government Sukuk and bonds listings.

In 2024, the Saudi Exchange continued to foster global engagement and investor connectivity by organizing and participating in a wide range of corporate access and investor roadshow events. This initiative included roadshows in New York, London, Hong Kong, Tokyo and Singapore in collaboration with leading financial institutions such as JPMorgan, Goldman Sachs, HSBC, Bloomberg and Morgan Stanley. These activities were instrumental in showcasing the Saudi Market's growth story, broadening the investor base and driving foreign investment.

تداول السعودية  
Saudi Exchange

Saudi Exchange in 2024

55

new listings in the Main Market and Nomu – Parallel Market and Sukuk and Bond Market

72%

of total GCC market value

2

new indices launched

40%

Sustainability reporting by issuers in the Main Market

10,259.10 billion

Market capitalization (Main Market and Nomu – Parallel Market)

2

market makers onboarded for 12 different securities, to close the year of 2024 with five market makers for 25 different securities

In January, the Saudi Exchange launched the TASI50 Index, which tracks the top 50 companies listed on the Saudi Exchange by total market capitalization. The index is an important tool for investors as it provides an overview of market performance in real time with a benchmark of investment products.

Throughout the first half of 2024, the Saudi Exchange continued to explore opportunities for collaboration regionally and internationally. This included signing an agreement with the Ministry of Human Resources and Social Development for a Social Responsibility Index to measure companies' performance in this area.

The historic secondary share offering by Saudi Arabian Oil Company (Aramco) was also witnessed, which raised 42.1 billion and attracted significant interest from international investors, with over half of the institutional allocation taken up by foreign funds. Foreign investor interest in the Saudi Capital Market continues to grow with this landmark sale representing another vote of confidence in the Saudi market and advancements in recent years.

In the second half of 2024, Saudi Exchange continued to see growth in the number of listed companies. The market welcomed several new listings, which contributed to the overall increase in the total number of listed companies to 247 in the Main Market (including 19 REITs), and 106 in Nomu – Parallel Market (including one REIT) by the end of the year. These new listings spanned various sectors, which further diversified the market and enriched its attractiveness to local and international investors.

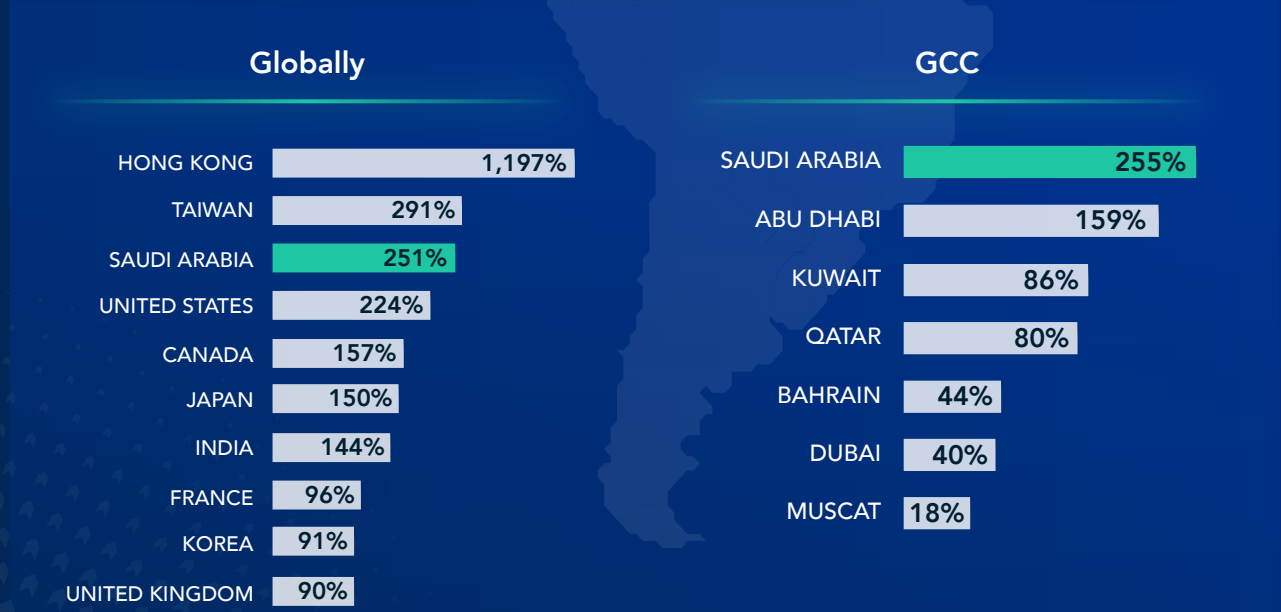
In 2024, Saudi Exchange launched the Capital Management System (CMS), improving efficiency and transparency in the Capital Market Offerings (CMO) process. Initially introduced on Nomu – Parallel Market, the CMS now extends to the Main Market, covering equities, funds and sukuk. The system streamlines the subscription process by managing order collection, through investment portfolios, order validation, allocation and refunds, ensuring faster coordination, reduced time to market and a more cost-effective offering process for all participants.



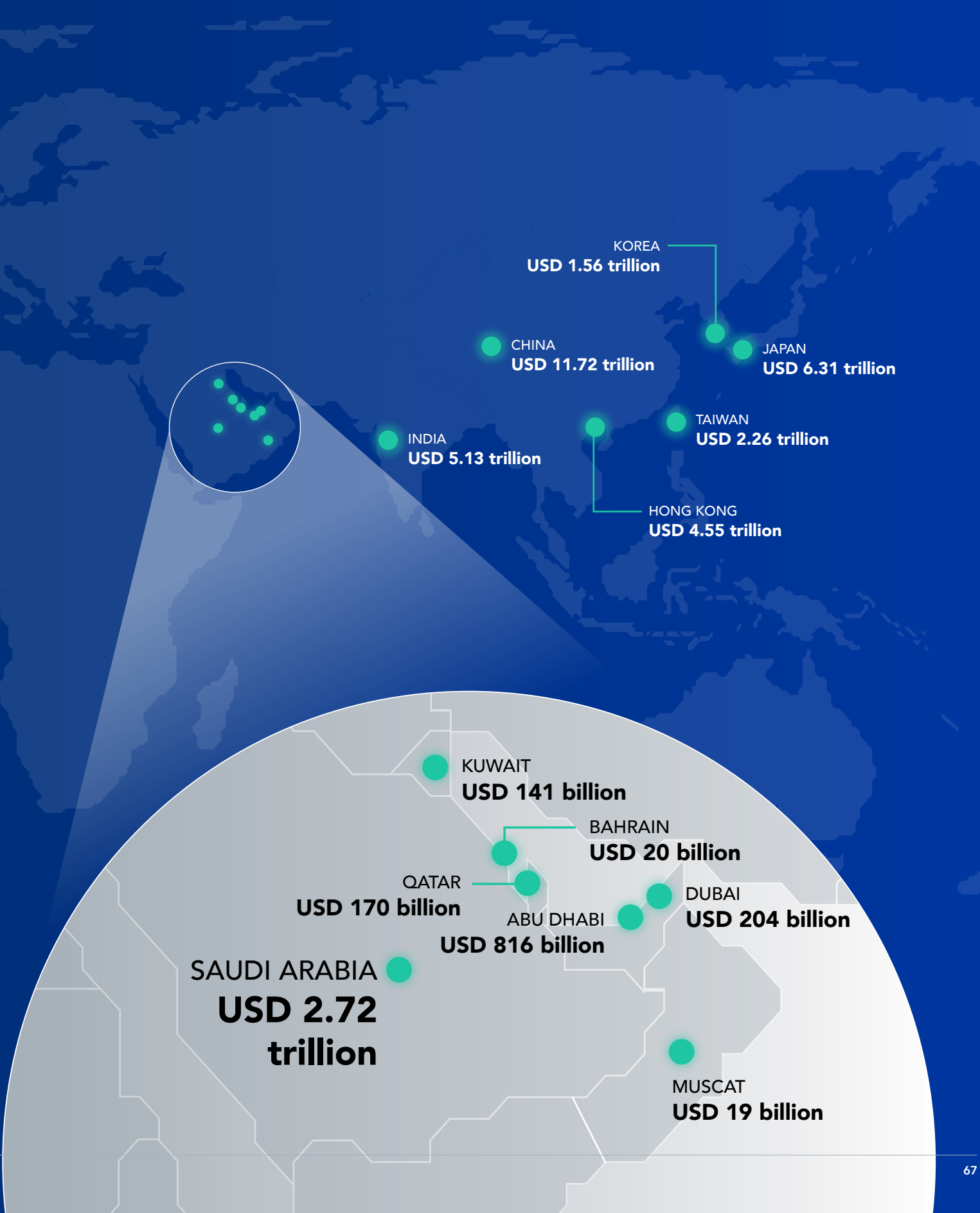


Market Transparency, Stability and Performance continued

The Saudi Capital Market ranks 9<sup>th</sup> globally by Market Cap



The Exchange sees strong expansion in market capitalization to GDP ratio across emerging markets.



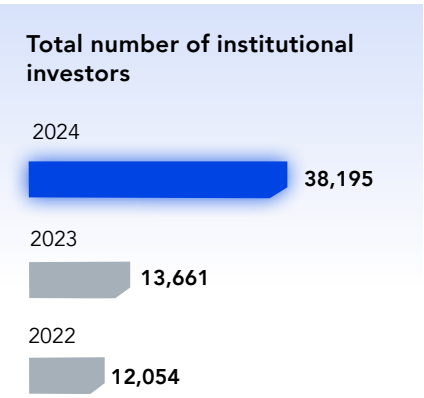


Market Transparency, Stability and Performance continued

The following table and graph outline the Main Market’s achievements over the past five years.

KPIs	2020	2021	2022	2023	2024
Market performance: Main Market					
Total market capitalization (ﷲ bn)	9,101.81	10,009.15	9,878.10	11,967.39	10,200.24
Total value of shares traded (ﷲ bn)	2,087.80	2,235.90	1,708.04	1,333.12	1,862.33
Average daily traded value (ﷲ m)	8,317.93	8,943.60	6,887.26	5,353.90	7,449.33
Total number of listed companies	203	210	223	231	247
Number of new listings <sup>1</sup>	6	10	17	10	17
Total number of institutional investors	9,566	12,192	12,054	13,661	38,195
Total number of non-institutional investors	5,586,700	5,862,214	5,814,427	6,146,230	6,604,335
Customer satisfaction					
Customer satisfaction rate	N/A	90%	84%	82%	90%

<sup>1</sup> Excluding CEF, ETF and sukuk



Moving forward, the Saudi Exchange aims to:

- **Attract new listings** from various sectors, including private companies, by promoting the benefits of listing on the Saudi Exchange and providing support throughout the listing process.
- **Support initial public offerings (IPO)** by providing a platform for private companies to raise capital and gain access to a broader investor base for growth and expansion.
- **Develop the Saudi Capital Market** by introducing new products and services, including a range of securities available for trading such as equities, debt instruments and derivatives.
- **Continuously upgrade its market infrastructure** to guarantee efficient and transparent trading using advanced technologies and market surveillance mechanisms.
- **Promote investor awareness** locally and internationally through education programs on the benefits of investing in the Saudi Capital Market and thus contribute to market growth.
- **Facilitate dual and cross-listings** allowing companies to list their securities on multiple exchanges and thus improve the visibility and accessibility of Saudi-listed companies to global investors.

Empowering SMEs and Driving Market Expansion

Nomu – Parallel Market contributes to the expansion of the Saudi Capital Market as an alternative listing platform for small and growing companies to access capital and gain visibility. Its accommodating listing requirements make it more accessible for private companies and start-ups. This encourages more companies to go public and benefit from the Saudi Capital Market. It is restricted to qualified investors, which helps maintain a certain level of sophistication and reduce risks associated with investing in smaller or less established companies.

Companies listed on Nomu – Parallel Market can transition to the Main Market after being listed for at least two years and meeting the required conditions. This provides a pathway for growth and further integration into the broader capital market. Nomu – Parallel Market supports the development of the Saudi Capital Market by increasing the number of listed companies and providing more investment opportunities for qualified investors.



Supporting Small And Emerging Companies

Nomu – Parallel Market’s listing requirements are designed to improve accessibility for SMEs and start-ups. Companies listed on Nomu benefit from reduced listing fees and other incentives as well as greater visibility and the additional credibility of being a listed entity.

One of the key initiatives is Matchmaking: a free service that connects SMEs with financial advisors to discuss listing options and processes. Additionally, the Saudi Exchange’s Financial Advisors Report helps companies select advisors by providing insight into their activity, expertise and number of files handled.

Nomu thus promotes the growth and development of SMEs in Saudi Arabia and is a key enabler of the FSDP. Since its launch in 2017, it has attracted listings from companies in a variety of sectors, including technology, healthcare and retail. This has created new opportunities for entrepreneurs and innovators while helping to strengthen and diversify the Saudi economy.

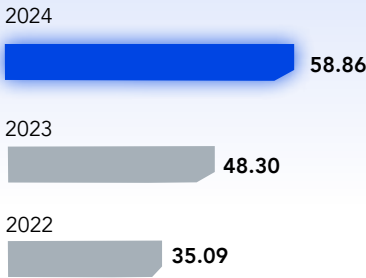


Market Transparency, Stability and Performance continued

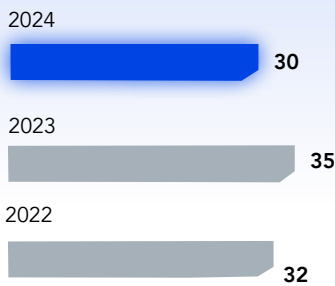
The following table and graphs outline Nomu – Parallel Market’s achievements over the past five years.

KPIs	2020	2021	2022	2023	2024
<b>Market performance: Nomu – Parallel market</b>					
Total market capitalization (ﷲ bn)	12.18	19.03	35.09	48.30	58.86
Total value of shares traded (ﷲ bn)	7.11	11.37	13.48	8.07	14.12
Average daily traded value (ﷲ m)	28.34	45.46	54.37	32.41	56.50
Total number of listed securities	4	14	46	79	106
Number of new listings	2	11	32	35	30

Total market capitalization for Nomu – Parallel Market (ﷲ bn)



Number of new listings on Nomu – Parallel Market



Easing Access to the Saudi Capital Market

Edaa is a driving force behind the Group’s efforts to increase and ease access to the Saudi Capital Market and develop opportunities for existing and potential investors and other market participants. It offers secure depository services while strengthening the Saudi Capital Market’s infrastructure.

As the operator of the depository and settlement system, Edaa is responsible for registering and maintaining securities ownership electronically. It develops infrastructure, systems and procedures that enable compliance with international standards, providing the highest levels of reliability and efficiency.

Edaa’s goal is to achieve the financial market’s strategic objectives with procedures that ensure transactions are executed in line with international standards. It also seeks to increase the efficiency of services related to securities deposit and ownership registration within a streamlined environment that promotes excellence in all sectors of the financial market. It supports the first objective of the FSDP, which is to guarantee the establishment of an advanced capital market.

In line with Saudi Arabia’s Vision 2030 goal of diversifying the economy beyond oil, Edaa prioritizes smooth post-trade processes to support liquidity for various initiatives. The Group’s key strategic Post-Trade Infrastructure Enhancements Program intends to bolster products and services in the market, providing settlement, clearing and custody services.

Edaa’s improvements facilitate a sophisticated post-trade environment, expanding the Saudi Capital Market’s appeal to local and global investors by offering a broad array of investment options and financial tools to capitalize on market trends and improve risk management.

In close collaboration with peer depository centers, Edaa accelerates cross-listings and broadens its reach. It aims to offer its services for international assets owned by local and regional investors. This further strengthens its position as a global enabler in the Capital Markets. These initiatives solidify Edaa’s role in driving innovation and growth within the Saudi Capital Market and reinforcing its international presence.



Market Transparency, Stability and Performance continued

In 2024, Edaa continued its transformational journey, building on the foundation laid in the previous year, by actively pursuing projects levelled at diversifying revenue streams to reduce reliance on the trading flows. This diversification was achieved through the execution of strategic initiatives and a strong focus on growing its range of products and services. Initiatives in the funds and bonds sectors, along with enhanced services in securities financing, included:





Market Transparency, Stability and Performance continued

# Tadawulaty Services

Tadawulaty is a platform that provides a suite of services offered by Edaa. It incorporates a bundle of financial support services targeting different segments of investors and participants. The services add value for the investment community within the Saudi Capital Market by:

- Increasing confidence in and transparency of investors’ ownership and rights
- Empowering investors by enabling them to conveniently exercise their voting rights, inquire on their dividend entitlements, receive alerts and notifications on important corporate events and generally stay informed

- Bridging the gap between listed companies and their shareholders by increasing communication and information exchange
- Providing a convenient and direct reporting mechanism from Edaa to different market participants
- Offering an ongoing process for validating and updating information maintained by Edaa

Tadawulaty provides consolidated reporting, electronic voting, dividends entitlement reports, expected dividends notifications, share certificate search and tender offers.

In 2025 and beyond, Edaa plans to embark on a transformational journey while continuing to evolve into a commercially oriented depository capable of competing with international market players. This will include key long-term projects targeted at enhancing product offerings, geographical reach and market competitiveness.

Edaa will focus on expanding its portfolio of products and services by growing Edaa Connect and other existing services such as the paying agent, Collateral Management and Securities Lending Solutions could improve market liquidity, increase bilateral transactions and facilitate clients’ collateral management. Additionally, Edaa plans to introduce Omnibus Account Structure in the equity market designed to streamline operations and provide greater flexibility for market participants. At the same time, Edaa expects to intensify collaboration with peer depository centers to accelerate cross-listings and broaden reach with services for international assets owned by local and regional investors, strengthening Edaa’s position as a global enabler in capital markets, solidifying its role in driving innovation and growth within the Saudi Capital Market and reinforcing its international presence.





# Digitalization and Innovation

**Technology is essential for the Group to provide innovative products and services and facilitate the use of sustainability data. The Group’s subsidiary WAMID works with the Strategy, Corporate Sales and IT divisions to achieve these objectives, and with Compliance and Governance to guarantee alignment with Group procedures and policies.**

WAMID’s mandate is to collaborate with other Group subsidiaries in gathering data generated by respective business streams and engage with clients to design and build products that could be sold to the local and international markets via data vendors or direct sales. The Group monitors the effectiveness of WAMID’s digitalization and innovation initiatives through a roadmap and KPIs measuring its success and impact.

## Advancing Digitalization and Innovation

During the past year, WAMID focused on facilitating sustainability-related projects by continuously identifying use cases and launching new initiatives such as its expanded co-location

service offering market participants the opportunity to co-locate their servers and equipment within the Group’s Tier IV Data Center. Enhancing the Saudi Capital Market’s infrastructure, this expansion provides the fastest access to the Saudi Exchange and thus ensures the lowest latency route possible.

WAMID also marked a pivotal moment in its growth strategy by announcing the acquiring of the remaining 49% stake in DirectFN in 2024. This strategic move compounded innovation in regional capital markets, diversified revenue streams and laid the groundwork for the development of new capabilities to drive the advancement of the Saudi Capital Market.

In the coming year, WAMID will continue identifying ESG data-related opportunities, through strategic partnerships with Software as a Service (SaaS) providers. Deploying benchmark sustainability guidelines will be a priority to provide clarity and transparency on related Group activities. WAMID will also collaborate closely with the Saudi Exchange and external vendors, including partnerships with ESG data facilitators, to guarantee continuity and acceptance of its designs.

WAMID plans to explore additional opportunities presented by AI, blockchain, data analytics and tokenization to guarantee ongoing contributions to a resilient, efficient and future-ready capital market ecosystem.

As AI is central to WAMID’s strategy, focusing on implementing high-impact solutions that improve efficiency and user experiences, WAMID will advance its AI capabilities. Additionally, it will upgrade its sales hosting solutions – reaffirming its commitment to driving innovation and achieving transformative growth across its operations.



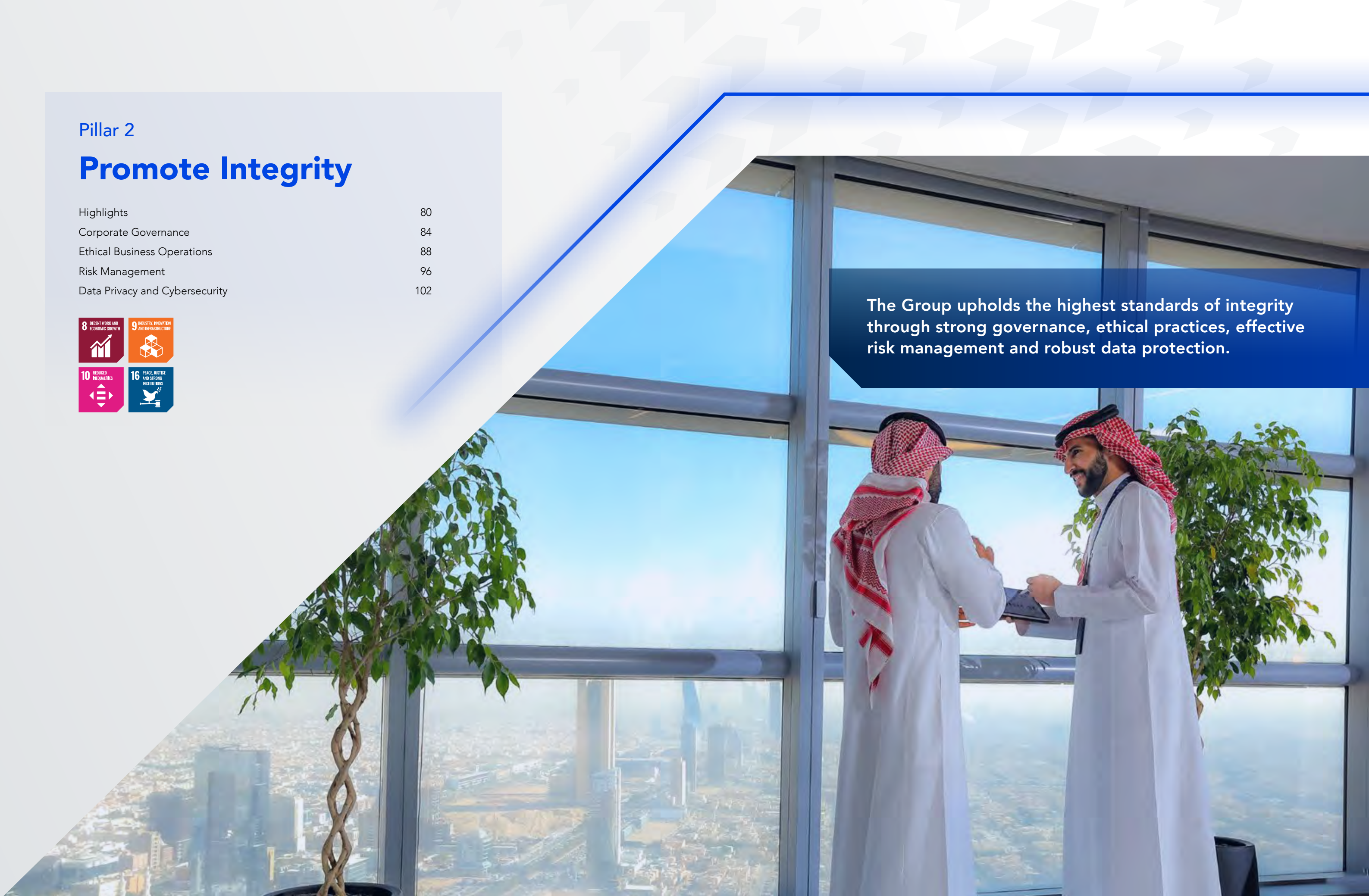
Pillar 2

Promote Integrity

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Ethical Business Operations	88
Risk Management	96
Data Privacy and Cybersecurity	102



The Group upholds the highest standards of integrity through strong governance, ethical practices, effective risk management and robust data protection.





# Highlights

## 2024 Achievements



**33**  
 supervisory inspections of market members conducted to ensure adherence to market regulations



**Strengthened**  
 compliance with The National Cybersecurity Authority (NCA) requirements and improved security controls



**Launched**  
 automated governance system for listed issuers to improve supervision and comply with market regulations



**0**  
 incidents of corruption, fraud or money laundering



**0**  
 data breaches from 2020-2024



**557**  
 employees of Saudi Tadawul Group and its subsidiaries successfully completed annual Code of Conduct awareness course



**13,000+**  
 announcements from issuers reviewed to comply with listing rules



**18**  
 Amendments to regulations, rules and procedures issued for public consultation



**12**  
 amended regulations, rules and procedures have been approved and published

## 2025 Ambitions

**0**  
 breaches maintained (ethical, data or privacy)

**Enhance**  
 risk management through automation and improved monitoring of operational resilience

**Increase**  
 supervisory and regulatory inspections to increase compliance levels and improve overall market efficiency

**Align**  
 internal Audit risk assessment with ERM Framework

**Integrate**  
 sustainability auditing into the Internal Audit Division's scope

**Adopt**  
 and disclose sustainability, business ethics as well as data privacy and security position statements





Highlights continued

Progress against 2024 ambitions

2024 Ambitions	Progress
<b>Uphold</b> strong governance and ethical conduct	<p>The Group continued to strengthen its governance framework by reinforcing internal controls, delivering Code of Conduct training to employees, and maintaining focus on compliance with local and international regulations. The Group applied corporate governance best practices through regular assessments of governance structures and ethical conduct, ensuring transparency and alignment with its core values of integrity and accountability.</p>
<b>Preserve</b> an independent assessment of regulatory compliance	<p>The Group reinforced its commitment to independent regulatory compliance assessments by engaging external auditors and third-party experts to evaluate adherence to local and international standards, particularly those set by the CMA. Key findings from these independent evaluations were regularly reported to the Board, supporting continuous improvement of compliance programs.</p>
<b>Continue</b> enforcing strong market oversight	<ul style="list-style-type: none"><li>Implemented a robust on-site inspection program assessing operational practices, compliance with regulations and overall risk management among market and center members</li><li>Adopted a risk-based framework for inspections to proactively address potential risks</li><li>Maintained open communication with members, including compliance teams and senior management, throughout inspections to understand regulatory expectations, provide detailed reports outlining findings, implement necessary improvements and closely monitor corrective actions</li><li>Organized workshops to grow awareness of regulatory requirements and obligations among market participants and thus strengthen integrity and foster confidence</li></ul>
<b>Adopt</b> and disclose sustainability business ethics as well as data privacy and security position statements	<p>Finalized the Group's position statements and planning to publish these documents in the coming year</p>
<b>Protect</b> clients from any data breaches	<p>Continued to protect Group data from breaches in line with internal policies and procedures</p>

At Saudi Tadawul Group, integrity is at the core of operations. The Group works to uphold the highest standards of governance, security and ethical business conduct to foster trust and resilience in the financial markets. Through strong corporate governance, robust cybersecurity measures and ethical business practices, the Group guarantees transparency, accountability and long-term sustainability.

The Group promotes integrity by incorporating the following into its operations.



Corporate governance

Adopting high standards of corporate governance aligned with the Companies' Law issued by the Minister of Commerce, the Capital Market Law and its implementing regulations issued by the Capital Market Authority (CMA), and the Exchange Rules and Procedures issued by the Saudi Exchange. This includes provisions for shareholders' rights, the Board of Directors' responsibilities, Board of Directors' formation and Executive Management functions.



Ethical business operations

Emphasizing ethical business operations through the Group's sustainability framework, focusing on sustainability principles. This includes promoting transparency, Stakeholder engagement and aligns with international sustainability standards.



Risk management

Utilizing enterprise risk management (ERM), the Group identifies, classifies and manages various risks, including operational, technological, corporate, financial and information security risks. This team follows a systematic and integrated risk structure to guarantee preparedness and resilience.



Data privacy and cybersecurity

Leveraging a robust risk and security framework, the Risk and Security Division addresses data privacy and cybersecurity. The division is responsible for developing standards and requirements for information security and business continuity. It continuously monitors and updates cybersecurity controls to ensure a proactive response to emerging threats.



# Corporate Governance

At Saudi Tadawul Group, governance, transparency and ethical business practices are fundamental to all operations. These principles shape interactions with investors, listed companies and service providers, enabling trust and accountability across the Saudi Capital Market.

The Group’s governance framework ensures all partnerships are built on fairness, compliance and integrity, reinforcing a sustainable and transparent business environment. Through active Stakeholder engagement, Saudi Tadawul Group promotes adherence to best governance practices, making certain all parties operate within a framework of clarity, ethics and regulatory compliance, ultimately increasing market confidence and credibility.

## Governance Structure

Saudi Tadawul Group follows an organized corporate governance structure, with the Board of Directors overseeing the general direction, supervision and control of the Group, while Executive Management is responsible for operational execution.

The Board of Directors comprises nine members elected by the General Assembly for a period of four years (renewable for one or more terms). The Ordinary General Assembly, in its meeting on 28 December 2022, elected Board members for the new three-year

Gregorian calendar term from 2 January 2023 to 1 January 2026. Before elections, nominees obtain approval from the Capital Market Authority (CMA) in accordance with regulatory requirements.

In compliance with Corporate Governance Regulations issued by the CMA, the Group CEO is prohibited from simultaneously holding the position of Chairperson of the Board, establishing a clear separation of leadership roles and maintaining governance best practices.

The successful completion of the Group’s governance framework project in 2023 has significantly strengthened its core governance principles. This project played a key role in improving transparency, accountability and the effectiveness of internal controls, which helped achieve sustainability-related governance goals in 2024. In developing this framework, the Group established a set of clear and effective policies and procedures that support sustainability. The project also empowered listed companies in the

market to improve their governance standards, which boosted investor confidence and will ensure sustainable economic growth into the future.

The Group’s executive-level ESG Committee, under the guidance of the Group CEO, is mandated to oversee progress in sustainability reporting, achieving ESG KPIs and sustainability targets and ambitions. The ESG Committee also makes certain there is integration of the sustainability framework across the Group.

For more information on the Group’s sustainability governance, please see pages 28-29.

## Remuneration Oversight and Stakeholder Consideration

The remuneration process at Saudi Tadawul Group is overseen by the Nomination and Remuneration Committee, guaranteeing fairness, transparency and alignment with the organization’s strategic objectives. Board members play a key role in reviewing and approving remuneration policies, assuring they remain competitive, equitable and compliant with relevant regulations and sector standards.

The Board of Directors and Nomination and Remuneration Committee manage the process internally, using market comparisons and organizational performance metrics to establish fair and competitive remuneration packages. If external consultants are

engaged, they are selected for their expertise and independence, to put objective procedures in place that uphold transparency, fairness and best practices.

Stakeholder perspectives, including those of Shareholders, are actively considered in determining remuneration. The Group gathers feedback through periodic meetings, surveys and Shareholder consultations to make certain compensation policies align with long-term value creation and Stakeholder expectations. A balanced approach is maintained to ensure competitive remuneration structures support sustainable growth while addressing Stakeholder concerns.

The Remuneration Policy for the Board of Directors, committee members and Executive Management follows performance-related standards,

disclosure and verification of their implementation, taking into account the following:

- Being consistent with the Group’s strategy and objectives
- Being consistent with the magnitude, nature and level of risks faced by the Group
- Acquiring and maintaining the Board members and Executive Management and encouraging them to achieve the success of the Group, its Shareholders and its long-term development
- Aligning with job level, duties and responsibilities, qualifications, experience, skills and performance

Please visit [here](#) for more information about Saudi Tadawul Group’s Remuneration Policy for Board of Directors, committees members and Executive Management





Corporate Governance continued

Board Diversity

The Group ensures its Board of Directors has the necessary skills and competencies to oversee sustainability-related risks and opportunities. If needed, the Board seeks external expertise or advisory support to address these gaps and safeguard its informed decision-making. In addition, the Board approves the overall sustainability strategy and related process to be implemented by relevant Stakeholders.

	2022	2023	2024
<b>Board Composition</b>			
Number of members	9	9	9
Male members	7	7	7
Female members	2	2	2
% Female members	22.2%	22.2%	22.2%
<b>Board Independence</b>			
Independent	3	3	3
Executive	1	1	1
Non-executive	5	5	5
<b>Board Diversification</b>			
Saudis	7	7	7
Other nationalities	2	2	2


For more information on the Group’s corporate governance, please see Saudi Tadawul Group’s 2024 Annual Report

Preventing and Mitigating Conflicts of Interest

Saudi Tadawul Group has implemented comprehensive policies and procedures to prevent and mitigate conflicts of interest, making sure all decisions align with the best interests of the Group and its Stakeholders. To achieve this, the Board implements the following measures.


**Code of Conduct compliance**

A strict Code of Conduct and Code of Ethics guides all Board members, executives and employees promoting transparency and accountability at all operations.




**Independent members oversight**

The appointment of independent directors assures objectivity and impartiality in decision-making, minimizing the risk of conflicts linked to personal interests.




**Conflict resolution procedures**

A structured process is in place to address conflicts, requiring affected individuals to recuse themselves from related discussions and decisions.



**Disclosure of interests**

Board members, executives and employees must disclose any personal or financial interests in any company transactions or activities.



By implementing these measures, Saudi Tadawul Group strengthens its governance framework, effectively managing conflicts of interest and fostering trust and integrity across the organization. These efforts aim to build confidence among Stakeholders, ensure compliance with regulatory standards and promote a sustainable business environment.

Disclosure of conflicts of interest to Stakeholders

Saudi Tadawul Group strives for full transparency by disclosing potential conflicts of interest related to:

Cross-board memberships

Any Board member serving on multiple boards must disclose potential conflicts to Stakeholders. This affirms the Group’s decisions are not influenced by external interests.

Cross-shareholding

Board members, senior management or related parties with cross-shareholdings in suppliers or Stakeholders must report these relationships. This allows Stakeholders to assess any potential conflicts in financial interests or business dealings.

Major shareholders

The disclosure of shareholders holding 5% or more of the Group’s shares underscores its commitment to upholding the highest standards of transparency, thereby enhancing investor confidence and enabling more informed investment decisions.

Share ownership of Board members and Executive Management

Ownership of shares in the Group by Board members and Executive Management is disclosed in the Annual Report to guarantee transparency and foster trust among Shareholders.

People, related parties and their transactions

The Group ensures full disclosure to all Stakeholders regarding the relationships and transactions between the Group and its Board members, senior executives, and related parties, in line with best practices of transparency and corporate governance.

Monitoring conflicts of interest

Saudi Tadawul Group and its subsidiaries monitor conflicts of interest through a structured procedure that includes collecting disclosures from Board members. Annual training and awareness sessions on the Code of Conduct, including guidance on handling conflict of interest, are conducted for senior executives and employees, including outsourced staff. This information is then reviewed and

categorized to identify potential conflicts and reported to the Audit Committee. By maintaining a systematic and transparent approach, the Group effectively manages any conflicts that may arise.

In 2024, 557 individuals across Saudi Tadawul Group Holding Company and its subsidiaries including the Group Chief Executive Officer, CEOs of subsidiaries, employees, and contractors successfully completed the comprehensive Code of Professional Conduct awareness program and passed the corresponding assessment, achieving a 100% completion and success rate. As part of the Group’s continued commitment to the highest standards of integrity and compliance, a new integrated training program is scheduled for rollout in the upcoming year. The program will cover Anti-Money Laundering (AML), Counter-Terrorism Financing (CTF), whistleblowing protocols, and the Code of Professional Conduct, and will be mandatory for all employees, contractors, the Group CEO and CEOs of subsidiaries.





# Ethical Business Operations

## Regulatory Oversight and Authorization

Regulatory Oversight and Authorization Division (ROAD) is the supervisory arm of the Group and its subsidiaries. It ensures the integrity of market operations as a self-regulatory body that monitors and oversees market participants' compliance with rules and regulations issued by the market and centers.

Reporting to the independent Regulatory Policy and Oversight Committee (RPOC), comprising three

independent experts and the Group CEO, ROAD is pivotal in decision-making processes, notably listing approvals and addressing membership violations.

ROAD adheres to a comprehensive internal Information Leakage Prevention Policy designed to safeguard sensitive information and mitigate conflicts of interest. This internal policy, accessible via the Group's intranet, guides employees in their daily operations and reinforces a secure and transparent operating environment. It includes measures such

as a strict separation of duties and physical division between departments to reduce the risk of unauthorized information disclosure.

Additionally, Saudi Tadawul Group upholds a communication policy, allowing Stakeholders to voice concerns or seek clarification on listing and membership-related matters. To further strengthen oversight, the division has implemented a rigorous three-tier review and approval framework for market participants requests, ensuring accountability at multiple levels.

A maker-and-checker mechanism is also in place to reinforce oversight and reduce errors. Regular internal reviews assess compliance and effectiveness, reinforcing the Group's commitment to protecting investor interests and fostering a fair and transparent market environment.

### Maker-and-checker mechanism

The Group's maker-and-checker mechanism comprises two essential roles:

1. The maker who studies the request and documents it.
2. The checker who reviews and provides feedback.

This process reduces errors, increases accountability and prevents fraud by separating duties, creating a clear audit trail and improving overall integrity in business practices.

Moreover, the mechanism supports adherence to regulatory requirements, making certain all transactions are properly documented and authorized. Also, integrating digital tools helps to

streamline the workflow, automate notifications and maintain comprehensive records, further reducing the potential for human error.

This approach significantly improves operational integrity and boosts efficiency, fosters a culture of accountability and, ultimately, reduces the risk of fraud within organizations.

## Three-tier review and approval framework

ROAD uses a rigorous review and approval framework when processing market participants requests, which consists of a structured three-tier approval cycle.

Each request begins with the unit manager who conducts an initial assessment.

If approved, the request moves up to the next level where it is reviewed by the department head

Finally, the request reaches the Chief of the division, who makes a recommendation to the RPOC for ultimate approval.

This multi-tiered approval cycle has several benefits:

- It sustains thorough scrutiny at each level, allowing for diverse perspectives and expertise to contribute to the decision-making process. This can lead to more informed and effective outcomes as potential risks and benefits are comprehensively evaluated.
- Additionally, this framework fosters control as each tier is responsible for validating the request before it moves forward.
- Furthermore, it enhances transparency within the organization as clear documentation and rationale for approvals are maintained at each stage.
- Ultimately, such a structured approach not only minimizes errors, but also builds trust with market participants as they can be assured their requests are given careful consideration.





Ethical Business Operations continued

ROAD’s mandate includes:

**Capital market support** through oversight of registered traders and authorized market participants including Exchange, Derivatives, Edaa and Muqassa members



**Inspections** enhance compliance, streamline processes and improve overall market efficiency



**Investor complaint resolution** to strengthen investor confidence and protection



**Ensuring independency in oversight** across the Group and its subsidiaries to maintain a clear separation between business entities and oversight functions, thus promoting integrity and transparency



**Stakeholder engagement** by providing advisory services to all subsidiaries regarding members’ matters, act as the primary liaison between the RPOC and subsidiaries, process RPOC’s approvals for subsidiary requests and address inquiries related to the authority matrix, thereby improving governance and maintaining regulatory compliance



Driving Efficiency Through Strategic Restructuring

The recent organizational restructuring of ROAD is designed to boost operational performance and efficiency by clearly defining roles and responsibilities. This strategic initiative involves refining departmental titles and establishing dedicated units, enabling a culture of accountability, collaboration and regulatory excellence. By making sure each unit focuses on its core competencies, the restructuring strengthens the independence and effectiveness of regulatory functions. This refined structure not only optimizes operational effectiveness, but also reinforces the division’s commitment to regulatory excellence and meeting the evolving needs of issuers.

ROAD’s activities in 2024 included the following

Two regulatory inspections across the Group and subsidiaries to assess compliance against 136 obligations and evaluate regulation implementation effectiveness and controls

Engagements about the Regulatory Obligations Assessment Model initiated by the CMA with evaluations of 437 obligations

Workshops have been conducted to boost awareness of regulatory requirements and continuous obligations among market participants, reinforcing the Group’s commitment to effective oversight and market integrity

Processed five transfer applications from Nomu – Parallel Market to the Main Market in alignment with recent amendments to listing rules

Reviewed over 13,000 announcements from issuers to guarantee compliance with listing rules (reporting any suspected breaches to the CMA)

Introducing the Post Listing Authorization Unit, which provides specialized oversight of post-listing activities, allowing for greater agility in responding to market dynamics

The Management processed over 320 applications submitted by issuers, and the RPOC recommended the approval of 91 listing applications. These included 36 new listings on the Main Market, 48 listings on Nomu – Parallel Market, and 2 direct listing applications. In addition, the Management processed 5 applications for transition from the Parallel Market to the Main Market, in line with the recent amendments to the Listing Rules.

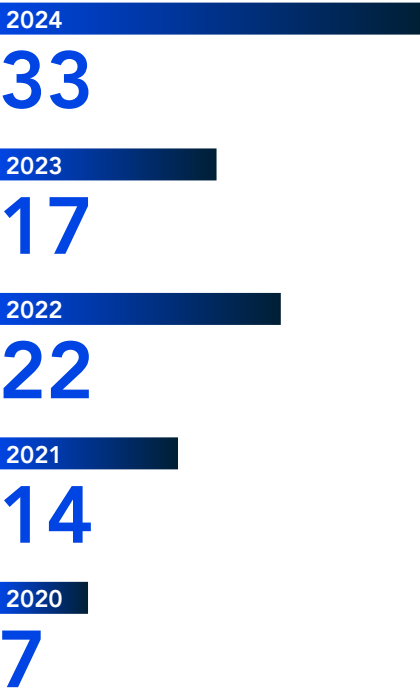


Ethical Business Operations continued

In the coming year and beyond, ROAD plans to:

- Focus on efficient processing of all listing and membership requests in accordance with established timelines outlined in the listing rules and trading and membership rules.
- Strengthen monitoring of fairness, efficiency and transparency in implementing the Group’s regulatory mandates to uphold the highest standards of integrity and trust by increasing the number of planned inspections and assessments combined with awareness workshops aimed at increasing disclosure mechanisms within the financial market. Such workshops will play a crucial role in fostering a more informed and compliant environment among market participant.

Total members inspected for compliance



Business Ethics

Saudi Tadawul Group is committed to maintaining the highest standards of ethics, legal compliance and regulatory integrity across all aspects of its operations. Through proactive governance and a strong compliance culture, the Group maintains adherence to ethical business practices.

Upholding compliance and ethical integrity

Adhering to the regulatory frameworks of the Kingdom of Saudi Arabia and aligning with global best practices, the Compliance team makes sure all divisions within the Group fully adhere to relevant laws and regulations. This is essential for effective supervision and control of the financial market, enabling improvements in the regulatory environment, improving financial stability and ensuring market integrity and transparency.

Compliance utilizes various monitoring tools, such as the Compliance Grid and Self-Assessment Activities, to regularly track regulations and evaluate the adequacy of internal controls, mitigating potential non-compliance risks and strengthening the Group’s commitment to regulatory excellence.

All employees and other Stakeholders are responsible for maintaining the highest ethical standards as part of the Group’s efforts to nurture a compliance culture. It maintains a proactive approach to compliance while remaining committed to maintaining ethical behavior and responsible business practices.

The Group has established a comprehensive Employee Code of Conduct that outlines key provisions, including:

- Conflict of interest
- Acceptance of gifts and hospitality
- Employee interactions and knowledge exchange

- Work with external parties
- Intellectual property protection
- Confidentiality
- Dealing with the media
- Rumor prevention
- Securities trading

The Group regularly reviews and update policies and procedures to guarantee compliance with applicable laws and regulations. It also undertakes ongoing governance assessments to align with leading practices.To further demonstrate the Group’s commitment to ethical behavior, it implements measures to deter non-compliance and reduce exposure to unethical opportunities.

To maintain a strong culture of professional excellence, the Group provides comprehensive training programs that equip employees with the knowledge and skills needed to uphold its commitments. These programs include:

- Code of Conduct training – Specialized sessions designed to raise awareness about responsible business practices, conflict of interest policies and proper reporting channels for any violations.
- Anti-Fraud Awareness training – Conducted in alignment with the Anti-Fraud Policy issued by the ERM team, these sessions focus on identifying and managing fraud risks and promoting ethical conduct across the Group.
- Compliance training – Regular training on adhering to ethical standards and responsible business practices under the Code of Conduct.

In 2024, no incidents related to bribery or corruption were reported.

Non-compliance with regulations on health/safety impacts of products/services	2021	2022	2023	2024
Non-compliance incidents	0	0	0	0
Incidents resulting in fines or penalties	0	0	0	0
Incidents resulting in warnings	0	0	0	0
Incidents with voluntary codes	0	0	0	0

Fraudulent transaction history	2024
Total incidents of non-compliance with laws and regulations	0
Total number of non-monetary sanctions	0

Strengthening governance and ethical accountability

Maintaining consistently high ethical standards is crucial for the Group’s success and to reinforce the Saudi Capital Market’s reputation. The Board’s Governance, Risk and Compliance Committee (GRCC) oversees Group-wide compliance with ethical practices and all relevant legislation. In addition to its focus on ethics, the GRCC has a broader mandate that encompasses oversight of governance, risk management and compliance frameworks. The

Committee regularly informs the Board of corporate governance developments and international best practices, offering recommendations for appropriate actions.

The GRCC’s main responsibilities include assuring ethical conduct with information from periodic risk, compliance and governance reports with details on violations and cases of non-compliance.

The Group’s executive-level ESG Committee supports the GRCC, guided by the Group’s CEO, to remain in alignment with its strategic objectives.

The ESG Committee develops strategies and policies that integrate sustainability practices into the Group’s corporate ethos.

The Employee and Supplier Codes of Conduct also support the Group’s commitment to an ethical culture by defining expected behaviors. New employees are introduced to these expectations at induction and receive annual refresher training throughout employment. The GRCC investigates any breaches of the Codes of Conduct, making certain even the highest levels of management, including the Group CEO, are accountable.

Internal compliance, monitoring and reporting	2020	2021	2022	2023	2024
Inquiries, complaints or issues received by the legal and compliance office through an internal monitoring or reporting system	267	285	412	678	426
Inquiries, complaints or issues resolved	267	285	412	678	426

In addition, the Internal Audit, Legal and Risk and Security divisions play a key role in supporting the Audit Committee and GRCC to ensure maintaining ethical conduct across the Groups and its subsidiaries operations.



Ethical Business Operations continued

Legal

The Legal Division is responsible for protecting and defending the Saudi Tadawul Group from legal risks while ensuring compliance with regulatory requirements and supporting the Group’s strategic objectives. Additionally, the division maintains regulatory oversight through periodic reporting to management and preparation of required compliance reports.

The division improved regulatory integrity and compliance in 2024 by:

Strengthening the Group’s governance framework by enhancing internal controls	Implementing Code of Conduct training to equip employees with a clear understanding of ethical standards and compliance expectations across the Group	Maintaining regulatory compliance through strict adherence to applicable regulations with ongoing governance assessments to align with best practices
Preserving regulatory compliance assessments with regular evaluations conducted in collaboration with the CMA	Reporting to the Board with periodic updates on compliance performance, providing continuous monitoring and effective oversight of regulatory obligations	

Internal Audit

The Internal Audit Division is responsible for providing independent assurance on the adequacy and effectiveness of governance, risk management and internal controls across the Group and its subsidiaries. In addition, the division may conduct regular special audits to address any concern raised by senior management, committees or Board.

The division contributed to the Group’s strategic success in 2024 by:

Launching several initiatives to improve the effectiveness of internal audit function aligned with the Group’s strategic objectives	Collaborating with other control functions to ensure successful implementation and effective internal control environment	Providing strategic advisory support for the business to address business concerns and emerging risks
Providing support to the business by conducting several projects audits to ensure successful implementation and effective internal control environment	Providing risk-based assurance activities aligned with the Group’s strategic priorities	

Communicating violations through formal channels

The Group’s actions include stringent anti-corruption and anti-bribery controls, including close oversight of employees’ shareholdings and transactions, which require explicit permission for buying or selling shares. Additionally, key risk indicators (KRIs) are reported monthly to the Group’s ERM Department to enable necessary precautionary measures.

The Group’s actions against financial crimes include the Anti-Money Laundering (AML) policies, which define principles and obligations aligned with the Kingdom of Saudi Arabia’s international obligations. In addition to these policies, the AML procedure includes due diligence checks of clients and guidance on determining the level of risk and reporting suspicious activity.

The Code of Professional Conduct also addresses cases related to non-compliance with laws and regulations, as well as the standards of integrity and professionalism. Any violations committed by employees of the Saudi Tadawul Group are referred to the designated disciplinary committee for review and appropriate action. The code further distinguishes between violations committed by employees, the Group CEO and Committee

members, ensuring appropriate accountability measures are in place.

Whistleblowing

Whistleblowing is an integral part of the Group’s ethical infrastructure, empowering employees and other Stakeholders to report concerns through various confidential channels.

The Group’s Whistleblowing Policy guarantees whistleblowers’ rights, including protecting the whistleblower’s identity and addressing harassment or retaliation. The purpose of the policy is to encourage all the Group’s employees and other related parties to report illegal and unethical violations that may arise from any of the Group employees or other related parties, without hesitation or fear, by providing confidential and secure channels.

The policy, approved by the Board, encourages whistleblowing, which will guide the Group in correcting any mistake or process, and detecting violations to reinforce and protect its values. The Group CEO is responsible for overseeing the effective implementation of this policy and approving the necessary procedures for its implementation.

Reportable cases include financial and administrative corruption, conflicts of interest as well as non-compliance

with laws, policies and procedures, and violations of environmental, health and safety standards. Additionally, concerns related to improper conduct, harassment, misuse of Group assets, abuse of authority, money laundering, insider trading, financial crimes and unauthorized information disclosure are also addressed.

Saudi Tadawul Group provides secure and confidential channels that enable employees and other Stakeholders to report whistleblowing cases via:

- Email: (WB@tadawul.com.sa)
- Hotline: (0112035200)
- A letter to be dropped in the department mailbox
- Informing the direct manager or Governance and Compliance Department Head verbally or as desired by whistleblowers, who can submit their concerns to the Governance and Compliance Department without disclosing their identities

Please visit [here](#) for more information about Saudi Tadawul Group’s Whistleblowing Policy

KPIs	2021	2022	2023	2024
Percentage of regulatory fines that resulted from whistleblowing actions	0	0	0	0

Whistleblowing cases	2021	2022	2023	2024
Total whistleblowing cases reported	2	2	1	0
Cases investigated	2	2	1	0
Cases resolved	2	2	1	0
Cases pending resolution	0	0	0	0
Cases leading to disciplinary action	1	1	1	0



# Risk Management

The Group’s Risk and Security Division plays a pivotal role in governing and managing processes that identify, evaluate and prioritize key risks and cybersecurity threats, which could impact the Group’s operational resilience and strategic objectives.

In terms of governance, the division reports to the GRCC and coordinates with subsidiary risk management committees. With its strong governance model and deeply embedded culture of risk and cybersecurity awareness, the division maintains a coordinated approach across its three departments:

- 1 Enterprise Risk Management
- 2 Cybersecurity
- 3 Business Continuity and Environmental Security

By proactively addressing existing and emerging challenges, the division enables the Group to mitigate threats, increase adaptability in a dynamic environment and protect its assets. Whether by strengthening cybersecurity defenses, sustaining business continuity during disruptions or integrating environmental security considerations, the division’s work underpins the Group’s ability to execute its corporate strategy and maintain Stakeholder confidence.

In 2024, the division reviewed and updated policies, procedures and frameworks for ERM, cybersecurity and business continuity, maintaining alignment with best practices and regulatory standards.

## Enterprise Risk Management

The Group operates within a rapidly evolving and complex environment, which inherently exposes it to a diverse range of strategic, operational and financial risks. To effectively mitigate these risks, the ERM Department implements a structured ERM policy and framework that facilitates the risk assessment process, enabling the Group to identify key risks and develop appropriate mitigation strategies.

## Risk Approach

The Group’s ERM framework ensures a structured and integrated approach to identifying and monitoring risks across all operations through a systematic process focusing on the following.

### Risk strategy and culture

The ERM strategy aligns risk management with the Group’s objectives to improve decision-making and foster sustainable success. A strong risk culture guarantees shared values and practices that prioritize risk awareness at all levels of the organization.

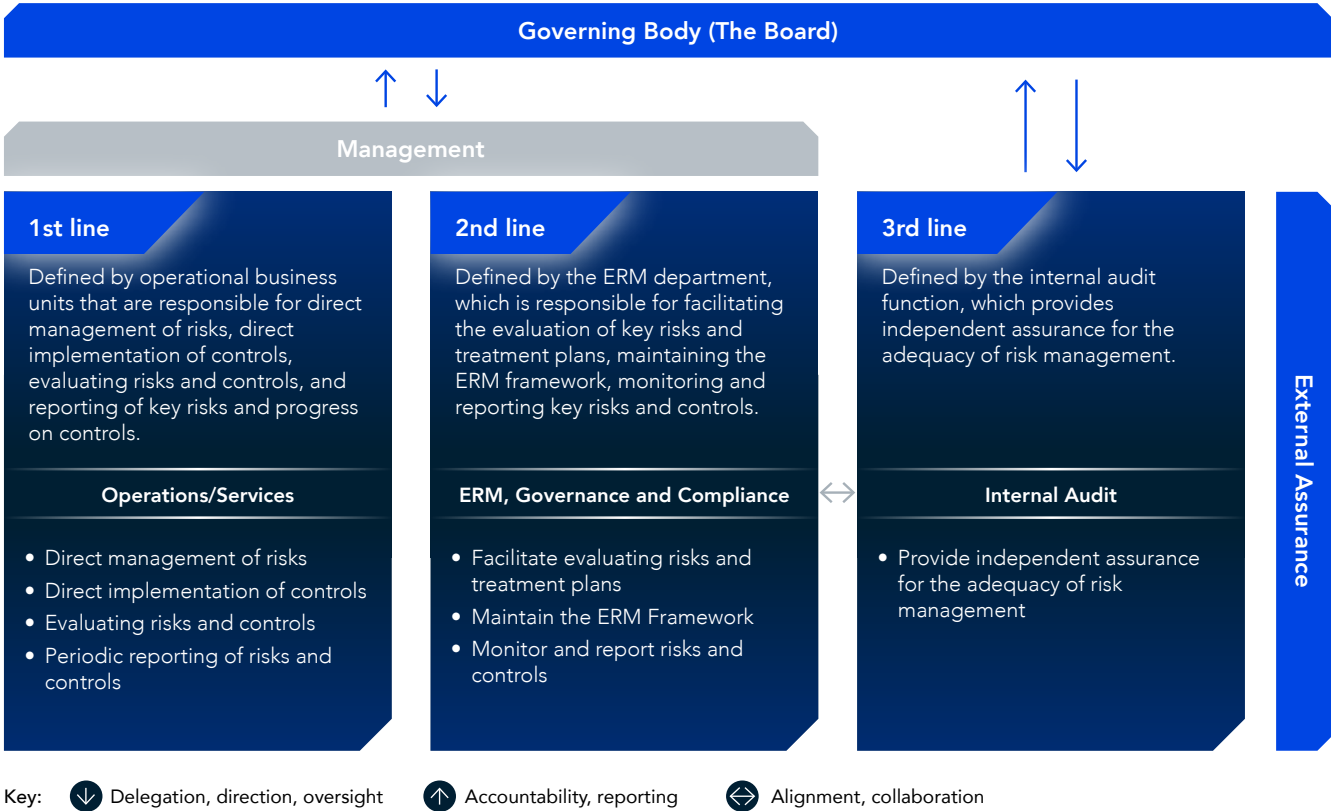
### Risk governance (Three Lines Model)

The Three Lines Model aims to outline the structures, processes and responsibilities to facilitate strong governance of risk management.



## The Three Lines Model

Governed and overseen by the Group’s Board of Directors, the Group applies the Three Lines Model.



### ERM policy and procedures

The ERM policy and procedures provide a structured framework for identifying, assessing, monitoring and controlling risks across the Group.

### Risk appetite and tolerance

The risk appetite and tolerance levels help the Group make decisions that contribute to achieving its strategic objectives. Risk appetite and risk tolerance levels are determined on the basis of the Group’s direction, objectives, culture and external environment.

### Risk management process

A structured process encompassing risk identification, measurement, treatment and continuous monitoring and reporting. The output is a risk register that logs all identified risks and their remediation plans.

### Principal risks and categories

Risk identification follows a systematic approach aligned with the Group’s principal risk categories. A periodic follow-up mechanism makes sure treatment plans are effectively implemented, continuously reviewed

and enhanced when necessary to strengthen the Group’s overall risk resilience and operational stability.



Risk Management continued

The Group’s seven principal risk categories encompass a range of challenges, which each require targeted mitigation strategies to ensure resilience and operational stability.



Risk Assessment and Mitigation

Risk assessment methodology

The key attributes of the risk assessment methodology are assessing impact, likelihood and the risk scoring defined below.

**Impact assessment** is the process of assessing the probabilities and consequences of the risk events in case they may materialize. Assigning an impact rating to the risk will be based on the rating for the highest impact anticipated, whether it is financial,

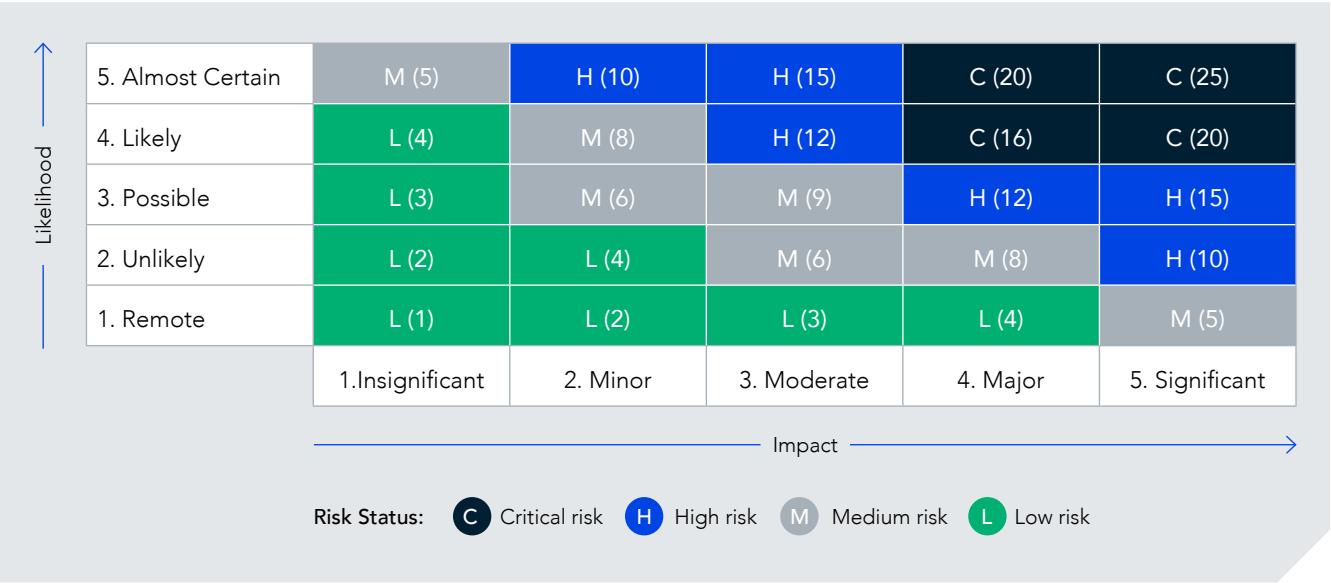
reputational, strategical, customer-based or legal.

**Likelihood assessment** is the probability that a risk may cause loss for Tadawul Group before considering the effectiveness of controls.

**Risk score** is calculated by multiplying the likelihood and impact ratings of each risk. Risk score addresses the inherent risk in case it is calculated without the consideration of the presence or the effectiveness of the related controls.

Risk status categorizes risks into four ratings: from highest and most urgent risks, which may hinder the Group from achieving its goals; to lower and less urgent risks that have a minimal effect on the Group’s efficiency.

After consideration of the presence and effectiveness of controls, the residual risk is determined using a similar methodology to that used for calculating the inherent score. The difference is that the likelihood score is reduced by the control effectiveness rating. When the impact of control effectiveness score is subtracted from the inherent risk, the remaining is the residual risk score.



Risk mitigation

The ERM Department remains proactive in mitigating risks by working collaboratively with all departments to identify and address key risks. The department’s comprehensive ERM framework includes implementing robust internal controls, providing guidance to boost operational efficiency and resilience, conducting

periodic risk assessments, facilitating effective communication, and assisting in developing risk awareness throughout the Group.

The department monitors key risks and provides guidance on risk mitigation strategies while ensuring adherence to recognized standards and guidelines. The department collaborates with Stakeholders to minimize the risk of

disruptions and maintain the integrity and credibility of the Group. Additionally, the ERM Department monitors external factors such as economic, political and environmental conditions to identify key risks that may impact the Group’s performance and objectives and assists in developing contingency plans, engages with Stakeholders and manages key risks.



Risk Management continued

Business Continuity and Environmental Security

The Business Continuity function plays a crucial role in safeguarding operational resilience. It develops, reviews and maintains business continuity plans and procedures while setting minimum standards and guidelines for capital market members. Additionally, the function conducts regular training and awareness programs focused on the Business Continuity policy, framework and practices.

Each year, the function develops its programs based on a comprehensive and in-depth analysis of core business functions, services, and requirements to ensure alignment with the relevant department's continuity plans. It formulates integrated strategies that include mechanisms for crisis mitigation, recovery, and response. These strategies are activated through comprehensive response plans supported by ongoing training, regular updates, and reviews in collaboration with department and division representatives. The continuous enhancement of crisis and business disruption response strategies, including those addressing natural disasters, strengthens the Group's resilience and readiness to manage potential disruptions and ensures the stability of its core services.

For business continuity, the function conducted infrastructure reviews and improved disaster recovery strategies, achieving ISO 22301:2019 certification. These efforts maintain continuity of core services and improved the Group's preparedness for potential disruptions. Operational resilience was further supported through continuous

monitoring of core systems, business processes and third-party service providers. Strategies were optimized to safeguard infrastructure and effectively mitigate risks.

In 2024, the Group planned and monitored the deployment of core system upgrades as part of the post-trade program. It also oversaw and participated in the relocation of the Group's employees to the new Tadawul Tower in King Abdullah Financial District, ensuring business operations remained uninterrupted.

The Environmental Security function is integral to maintaining a safe and secure workplace and increasing the health, safety and well-being of the Group's employees, stakeholders, and related parties. Governed by Civil Defense standards, the Occupational Health and Safety Management System (OHSMS) monitors and manages security risks across the Group's facilities.

To uphold safety standards, physical security incidents are continuously tracked with investigations conducted through CCTV surveillance and security personnel oversight. Compliance is regularly evaluated and employees are informed of relevant safety updates via the Group's internal portal.

Strong focus on training and awareness further strengthens preparedness with employees receiving instruction in first aid, evacuation procedures and crowd control. These proactive measures reinforce Saudi Tadawul Group's commitment to maintaining a secure, and resilient work environment.

Enhancing Risk Management and Preparedness

The Risk and Security Division will continue to play a role in strengthening the Group's ability to manage risks and security threats that could impact processes, people and overall resilience. Moving forward, the division will concentrate on the following priorities.

- Automating procedures to improve efficiency and effectiveness in risk management
- Expanding monitoring efforts to maintain resilience and uninterrupted service delivery across all areas
- Strengthening compliance with evolving data privacy and cybersecurity regulations
- Advancing risk identification, assessment and mitigation strategies to address emerging threats
- Regularly reviewing and refining risk management procedures to align with the Group's objectives and regulatory requirements
- Enhancing cybersecurity measures to safeguard critical systems, data and operations against evolving threats
- Increasing the frequency of tests, rehearsals and automation to improve business continuity and operational resilience



Achieved  
ISO 22301:2019 certification



# Data Privacy and Cybersecurity

Saudi Tadawul Group recognizes the critical importance of data privacy and cybersecurity in maintaining operational integrity, regulatory compliance and Stakeholder trust. The Group faces various cybersecurity risks, such as data breaches, cyber-attacks, third-party vulnerabilities, insider threats and regulatory non-compliance. To mitigate these risks, robust security measures are in place, supported by continuous monitoring, advanced threat detection systems and adherence to regulatory frameworks.

A structured cybersecurity management strategy is in place, focusing on:

- Clear and regularly updated policies governing data privacy and security
- Continuous risk assessments to identify and address vulnerabilities
- Comprehensive employee training to increase awareness and response capabilities
- Investment in advanced cybersecurity technologies to strengthen defense mechanisms

To reinforce these efforts, all employees and Stakeholders are required to complete mandatory cybersecurity and data privacy training, making sure they remain informed and equipped to safeguard sensitive information.

In 2024, the Risk and Security Division undertook an enterprise-wide review to maintain adherence to mandates. Following this assessment, the team crafted a comprehensive roadmap outlining targeted measures to align the Group's operations with regulatory

standards. These initiatives not only enhanced data protection protocols, but also underscored the Group's steadfast commitment to compliance and operational excellence.

In addition, the Group is committed to conducting its business in accordance with the best ethical practices. It also emphasizes the need to maintain the confidentiality of information about its existing and potential clients and not to disclose it to anyone who is not authorized to obtain this information in line with the internal information leakage prevention policy.

## Strengthening Cybersecurity Resilience

The Cybersecurity Resilience Program focused on monitoring, assessments and awareness initiatives, which contributed to improved overall effectiveness. As a result, there were no critical or high-severity cybersecurity incidents, no data breaches, and the attainment of ISO/IEC 27001:2022 certification in compliance with relevant national cybersecurity regulations.

Regular reviews and optimization of security operations and incident handling processes ensure the Group's resilience against cyber threats. This is underscored by the absence of data breaches over the past five years.



Zero data breaches from 2020-2024





## Pillar 3

# Become a Global Hub for Debt-Related Sustainable Finance

### Highlights

Sustainable Products and Services

Listing Rules Amendments

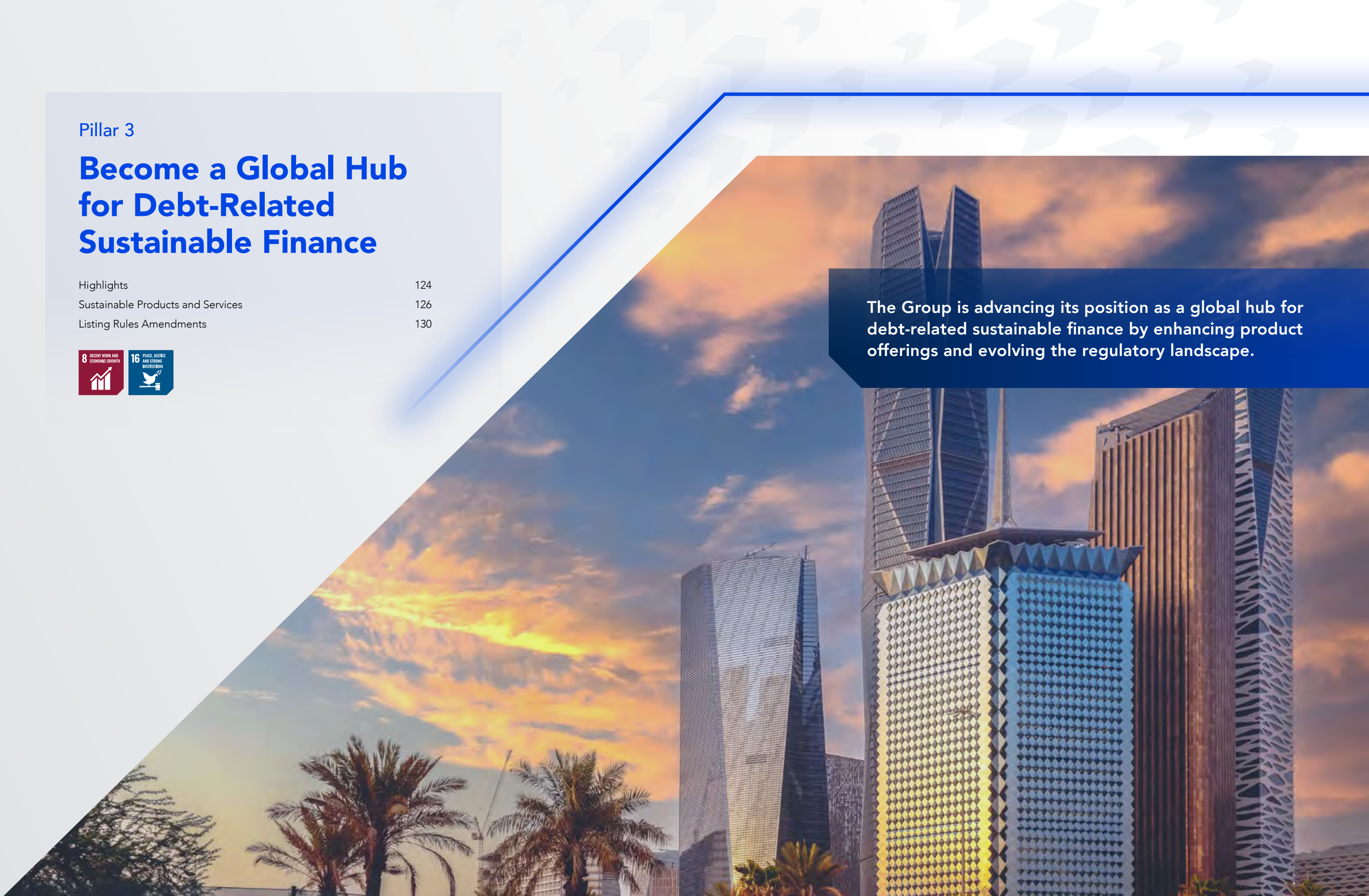
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130



The Group is advancing its position as a global hub for debt-related sustainable finance by enhancing product offerings and evolving the regulatory landscape.





# Highlights

## 2024 Achievements



### Participated

in green bonds round-table discussion with Ministry of Finance to develop and promote green bond market in Saudi Arabia



### Reduced

the minimum issuance size for Sukuk and bonds to facilitate listing requirements for debt instruments



### 2

newly listed local ETFs that track Asian companies

## 2025 Ambitions

### Advance

efforts to publish the Saudi Exchange Sustainable Finance Issuance Guidelines

### Introduce

Debt Market Making Framework with trading incentives and rebates to encourage higher trading activities

## Progress against 2024 ambitions

### 2024 Ambitions

Encourage the issuance of the first green or sustainability linked bond or sukuk in Saudi Arabia's Capital Market

### Progress

The Saudi Exchange is working with the CMA to finalize the Saudi Exchange Sustainable Finance Issuance Guidelines. These guidelines are intended to encourage the issuance of green, social and sustainability-focused financial debt instruments, supporting greater alignment with sustainability objectives in the market (expected to be published in 2025).

Along with one-on-one meetings with investors and clients, the Saudi Exchange raised awareness of sustainable finance principles and practices in partnership with S&P Global through a workshop providing valuable insight to market participants.

The Saudi Exchange participated in the green bonds round-table discussion organized by the Ministry of Finance. This event was part of the Kingdom's efforts to promote sustainable finance and support its ambitions to achieve Net Zero emissions by 2060.

Saudi Tadawul Group is committed to strengthening and expanding its debt capital market by actively promoting sustainable finance instruments. By advocating for regulatory enhancements, providing clear guidelines and engaging with key Stakeholders, the Group aims to increase market participation, attract sustainability-focused global investors and position Saudi Arabia as a leading hub for sustainable debt instruments. This approach supports economic diversification while aligning with broader sustainability and climate goals.

The Group's strategic ambition is to transform the Saudi debt capital market into a global hub for sustainable finance. By harnessing the growing global interest in green and sustainability-linked debt instruments and aligning with Vision 2030, the Group is actively driving initiatives from regulatory enhancements and market awareness programs to innovative listing rules, which stimulate sustainable issuances and attract diverse investors. The Group's comprehensive approach not only strengthens the local market, but also positions us as a leader in sustainable finance on a global scale.



# Sustainable Products and Services

The Exchange sees an opportunity in the global financial sector’s growing interest in green and sustainability-linked debt instruments, combined with the Saudi markets’ increasing climate and sustainability commitments and actions. The Group also directly aligns this opportunity with the strategic goals to become a major global debt instrument market and help to shift markets toward sustainability.

The Group’s commitment to developing the sophistication of the Saudi Capital Market, as part of the FSDP, includes supporting the development of a rapidly growing debt market, which is a key strategic growth pillar for the Group. To achieve the goal of being one of the top three global exchange groups, the Group focused on growing into a top global debt instruments market.

The Group recognizes the chance of accelerating sustainable debt instrument market growth by encouraging and supporting sustainability-related issuances. The Saudi market is particularly well suited to this. Saudi Arabia’s Vision 2030 is a far-reaching sustainable development

plan for the Kingdom. It sets out ambitious targets and objectives across the full spectrum of sustainable development priorities, including the environment (considering climate and biodiversity), economic inclusion, socioeconomic development, diversity, equality and other areas across the SDGs.

Saudi Arabia’s progress in investments in the categories highlighted in Vision 2030 supports momentum toward sustainability-related financing. As a result, there is significant interest within Saudi Arabia to issue green and sustainability-linked sukuk. The Group aim to facilitate such issuances and capture this market.

The Saudi Exchange is actively collaborating with the Capital Market Authority (CMA) to finalize the Saudi Exchange Sustainable Finance Issuance Guidelines. Designed to promote the issuance of green, social and sustainability-focused financial debt instruments, these guidelines align market practices more closely with sustainability objectives.

Expected to be published in 2025, the guidelines will provide a vital framework to encourage issuers to integrate sustainable practices into their financing strategies, thereby increasing the resilience and transparency of the Saudi Capital Market.

The Group intends to grow the sustainability-themed segment of the debt market rapidly to achieve the following objectives.

Eventually, be the highest possible percentage of the total debt market

Provide financial and other advantages to companies with foresight to lead the adoption of sustainable development and sustainability considerations

Enable investors to channel significant financial resources into market activities that achieve sustainable development outcomes

Support price sustainability in the market and thereby shift everyday market decisions consistently towards sustainability



## Driving growth in sustainable finance

With a strong commitment to embedding sustainability into investment practices and supporting the market’s transition to responsible development, the Group continues to play an active role in advancing sustainable finance.

By leveraging the potential of Shariah-compliant instruments that integrate green and sustainability-related criteria, the Group is supporting the growing momentum around sustainability-linked sukuk and contributing to the development of an inclusive and responsible financial market.



# Listing Rules Amendments

In 2024, the Saudi Exchange announced amendments to the Listing Rules, including a reduction in the minimum issuance size for sukuk and bonds, and the exclusion of debt instruments issued by the Kingdom’s development funds, banks and sovereign funds under exempt offers from certain provisions. These changes aim to stimulate sukuk and bond issuances and further activate the debt capital market as a key channel for financing businesses and the broader economy.

The listing rule amendments are set to:

## Enhance access to capital for green and sustainability-linked sukuk and bonds

By reducing the minimum listing size, small and mid-size issuers (including those focusing on green, social and sustainability-linked bonds and sukuk) will have easier access to public markets. This will encourage corporates, financial institutions and government entities to issue sustainable debt instruments and thus support the development of green and sustainable projects.

## Strengthen the Saudi debt Capital Market for sustainable finance

By activating the debt capital market, the amendments could increase liquidity and make the Saudi market more attractive to sustainability-focused investors seeking sustainable fixed-income products. This aligns with Saudi’s Vision 2030 and the Kingdom’s broader goals aiming to diversify funding sources and promote sustainable investments.

## Attracting sustainability and Shariah-compliant investors

The amendments would also make it easier to list sukuk and bonds, which is particularly beneficial for Shariah-compliant green sukuk. Islamic and sustainable finance share common principles such as ethical investment and risk sharing, which is attractive to global sustainability and Islamic investors.

## Encourage sustainable infrastructure and corporate transition finance

Lower listing thresholds could help infrastructure developers, renewable energy firms and corporates raise capital for green and social projects through sukuk and bonds. In this regard, the minimum issuance size has been reduced from 100 million to 5 million, significantly improving accessibility for a broader range of issuers. Additionally, this could support the issuance of transition bonds and sustainability-linked sukuk, which are crucial for industries seeking to decarbonize while maintaining investor confidence.

## Maintain investor protection while supporting growth

By excluding certain exempt offers in accordance with IOSCO’s requirements, the amendments would guarantee only appropriate debt instruments are offered to public investors. This would reduce market risk and allow institutional and sophisticated investors to participate in sustainable finance instruments.

## Position the Group as a leader in sustainable finance within the GCC and globally by:

- Increasing green and sustainability-linked sukuk and bond issuance
- Attracting sustainability-focused institutional investors
- Supporting Saudi Arabia’s Net Zero and Vision 2030 goals
- Facilitating corporate transition financing and sustainable infrastructure investment



### Early indication of impact

Although the amended rules were announced in October 2024, and it is too early to fully measure market impact, there has already been notable interest from SMEs in issuing conventional sukuk under the new minimum listing threshold. This indicates growing and potential uptake among smaller issuers.



Pillar 4

Lead the Market Toward ESG Adoption and Disclosure

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The Group drives progress in ESG adoption and disclosure by encouraging sustainability practices among listed companies and influencing the future of responsible investment.





# Highlights

## 2024 Achievements




**75**  
one-on-one ESG advisory sessions



**40%**  
of Saudi Main Market-listed companies disclosed sustainability performance (2025 target achieved in 2024)



**15**  
sustainability awareness workshops hosted



**Hosted**  
Ring the Bell for Climate 2024 initiative with World Federation of Exchanges



**Net Zero**  
commitment by 2050, as part of the Net Zero Financial Service Providers Alliance



**Collaborated**  
with partners to increase ESG training and programs

## 2025 Ambitions

**Aim**  
to achieve sustainability disclosures from 45% of Saudi Main Market-listed companies

**Initiate**  
development of sustainability reporting platform

**Introduce**  
additional sustainability reporting guidelines

**Expand**  
sustainability capacity-building programs

## Progress against 2024 ambitions

2024 Ambitions	Progress
<b>35%</b> target of Saudi Main Market-listed disclosing sustainability performance (with a two-year target of 40%)	<b>Achieved</b> 40% target in 2024 and increased the 2025 target to 45% Saudi Main Market-listed companies to disclose sustainability performance
<b>Expand</b> ESG advisory sessions with listed companies	<b>75</b> one-on-one ESG advisory sessions conducted by Saudi Exchange since late 2022
<b>Collaborate</b> with partners to increase ESG training and programs to build local ESG talent in the context of capital markets	<b>Collaborated with GCCBDI</b> to conduct five training sessions in 2024 providing Board members and executives with deep insight into sustainability integration best practices  <b>Collaborated with MSCI</b> to conduct two-session workshop to equip companies with the necessary knowledge and tools to integrate sustainability into their business strategies and reporting frameworks

Saudi Tadawul Group encourages widespread adoption of sustainability management and disclosures by Saudi-listed companies for better market performance and competitiveness; leading by example in facilitating and advancing the use of ESG data by market participants.



# Promotion of Sustainability Practices among Listed Companies

The global financial landscape is undergoing a profound shift with sustainability considerations now at the core of sustainable economic growth and market resilience. Regulators, market participants and institutional investors alike are increasingly aligning their strategies with sustainability principles, recognizing that responsible investment is no longer merely an option but a necessity.

In this respect, Saudi Tadawul Group has led this shift, championing sustainability adoption and disclosure as a core driver of long-term economic sustainability. Through comprehensive regulatory guidance, strategic capacity-building initiatives and collaborative engagement, the Group is not only supporting issuers in meeting global sustainability expectations, but also making certain the Saudi Capital Market remains attractive to international investors seeking sustainable investment opportunities.

In response to growing global sustainability trends and investor demand for sustainability-driven assets, the Saudi Exchange, in line with Group objectives, developed structured ESG Disclosure Guidelines to embed sustainability principles across the Saudi Capital Market. This involves refinement of reporting guidelines, expansion of advisory services and an ongoing dialogue with international and regional stakeholders to make sure Saudi-listed companies remain competitive in the evolving global financial landscape.

In addition, Saudi Tadawul Group aligns its sustainability strategy with Saudi Arabia's national priorities, aligning

closely with Vision 2030 and the Financial Sector Development Program (FSDP). By embedding sustainability into the financial ecosystem, the Group supports economic diversification, enhances market resilience and enables long-term value creation. This commitment ensures sustainability principles not only drive responsible investment, but also serve as a catalyst for economic transformation.

## Strengthening Adoption and Market Transparency

Demonstrating its strong sustainability leadership, the Group has proactively improved its disclosure and transparency practices among listed companies. To illustrate this, in 2024, the Saudi Exchange surpassed its 2025 sustainability reporting target with 40% of Saudi Main Market-listed companies now disclosing ESG performance – a notable increase from 35% in the previous year. This surge in sustainability adoption reflects growing market awareness and a stronger regulatory framework that supports issuers in embedding sustainability into their corporate strategies. Such an outstanding improvement positions the Group as a leading regional market for sustainable investment, attracting greater international investor interest and reinforcing the Kingdom's commitment to a resilient economy that works to strengthen its commitment to aligning with Vision 2030.

To further promote sustainability integration, the Saudi Exchange has increased advisory services with personalized support provided to issuers through 75 one-on-one sustainability advisory sessions since

the program's launch in late 2022. These sessions serve as a vital platform for information sharing, equipping listed companies with the necessary skills needed to understand sustainability best practices, reporting frameworks and climate-related risk disclosures. The increased engagement has contributed to an evolving corporate culture where sustainability is viewed as a strategic imperative for business resilience and value creation.

The Group's engagement in sustainability disclosure also extends to aligning with global standards such as the International Financial Reporting Standards (IFRS) Sustainability Disclosure Standards, the Task Force on Climate-related Financial Disclosures (TCFD) and the Global Reporting Initiative (GRI). In addition, the ESG Disclosure Guidelines, published in 2021, are designed to guide listed companies on their sustainability journeys by providing a structured framework for better transparency and alignment with international best practices. By encouraging issuers to integrate these requirements into their sustainability reporting, the Group is helping to build a more transparent, resilient and attractive investment landscape for global institutional investors.



## Saudi Exchange ESG Disclosure Guidelines

### Objective

The ESG Disclosure Guidelines aim to facilitate consistent, comparable and high-quality sustainability reporting across the Saudi Capital Market. Some of the key objectives include:

- Improving market transparency and accountability
- Integrating sustainability principles into corporate strategies
- Attracting responsible investments and increasing market competitiveness
- Aligning reporting within the Saudi Capital Market with global frameworks such as GRI, IFRS S1 and S2, etc.

### Impact

Successfully aligning with the Saudi Exchange's ESG Disclosure Guideline create a positive impact on companies through:

- Improved ESG ratings:** Structured disclosures improve company performance in ESG indices and ratings, increasing market credibility.
- Increased institutional investment:** Improved transparency attracts institutional investors focused on ESG-compliant investments.
- Market leadership in ESG transparency:** Companies that adopt the guidelines are positioned as leaders in responsible and sustainable business practices, strengthening brand reputation and long-term stakeholder trust.

Please check Saudi Exchange's ESG Disclosure Guidelines [here](#).



Promotion of Sustainability Practices among Listed Companies continued

Engaging with Stakeholders and Driving Awareness

Stakeholder engagement remains a cornerstone of the Group’s sustainability strategy. By advancing collaboration across the financial ecosystem, the Group strengthened its position as an industry leader in sustainability. The Saudi Exchange is committed to empowering companies to capitalize on opportunities associated with sustainability by providing essential knowledge, guidance and engagement opportunities.

In 2024, the Group strengthened its Stakeholder engagement strategy by introducing a more frequent and

structured feedback loop, to sustain continuous and meaningful dialogue. This approach incorporates regular meetings, targeted surveys and structured consultations enabling timely collection of actionable insight. By integrating Stakeholder feedback into decision-making, this strategy ensures initiatives are responsive to evolving needs, address key challenges and drive impactful, innovation-led improvements across the organization.

The Group, particularly the Exchange, plays a key role in advancing sustainability by enabling collaboration across the financial ecosystem. Through strategic partnerships with global organizations such as MSCI, the GCC

Board Directors Institute (BDI) and e& Enterprise, the Exchange delivers high-impact training sessions and workshops tailored to the Saudi Capital Market. These efforts support corporate leadership in integrating sustainability into governance structures and operational models. In addition, active participation in regional and global sustainability forums strengthens advocacy for enhanced sustainability disclosure standards and alignment with international best practices. Through a series of targeted programs, workshops and strategic collaborations, businesses are equipped with the tools necessary to integrate sustainability into their operations.

Key initiatives and industry engagements

Efforts in 2024 have been instrumental in enabling sustainability awareness across various sectors and Stakeholders. Key engagements include:

Post Listing Support Workshop – Virtual ESG Introduction

Participated in a workshop for newly listed companies, introducing them to ESG reporting requirements and best practices

Sustainability Forum Middle East (SFME), Bahrain

Actively participated in SFME’s panel discussion, engaging with regional stakeholders and contributing to sustainability dialogues on climate reporting, evolving MENA regulations, disclosure best practices, and the role of clear regulation in addressing greenwashing and promoting credible climate commitments

GCC BDI – Saudi Exchange ESG Guidelines Series, Riyadh

In collaboration with the GCC BDI, an extensive five-session training series, between February and October 2024, provided board members and executives with deep insight into the Saudi Exchange’s ESG guidelines, corporate governance and best practices in sustainability reporting

e& Enterprise and Saudi Exchange Sustainability Workshop, Riyadh

A practical workshop, delivered in partnership with e& Enterprise, focused on helping organizations implement effective sustainability strategies, maintaining long-term resilience and regulatory alignment

Green Bonds Round Table Discussion – Ministry of Finance, Riyadh

Participation in the Ministry of Finance’s Green Bonds Round Table underscored commitment to enabling the development of the green bond market in Saudi Arabia, aligning financial instruments with sustainability goals

Saudi Exchange and MSCI: Building Your Sustainability Journey Workshop, Riyadh

A two-session workshop, hosted in collaboration with MSCI, equipped companies with the necessary knowledge and tools to integrate sustainability into their business strategies and reporting frameworks

Saudi Sustainability Club – Sustainability Dialogue, Riyadh

Engagement in the Saudi Sustainability Club’s Sustainability Dialogue strengthened collaboration among industry leaders and sustainability advocates

Saudi Exchange x S&P Global Sustainable Finance Workshop, Riyadh

A sustainable finance workshop, hosted in collaboration with S&P Global, provided market participants with valuable insight into sustainable finance principles, ESG integration and investment opportunities

Ring the Bell for Climate 2024

On 21 November, Saudi Tadawul Group hosted Ring the Bell for Climate and launched the STG Green initiative, reinforcing its commitment to environmental sustainability and Saudi Vision 2030.

As part of this initiative, the Group signed a Memorandum of Understanding (MoU) with the Vegetation Cover Development Foundation, Morooj, a non-profit organization under the Ministry of Environment, Water and Agriculture. Through this partnership, the Group aims to raise awareness about environmental sustainability, increase green spaces and support vegetation cover development across Saudi Arabia.

The STG Green Initiative aligns with the Saudi Green Initiative by supporting reforestation efforts and improving Saudi Arabia’s natural environment, further solidifying the Group’s role in advancing sustainable development driving market-wide sustainability adoption.





Promotion of Sustainability Practices among Listed Companies continued

Through these initiatives, sustainability knowledge among businesses and investors is being strengthened, playing a pivotal role in shaping Saudi Arabia's sustainable finance ecosystem. By enabling partnerships, hosting educational programs and driving sustainability-focused market engagement, the Saudi Exchange reinforces its commitment to ensuring a more transparent, resilient and sustainable capital market.

Encouraging Best Practices and Recognition

To promote sustainability excellence, the Group recognizes outstanding corporate sustainability leadership through the annual Best ESG Award, a key feature of the Capital Market Awards. This initiative inspires issuers to increase sustainability integration, fostering a culture of competition that drives and motivates continuous improvement in sustainability performance.

Additionally, the Exchange has leveraged its membership with the Sustainable Stock Exchanges (SSE) Initiative to deliver targeted sustainability training sessions and workshops. These sessions equip issuers with critical information regarding global regulatory developments, sustainability-driven

investment trends and best practices in ESG data management. Through these initiatives, the Exchange is providing listed entities with the necessary tools to stay ahead of shifting investor expectations and regulatory developments.

However, the Group's efforts extend beyond workshops and training programs, to cover collaborations with universities, research institutions and global organizations to produce sustainability related case studies and white papers that offer deeper insight into sustainability trends, risk assessment models and impact measurement tools. These intend to boost thought leadership in sustainability and equip businesses with advanced tools for effective sustainability integration.

Expanding Data Accessibility and Investment Opportunities

In response to growing investor demand for sustainability-aligned assets, the Group, through the Saudi Exchange, is advancing proactive initiatives to make market-wide sustainability information more readily available.

The Saudi Exchange is working towards publishing comprehensive ESG information about listed companies, making sure investors have access to high-quality, reliable sustainability metrics. By promoting transparency in ESG data, the Saudi Exchange is enabling an investment environment where capital flows toward companies that demonstrate robust sustainability practices. The strategic use of ESG data is also expected to drive market-wide improvements in corporate sustainability performance as issuers respond to growing investor demand for ESG transparency.

To further strengthen investor confidence, the Saudi Exchange is collaborating with global ESG rating agencies on refining listed companies' sustainability performance metrics utilizing their ESG scoring models. This aims to provide investors with more granular insight into corporate sustainability efforts. This will drive capital allocation toward businesses that adhere to the highest sustainability standards.

Future Outlook

The Group remains committed to advancing sustainability adoption through ongoing improvements to the Saudi Exchange ESG Disclosure Guidelines, maintaining alignment with evolving international reporting frameworks such as the IFRS Sustainability Disclosure Standards. The Exchange is working on finalizing the Sustainable Finance Issuance Guidelines, to further integrate sustainability considerations and strengthen investor confidence in the Saudi Capital Market.

Looking ahead, the roadmap toward 2025 and beyond for the Group and its subsidiaries includes:

1
 Expanding sustainability capacity-building programs to accelerate knowledge transfer and adoption of best practices across all market segments.

2
 Deepening regional and global partnerships to reinforce the Kingdom's position as a leader in sustainability integration and sustainable finance.

3
 Advancing the development of innovative sustainability-linked financial instruments, including green sukuks and sustainable bonds, to facilitate the Kingdom's transition toward a more resilient and sustainable economy.

4
 Strengthening technology to enhance sustainability adoption in the Saudi Capital Market



Pillar 5

# Address Climate Change and Foster a Circular Carbon Economy

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The Group addresses climate change and fosters a Circular Carbon Economy by implementing proactive environmental measures, advancing reducing environmental impact and promoting sustainable practices.





# Highlights

## 2024 Achievements



### Net Zero

commitment by 2050, as part of the NZFSP



8.67

emission intensity per FTE covering scopes 1 and 2 in 2024 (2023: 8.7)



### Launched

voluntary Carbon Market Exchange Platform



49%

reduction in waste generated



+2.5 million

tons of carbon credit traded through the RVCN Exchange platform

## 2025 Ambitions

### Continue

the Net Zero commitment and set near-term reduction targets

### Encourage

greater use of the RVCN by listed companies to help meet climate commitments in line with Saudi Arabia's national targets

## Progress against 2024 ambitions

Ambition	Achievement
<b>Net Zero</b> aiming to commit to Net Zero by 2050	<b>Committing</b> to the global Net Zero transition through collaborative sustainable finance efforts, the Group joined the Net Zero Financial Service Providers Alliance (NZFSPA) at COP29 in November 2024
<b>Continue</b> to support the expansion of the voluntary carbon market auction to the wider region	<b>Third</b> auction on RVCN Exchange Platform traded over 2.5 million tons of carbon credits at 37.5 ٮ/ton, with over 75% of projects from the Global South supporting reforestation, methane capture and carbon storage in construction materials
<b>Encourage</b> listed companies to disclose carbon emissions and trajectories as priority sustainability disclosures	<b>Growing</b> adoption is evident in 40% of Main Market-listed companies disclosing sustainability performance by end of 2024



# Approach to Climate Change

Saudi Tadawul Group acknowledges climate change as one of the most significant global challenges and fully aligns itself fully with Saudi Arabia’s vision to achieve Net Zero emissions by 2060. To support these ambitions, the Group integrates comprehensive climate considerations into its strategic planning, operational processes and market offerings. By proactively engaging in sustainability initiatives and collaborative partnerships, Saudi Tadawul Group continues to reinforce its leadership in regional and global climate action.

## The Regional Voluntary Carbon Market

Saudi Tadawul Group, in strategic collaboration with the Public Investment Fund (PIF), continues to champion regional carbon market development through the Regional Voluntary Carbon Market (RVCM). Established with a 500 million capital commitment, RVCM has emerged as a vital instrument facilitating carbon credit trading, enabling organizations region-wide to effectively mitigate their environmental impact and carbon footprint.

In 2024, RVCM marked a major milestone with the launch of its Voluntary Carbon Market Exchange Platform, welcoming 23 Saudi and international companies on its first day. The platform enhances transparency and accessibility in carbon trading, positioning Saudi Arabia as a regional hub for climate finance.

The RVCM is driven by a bold vision to accelerate climate action with a strong focus on Global South leadership. By channeling funding into impactful climate projects across the Middle East, Africa and beyond, RVCM is committed to delivering credible climate solutions that support meaningful emission reductions. The platform also aims to unlock the potential of natural

ecosystems and coastal resources, including blue carbon opportunities.

Building on this momentum, in 2024, the third RVCM auction – hosted via the Exchange Platform – successfully traded over 2.5 million tons of high-quality carbon credits at 37.5 per ton. Notably, more than 75% of the credits originated from Global South projects focused on reforestation, methane capture and carbon storage in construction materials. These efforts not only advance global decarbonization goals, but also support meaningful environmental and socio-economic impact in underserved regions.

This innovative approach empowers businesses to make substantial progress in reducing their carbon footprint while creating a pathway for Islamic finance to actively participate in the climate transition, leveraging carbon credits as a core component of financial instruments.

The Group’s strategic partnership underscores Saudi Tadawul Group’s role as a regional leader in sustainability. It reinforces the Kingdom’s climate ambitions, strengthens capital market infrastructure, attracts global investment and positions Saudi Arabia in line with evolving sustainability standards worldwide.

## Net Zero Ambition

At COP29, Saudi Tadawul Group reinforced its environmental leadership by joining the Net Zero Financial Service Providers Alliance (NZFSPA), committing to support the global transition to Net Zero through collective efforts in sustainable finance. The Group has set an ambitious target to achieve Net Zero greenhouse gas emissions by 2025, ahead of the Kingdom’s national goal of 2060, outpacing Saudi Arabia’s national timeline, demonstrating its intent to lead by example in driving decarbonization across the financial sector.

This commitment reflects a strategic vision as well as a pledge to uphold the highest standards of transparency, accountability and impact. By aligning with the NZFSPA, the Group commits to robust emissions tracking, transparent reporting and dynamic strategy adjustments in line with internationally recognized frameworks, including the Paris Agreement.

To turn ambition into action, Saudi Tadawul Group is in the process of developing a clear roadmap with defined milestones, reinforced by rigorous internal policies. Regular third-party audits, open disclosures and ongoing collaboration with global sustainability organizations are central to ensuring the credibility and effectiveness of its Net Zero strategy, strengthening both climate impact and investor confidence.

The three-fold Net Zero ambition approach focuses on the following.

Setting near and long-term targets aligned with strategies and scenarios aimed at limiting global warming to 1.5°C above pre-industrial levels.

Developing a clear implementation plan that enables the achievement of targets as well as other potential positive impacts.

Ensuring transparent and comparable disclosure on progress aligned with an internationally recognized framework.

## Climate Impact

In 2024, Saudi Tadawul Group advanced its climate action agenda through targeted efforts to measure, manage and reduce greenhouse gas (GHG) emissions across its operations. Key actions included a wide-scale transition to energy-efficient technologies, optimized infrastructure management and active engagement with supply chain partners to promote sustainable practices.

Complementing these operational efforts, the Group’s headquarters stand as a tangible symbol of its environmental commitment. Designed with sustainability at its core, the building features a modern layout constructed from sustainable materials and is equipped with advanced, energy-efficient systems that reduce overall environmental impact. These efforts have earned the facility a LEED Gold certification from the U.S. Green Building Council, recognizing excellence in energy and water efficiency, indoor air quality and emission reduction.

Additionally, climate-focused employee engagement programs, investments in carbon-efficient technologies, and the integration of international best practices in environmental governance have further strengthened the Group’s approach to sustainability. With most

employees now operating from the environmentally responsible headquarters, the Group has minimized transport-related emissions and streamlined energy use, with ongoing plans to transition remaining subsidiary employees in the near future.

Looking ahead, Saudi Tadawul Group plans to further reduce its environmental impact in 2025 by providing employees with complimentary commuting options through the newly introduced Metro stations. The goal of this initiative is to minimize transport-related emissions, promote sustainable commuting behaviors and enhance employee well-being, reinforcing the Group’s commitment to environmental stewardship.

Together, these efforts reflect Saudi Tadawul Group’s holistic and results-driven strategy to lead in climate action, reduce its carbon footprint and build a more sustainable future.

## GHG emission performance

Saudi Tadawul Group remains committed to transparency and the continuous enhancement of its communication on Greenhouse Gas (GHG) emissions. As part of their ongoing efforts to align with global sustainability practices, the company consistently strives to improve its

environmental performance and reporting, ensuring that stakeholders are informed about their progress and challenges.

In 2024, the Group experienced an increase in Scope 1 emissions, primarily due to the introduction of new emission sources, such as refrigerant gases and fire suppression systems, which were not present in previous years. Additionally, the move to new offices in the King Abdullah Financial District (KAFD), while continuing operations at previous locations, led to higher Scope 2 emissions from purchased electricity, reflecting increased energy consumption across both sites.

Despite the rise in total emissions, the Group achieved a slight decrease in emissions intensity per employee from 8.7 tCO<sub>2</sub>e/FTE in 2023 to 8.67 tCO<sub>2</sub>e/FTE in 2024, demonstrating continued progress in improving emissions efficiency in relation to workforce size.

Marking a major step toward transparency and comprehensive climate accountability as part of the Group’s Net Zero ambitions, 2024 also represents the first year the Group calculated and disclosed its Scope 3 emissions. The total Scope 3 footprint amounted to 80,435 tCO<sub>2</sub>e, reflecting the Group’s commitment to identifying and managing its broader value chain impacts.

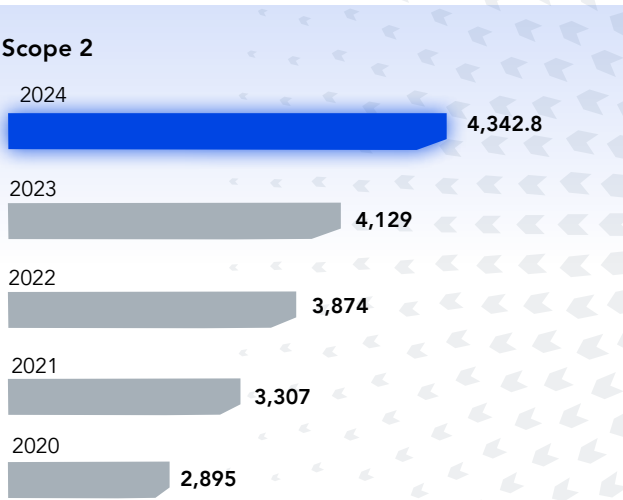
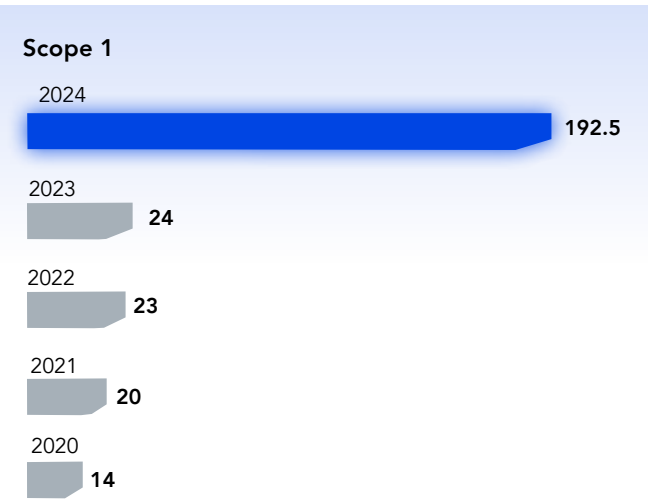


Approach to Climate Change continued

This expanded disclosure aligns with best practices in environmental reporting and lays a strong foundation for future target setting, supplier engagement and sustainable investment strategies. The Group remains committed to refining its emission inventory and using this insight to drive impactful climate action across all scopes.

GHG emissions (tCO <sub>2</sub> e) – Scope 1 and 2	2020	2021	2022	2023	2024
Stationary combustion	6	6	6	6	9.6
Mobile combustion (petrol)	8	14	17	18	65.2
Refrigerant gases and others	-	-	-	-	105.0
Fire suppression	-	-	-	-	12.7
Total Scope 1	14	20	23	24	192.5
Electricity consumption	2,895	3,307	3,874	4,129	4,342.8
Total Scope 2	2,895	3,307	3,874	4,129	4,342.8
Total Emissions (tCO <sub>2</sub> e)	2,908	3,327	3,897	4,154	4,535.3
Emissions Intensity (tCO <sub>2</sub> e /employee)	7.9	8.4	8.4	8.7	8.67

GHG Emissions (tCO <sub>2</sub> e) – Scope 3	2024
Purchased goods and services and capital goods (Cat. 1 and 2)	47,363.54
Fuel and energy-related activities (Cat. 3)	1,384.83
Waste generated across operations (Cat. 5)	53.66
Business travel (Cat. 6)	1,226.30
Employee commuting (Cat. 7)	540.61
Investments (Cat. 15)	29,865.98
Total Emissions (tCO <sub>2</sub> e)	80,434.92





# Environmental Impact Management

At Saudi Tadawul Group, environmental responsibility is embedded into the core of how it operates. Guided by its Corporate Social Responsibility Policy, the Group is committed to sound environmental stewardship through proactive resource management, pollution prevention and operational excellence. This commitment is further demonstrated by achieving the ISO 41001 certification for facilities management, which recognizes the Group’s efforts to enhance efficiency while conserving natural resources.



The Group’s approach combines robust policies with practical implementation, ranging from smart infrastructure investments and energy-saving technologies to foundational monitoring systems. As well as this, the Group engages with multiple environmental regulations to ensure full compliance through strict operational controls. Additionally, environmental considerations extend across the supply chain through the Supplier Code of Conduct, which outlines clear environmental, health and safety practices. Internally, the Group actively pursues local sourcing strategies to reduce transportation emissions and support local economies and collaborate closely with suppliers through performance indicators to encourage sustainable practices and continuous improvement.

For more information on the Group’s Supplier Code of Conduct, please see page 152.

Beyond systems and certifications, the Group is cultivating a culture that champions environmental sustainability at every level. Through continuous employee engagement and awareness initiatives, its efforts contribute to progress in areas such as electricity consumption, waste generation and water usage.

### Energy Consumption

In 2024, Saudi Tadawul Group achieved a major reduction in electricity consumption, recording a 63% decrease compared to 2023. This significant improvement reflects the Group’s ongoing efforts to optimize energy use across its operations and demonstrates the tangible impact of its recent sustainability initiatives.

A key driver of this reduction was the relocation to the Group’s new headquarters at the King Abdullah Financial District (KAFD), a LEED Gold-certified building designed for high

energy efficiency and environmental performance. The building incorporates multiple features that contribute to reducing electricity usage, including state-of-the-art HVAC systems, energy-efficient appliances and, most notably, a smart lighting control system. Motion sensors have been installed throughout all offices and corridors to optimize lighting use based on occupancy. This system ensures lighting is automatically turned off in unused areas, significantly reducing unnecessary electricity consumption and minimizing energy wastage.

Saudi Tadawul Group remains committed to continuously enhancing its energy management practices. Planned initiatives include the ongoing monitoring of energy performance and exploring additional clean energy integration to further reduce emissions and operating costs.

Total electricity consumption (kWh)

2020	2021	2022	2023	2024
5,178,181	5,822,859	6,819,594	7,269,857	7,895,927

### Waste Management

In 2024, Saudi Tadawul Group significantly reduced its total waste generation reducing volumes by 49% compared to the previous year. This improvement reflects both operational efficiencies and the Group’s broader transition to digital systems and smart infrastructure. While formal recycling or reuse initiatives are yet to be introduced, foundational measurement processes are in place, and all waste is managed through third-party contractors under the landlord’s oversight.

Complementing this progress, the Group continues to leverage digitization to indirectly reduce physical waste. The Group’s reliance on advanced IT infrastructure, including electronic data management systems, automated processes and digital communication tools, has significantly reduced paper consumption and the use of physical materials in daily operations.

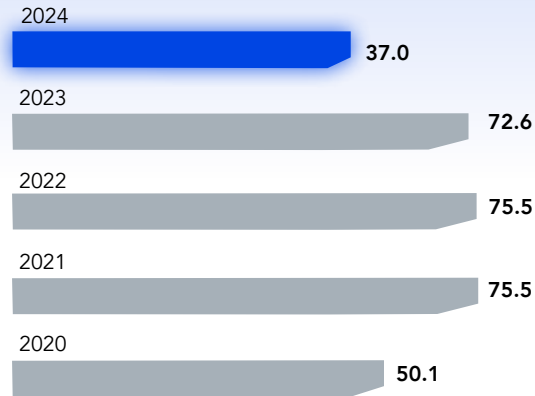
### Water Consumption

The Group’s commitment to sustainability is reflected in its continuous improvements in water resource management. By recognizing that water is a vital and finite resource, efforts are actively made to optimize its use across all operations. In 2024, the Group’s focus remained on reducing water consumption and minimizing

Though external waste validation has not yet been conducted, the Group acknowledges the opportunity to scale circular practices. Looking ahead, the Group is exploring initiatives to formalize waste reduction and recycling strategies, particularly in areas such as electronic waste, printer cartridges and packaging materials.

Together, these efforts reflect a forward-looking approach that integrates digital transformation with environmental performance, laying the groundwork for a more circular and resource-efficient organization.

Total waste generated (tons)



Total water consumption (m³)

2020	2021	2022	2023	2024
2,671	10,150	5,810	8,900	17,269

Total water discharged (m³)

2020	2021	2022	2023	2024
1,336	5,075	2,905	4,450	8,635

discharge volumes, aligning with broader environmental objectives and demonstrating dedication to sustainable practices.

By enabling a culture of conservation within the Group, encouraging responsible water usage among employees while upgrading systems to support water efficiency. Additionally, partnerships are formed with

stakeholders and service providers who share a commitment to preserving water resources and ensuring their availability for future generations.

Through these collective efforts, operational efficiency is enhanced, environmental footprint is reduced, and the resilience of natural ecosystems is supported.



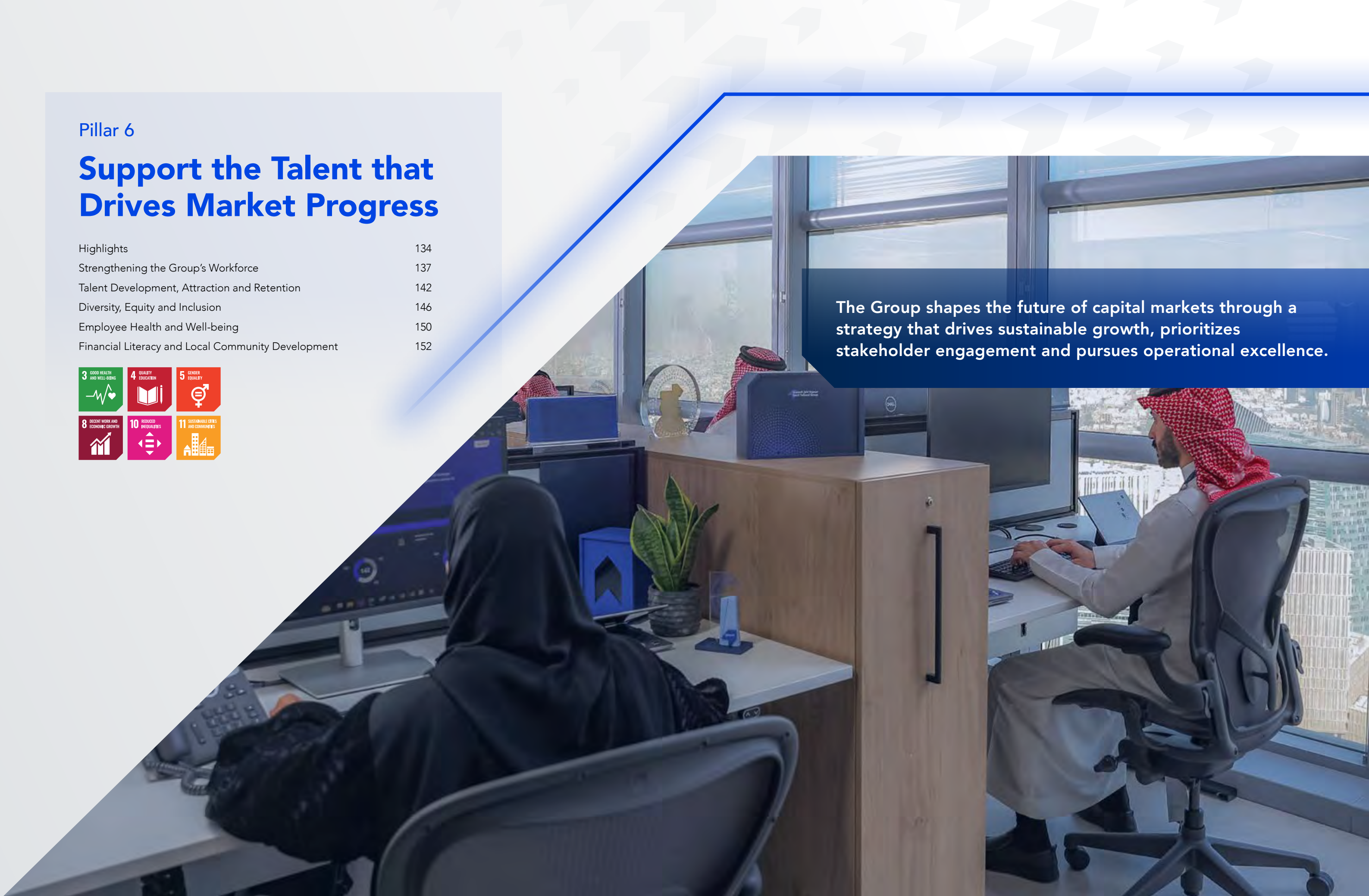
Pillar 6

Support the Talent that  
Drives Market Progress

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The Group shapes the future of capital markets through a strategy that drives sustainable growth, prioritizes stakeholder engagement and pursues operational excellence.





# Highlights

## 2024 Achievements



39.5%

Increase in workforce since 2020, reaching 523 employees



32%

of female employees in the group (achieving the 2025 target)



33.33%

Increase in female middle management representation compared to the previous year



Increased

average training hours per employee to 57



Achieved

an 86% employee retention rate in 2024, up from 76.8% in 2023



Best Working Environment Award

received from the Ministry of Human Resources and Social Development



0

incidents and fatalities within the Group over the past five years



Launched

Performance Management System

## 2025 Ambitions

Launch

initiatives aimed at empowering and advancing women in the financial sector

Strengthen

female representation in the workforce

Attain

four ISO certifications to reinforce high operational standards and excellence

Increase

female employees in middle management

Maintain

focus on strategy-based development to upskill employees in critical areas such as innovation, digitalization and other emerging skills needed in rapidly evolving market

Implement

strategic enhancements to "Enhancing the Career Path Pogram" to facilitate structured and continuous opportunities for career growth and advancement





Highlights continued

Progress against 2024 ambitions

2024 Ambitions	Progress
<b>Continue</b> to deliver sustainability training across the Group	The Group reached notable milestones by increasing training hours, further supporting its strong talent foundations. Average training hours per employee rose to 57 in 2024 (2023: 56), with training programs including topics related to sustainability.
<b>Achieving</b> the targeted female employment rate of 32% by 2025	The Group is advancing toward achieving this target through strategic recruitment initiatives, focusing on cultivating an inclusive workplace and adopting progressive policies supporting gender equality. The Group's female employment increased to 168 women in 2024 (2023: 142), reflecting a sustainable increase. Women in management positions continue to take on critical roles across various functions, emphasizing the Group's ongoing efforts to create a balanced workforce.
<b>Target</b> industry average for women in management	The Group is working to achieve this target via strategic initiatives focused on both, fostering the career advancement of existing female employees and attracting new talent. This is being put into place by focusing on cultivating an inclusive workplace and adopting progressive policies supporting gender equality. As a result of these efforts, the number of women in middle management roles increased to 12 in 2024 (2023: 9). This reflects the Group's will to enable career growth for women via targeted development programs.
<b>Continue</b> to invest to build on strong talent foundations	The Group continued to invest in employees by providing clear career progression opportunities and tailored training programs that address individual and corporate needs.
<b>Maintain</b> and grow status as sustainability talent leader	The Group offered specialized sustainability programs in collaboration with top global training institutes.

# Strengthening the Group's Workforce

The Group remains steadfast in its commitment to being a leading advocate of gender equality. Aligned with the Group's strategic objectives, this commitment encompasses the empowerment of women and the promotion of an inclusive culture. It also includes collaboration on sustainability-focused training initiatives to meet the increasing demand for skills and knowledge essential for driving markets towards a sustainable future. The Group's unwavering focus on these goals reflects the increasing importance of sustainability and inclusivity in shaping the future of markets.

The Group's strategic Human Resources (HR) Policy guides ongoing efforts to build and maintain a robust team capable of meeting the evolving needs of the business. The Employee Code of Conduct is a manifestation of this HR Policy, which anchors the Group's pledge to provide equal employment opportunities and steadfastly oppose discrimination based on gender, disability, age or any other characteristic.

The Saudi Tadawul Group places significant emphasis on employee loyalty as part of its HR strategies. This commitment is reflected in several initiatives targeted at aligning employee growth with the Group's long-term vision.

**Talent development and career progression**  
The Group prioritizes the development of its employees' skills and competencies, encouraging them to pursue career paths that align with their personal growth ambitions and the Group's strategic objectives.

**Unified HR policies**  
HR policies across the Group and its subsidiaries have been standardized to guarantee fairness, efficiency and a sense of unity, still allowing flexibility for individual business objectives.

**Employee engagement**  
Frequent communication about the Group's vision and direction helps employees align their efforts with organizational goals. Practical discussions involving employees are used to shape the Group's direction and individual career progression.

**Positive reinforcement**  
The Group fosters a culture of motivation through financial and non-financial measures, seeking to attract and retain progressive talent.

**Leadership and empowerment**  
Exemplary leadership is emphasized to create a positive, results-oriented culture. Leaders are trusted custodians of the Group's vision and actively work toward employee empowerment.

Saudi Tadawul Group's people-first approach is a key enabler of its long-term vision. By focusing on investment in talent, leadership and culture, the Group is building a steadfast commitment workforce that drives its position as a leading financial hub in the MENA region.





Strengthening the Group's Workforce continued

The workforce is the foundation of the Group's success, making employee development a cornerstone of its culture. By nurturing their strengths, improving their skills and equipping them to excel in their current roles and responsibilities, the Group fosters continuous learning and empowers them to advance their careers. These efforts not only attract top talent, but also contribute to the Group's overall sustainability and growth.

The Group is dedicated to providing development opportunities that align with its strategic goals and the aspirations of employees. This commitment guarantees the Group remains at the forefront of industry innovation and leadership. Despite challenges, the Group's unwavering focus on maintaining exceptional training and development standards is reflected in its consistent achievements over the years.



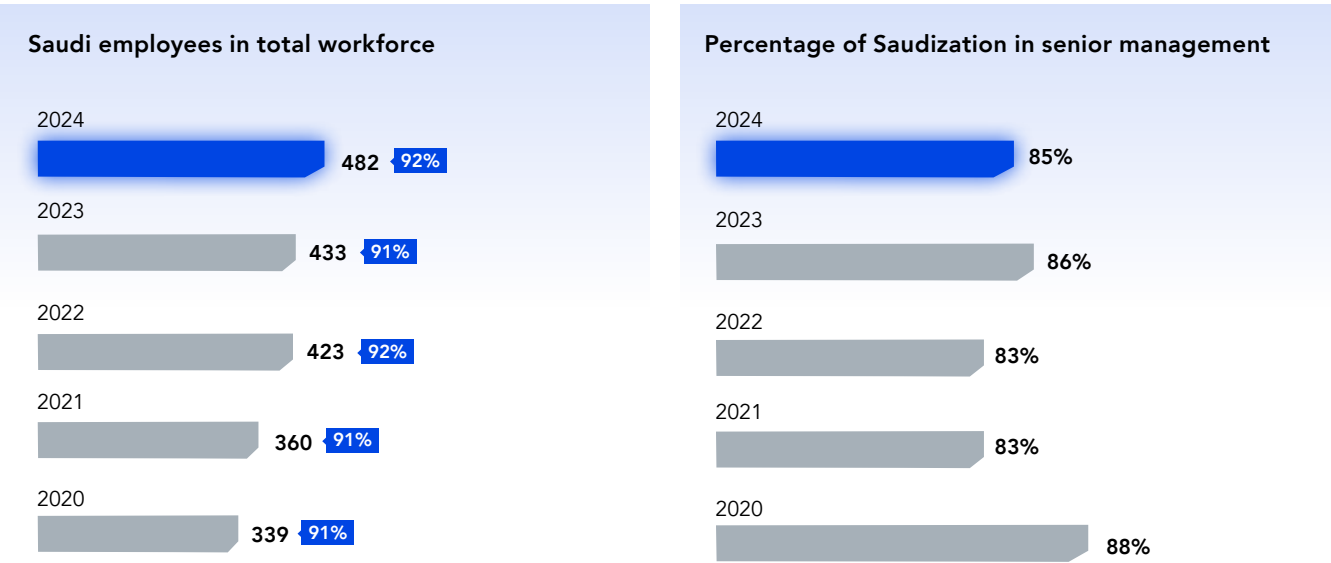


Strengthening the Group’s Workforce continued

The growth of the Group’s workforce since 2020 has been instrumental in driving its progress and supporting its expansion. Ensuring manpower planning aligns with the organization’s long-term goals and evolving needs supports the Group’s ambitious strategy and directly corresponds with its strategic objectives. By expanding the workforce, the Group has succeeded to introduce diverse talent that strengthens its capabilities, particularly in areas such as innovation and sustainability.

KPIs	2020	2021	2022	2023	2024
Workforce size	397	412	480	494	549
Outsourced workers (not employees)	22	16	18	18	26
Full-time employees	375	396	462	476	523
Part-time employees	0	0	0	0	0
Employees by age					
18-30 years old	147	178	218	226	243
31-40 years old	147	133	146	137	162
41-50 years old	64	67	75	89	94
Over 51 years old	17	18	23	24	24
Employees by service period					
0-5 years	253	264	340	352	389
6-10 years	37	57	48	51	59
11-15 years	66	30	26	10	17
16+ years	19	45	48	63	58
Employees by gender					
Females	91	102	123	142	168
Males	306	310	357	352	355
Employees by nationality					
Saudi employees	339	360	423	433	482
Non-Saudi employees	36	36	39	43	41
Saudization percentage	91%	91%	92%	91%	92%

KPIs	2020	2021	2022	2023	2024
Workforce by employment level					
Full-time employees in senior management	16	24	24	22	27
Saudi employees in senior management	88%	83%	83%	86%	85%
Full-time employees in middle management	76	75	87	88	101
Full-time employees in non-managerial roles	283	297	351	366	395
Employee turnover percentage	12%	18%	18%	23%	14%
Total number of employees resigned	48	72	77	107	87
Female	11	28	27	26	27
Male	37	44	50	81	60
Senior management	1	1	1	2	1
Middle management	8	12	7	14	10
Non-managerial roles	39	59	69	91	76
Employee retention rate	88%	82%	82%	77%	86%





# Talent Development, Attraction and Retention

The Group understands attracting and retaining exceptional employees is essential to its success. This approach is grounded in three fundamental talent optimization pillars, which guide efforts and sustain excellence:

The Group also remains steadfast in its commitment to Saudization to ensure it supports the Kingdom's strategic initiative to strengthen the presence of Saudi nationals in the private sector.

## Training and Development Opportunities

As a pivotal financial hub in the MENA region, the Group proudly offers a corporate culture where employees' career trajectories align with their personal aspirations and the organization's strategic goals. The Group thus fosters a climate of shared success and high performance. Its strategic focus on talent investment is consistently aligned with the overarching goal to solidify its presence. Extensive training and development, including advancement opportunities, are provided for all employees. The training plan is carefully designed to improve the Group's OHI with diverse programs providing leadership development, technical and soft skills and practical on-the-job learning experiences.

The robust training agenda embraces all levels in the Group, from recent graduates to executive leadership, with a spectrum of programs designed for nurturing a culture of ongoing learning, innovation and collaborative success.



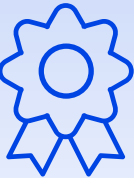
Extensive training



Commitment to sustainability



Empowering women within the workforce



Achieving the Best Working Environment Award in 2024

Achieving the Best Working Environment Award in 2024 underscores the Group's dedication to fostering a competitive, supportive and inclusive workplace where employees feel valued, supported and empowered to thrive.

The Group's new structured performance management system (providing continuous feedback and development opportunities) and recruitment platform are designed to support these HR goals.



For recent graduates and new professionals, the Group provides technical programs aligned with their functions and includes sustainability training in collaboration with esteemed institutions like the International Capital Market Association (ICMA), Innovative Leaders Institute (ILI), Euromoney, Fitch Learning and the New York Institute of Finance. The Graduate Development Program, using a curriculum co-created with Alpha Development, Coursera and Harvard Business School, also exemplifies the Group's commitment and dedication to honing various professional competencies. **In 2024, more than half of the candidates in the Graduate Development Program were women** – a clear reflection of the Group's commitment to fostering gender diversity and empowering the next generation of talent.

The Group's commitment to gender equality and diversity is reflected in specialized leadership programs for women. These programs are crafted in collaboration with renowned global training institutes to propel female employees into senior leadership roles.

In alignment with the Group's strategic focus on sustainability, middle management engages in leadership programs and team-building retreats that incorporate sustainability considerations. Additionally, they receive personalized training designed to develop their leadership capabilities.

The executive and CEO development programs are tailored to equip senior leaders with the strategic insight and leadership skills needed to drive the Group's success. These customized educational programs are created with information garnered from in-depth competency assessments.

For new employees, the Introduction to Securities Operations Qualification (ISOQ) establishes a solid foundational knowledge base necessary for the industry.



Talent Development, Attraction and Retention continued

Overall integration of the Group’s business strategy with its talent development initiatives ensures training activities are closely tied to strategic objectives. The strategy-based HR development initiatives focus on upskilling employees in critical areas such as innovation, digitalization and other emerging skills needed to drive the Group’s growth and sustainable success.

Identification and progression of high-potential employees are achieved through a comprehensive talent discovery process evaluating performance and potential annually. This process is integral to the Group’s succession planning and aligns with the Group’s objectives and each

employee’s growth plans. The impactful and innovative six-month, phased HiPo training program with targeted modules and personalized coaching sessions intends to develop and retain high-potential employees. It is designed to assess current skills and identify future requirements as well as gaps in courses. In addition to developing technical competencies, the program boosts leadership skills. In 2024, a group of employees graduated from the HiPo Program, with selected high-potential employees enrolled in prestigious leadership programs in partnership with the Center for Creative Leadership, one of the world’s leading training institutions.

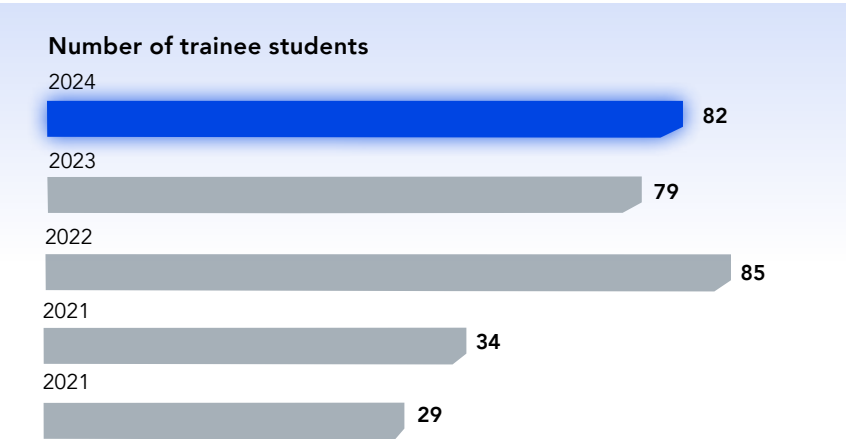
The Group funds professional certifications to boost employees’ expertise and qualifications. This includes Memorandums of Understanding (MoU) with top local universities providing tuition discounts and streamlining admissions for employees. In 2024, the Group signed an MoU with Mohammed Bin Salman College for employees pursuing masters degrees. Additionally, the Group partnered with international and local schools to offer significant tuition fee discounts, extending distinguished learning opportunities to employees’ children.

The Group’s commitment to employee development is evident in continuously increasing investment in training over the years. The ongoing upward trend in average training hours per employee highlights dedication to continuous learning and skills development.

KPIs	2020	2021	2022	2023	2024
Average training hours per employee per year	6.7	30.1	44.6	56.0	57.0
Number of training programs	21	171	346	361	267

Total training days are calculated on the basis of six average training hours per day.

The reduction in training programs in 2024 compared to 2023 is as a result of a shift to group learning initiatives rather than individual sessions to enhance employee engagement. An assessment tool was also introduced to better address individual learning needs and maximize training impact.



Retaining Top Talent

The Group retains top talent by fostering job satisfaction through a supportive work environment, competitive benefits, career growth opportunities and employee recognition. By prioritizing engagement, well-being and career development, employees feel valued, motivated and empowered to succeed in the workplace. Key employee retention initiatives include:

- Career development through various training programs and opportunities for professional growth
- Trusted leadership empowering employees and creating a positive work environment through frequent communication on the Group's vision and direction
- Employee engagement in practical, people-focused discussions shaping the organization’s direction and individual career progression
- Flexible working arrangements with the support needed to work remotely and communicate effectively to ensure smooth workflow
- Respect for diversity in terms of gender, age and service period

A significant number of employees have been with the Group for more than five years and a growing proportion of these people have served for more than 16 years. This signifies a rich reservoir of institutional knowledge supported by commitment to fostering talent at all levels of the organization.

Saudi Tadawul Group achieved an 86% employee retention rate in 2024, up from 76.8% in 2023. This improvement reflects improved training opportunities, strengthened engagement initiatives, annual satisfaction surveys with action plans, and increased dialogue between the executive management and employees through virtual town halls.

The diverse age range brings the enthusiasm and innovation of youth and the stability of seasoned expertise to the Group. In 2024, 46.5% of the workforce comprised 18- to 30-year-old employees.

The Group also demonstrated respect for gender equity in 2024 by facilitating parental leave for five female and nine male employees who were all able to return to work within the allocated period. To further support working mothers, the Group provided an optional daycare allowance, helping ease the transition back to work and ease access to reliable childcare, reinforcing commitment to a family-friendly workplace.

Attracting top talent through sustainability leadership

The Group is becoming a leader in implementing sustainability principles and sustainable development. On the journey toward fully integrating sustainability principles into the core business strategy, the Group has become an employer of choice, attracting people who are determined to make a meaningful contribution to sustainable development in Saudi Arabia.

The Group continues to observe significant demand for professionals with sustainability expertise in the operating environment where there is intense competition for appropriately qualified talent. As such, the Group increases job offerings with sustainability components, demonstrating commitment to these values and attracting elite professionals.

Embedding sustainability in everyday work and building regional sustainability talent

The Group is embedding sustainability principles into the core of operations and culture. This commitment is an actionable blueprint for sustainable development.

A thorough annual training needs analysis informs the design and delivery of technical programs tailored to each employee's role and function. Through strategic partnerships with training institutions, the Group provide access to top-tier sustainability training. This education is central to employees’ responsibilities and retains focus on sustainability themes along their comprehensive learning journeys within the Group.

Employees are empowered to promote sustainable practices, reflecting the Group’s commitment to social responsibility and corporate governance. This contributes to building a robust, sustainability-focused financial ecosystem for long-term viability.

The Group’s efforts reaffirm dedication to cultivating a pool of sustainability-competent professionals, which is fundamental to the vision of a sustainable and prosperous future for the Kingdom. The Group aims to ensure the next generation of talent is equipped with knowledge and a sustainability-focused mindset, enabling them to lead the regional market through its ongoing sustainability transformation.



# Diversity, Equity and Inclusion

The Group has long been committed to fostering an environment that embraces diversity and equality. Its steadfast commitment to diversity is rooted in the belief this fuels innovation, critical thinking and business excellence.

The diversity, equity and inclusion strategy focuses on equitable access to career development resources, mentorship programs and leadership opportunities to make sure all employees have the support they need to thrive. The Group is thus building a more inclusive culture and creating a workforce that mirrors the diversity of the communities and markets it serves.

Saudi Tadawul Group signed a Memorandum of Collaboration (MoC) with the Children with Disability Association, underscoring its ongoing commitment to inclusive community development. The Group's Chief of Sales and Marketing reaffirmed support for the association's educational and rehabilitation initiatives, emphasizing the Group's dedication to empowering children with disabilities and advancing a more inclusive future.

## Empowering Women

The Group proudly champions the potential of women in the workforce. Growth in female representation not only brings the Group closer to its goal to surpass the national goal but also reflects its broader vision for gender equality.

The increase in women among new hires is a testament to active recruitment and retention strategies. The Group creates an appealing professional environment for women by ensuring equal pay for equal work and offering additional support such as day care allowances.

Central to the gender equity agenda is empowerment of women through targeted development opportunities. Specialized leadership development programs are outlined on page 147.

Initiatives aim to build a legacy of inclusion that will continue to drive growth and innovation for the Group and the nation. By investing in women empowerment, the Group is paving the way for a more dynamic and equitable future in line with the transformative aspirations of Saudi's Vision 2030.

The Group continues to make progress to this end beyond meeting quotas. It is creating a legacy that values and uplifts the contributions of women, making certain their voices are heard and their potential is fully realized in shaping the future of the financial industry.

As part of ongoing efforts to create a balanced and dynamic leadership landscape, the Group continues to actively pursue growth in the number of women across all levels of management and leadership.

The Group provides unparalleled opportunities for women to achieve their full potential and is at the forefront of the ongoing cultural shift in Saudi Arabia regarding women's roles in the economy. The Group is committed to providing a flexible and supportive work environment for women with the facilities needed to maximize their potential and contribution. Leadership programs, specifically tailored for women and developed in partnership with globally recognized training institutes, are central to facilitating female employees' ascent into senior leadership roles. The Group thereby advances gender equality and promotes diversity.

In 2024, the Group rolled out several key initiatives and programs to support the recruitment, retention and advancement of female employees, with a particular focus on enabling their progression to management positions.

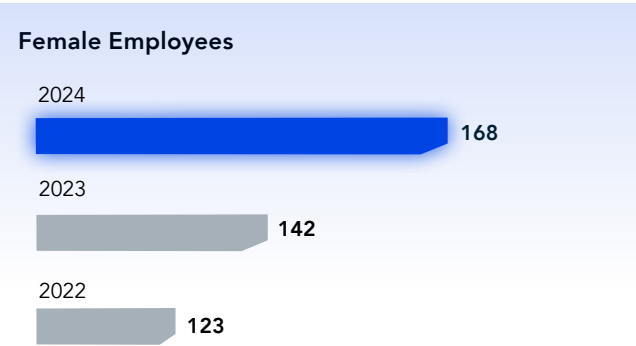
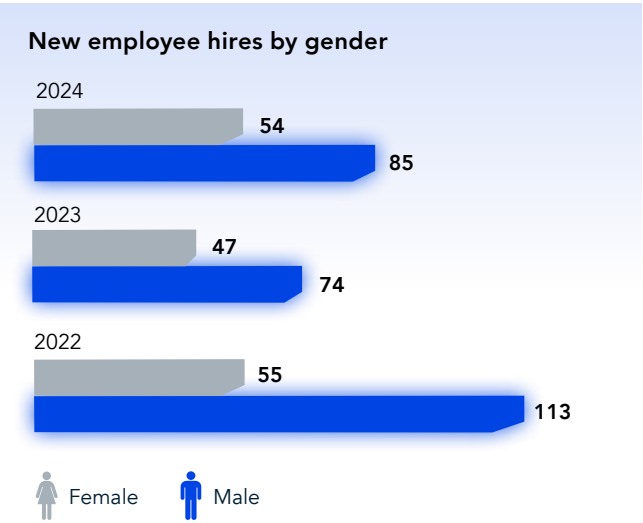
- Although the Future Leaders Program supports all talented employees aspiring to senior roles, it was launched to identify and develop high-potential female talent.

Additionally, female employees can attend specialized training designed in collaboration with the World Federation of Exchanges to equip them with the skills required at senior level in capital markets.

- Individual leadership programs provided personalized coaching to meet the unique needs of women aspiring to executive roles.

- Various technical, leadership and soft skills training programs equip female employees to thrive and advance within the Group.

KPIs	2020	2021	2022	2023	2024
Female employees	91	102	123	142	168
Percentage of female employees in the workforce	24%	26%	27%	30%	32%
Female employees holding middle management positions	6	6	9	9	12
Percentage of middle management positions held by females	8.0%	8.2%	10.3%	10.2%	12.0%
Female employees holding senior management positions	2	3	3	3	3
Percentage senior management positions held by females	12.5%	12.5%	12.5%	13.6%	11.0%
Total management positions held by females	8	9	12	12	15
Percentage of females in management	8.8%	9.3%	10.8%	10.9%	12.0%

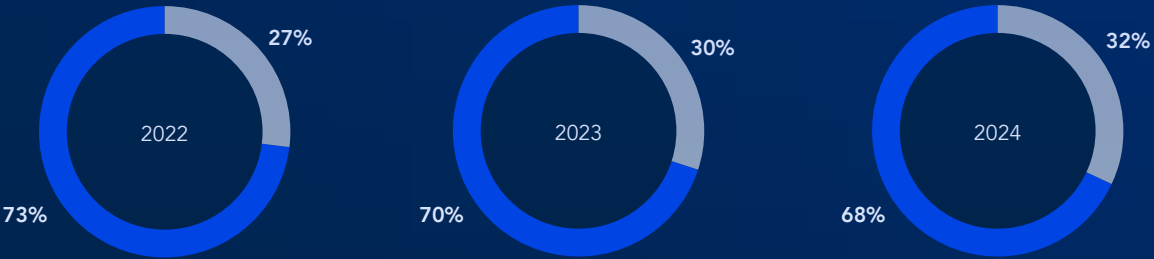




Diversity, Equity and Inclusion continued

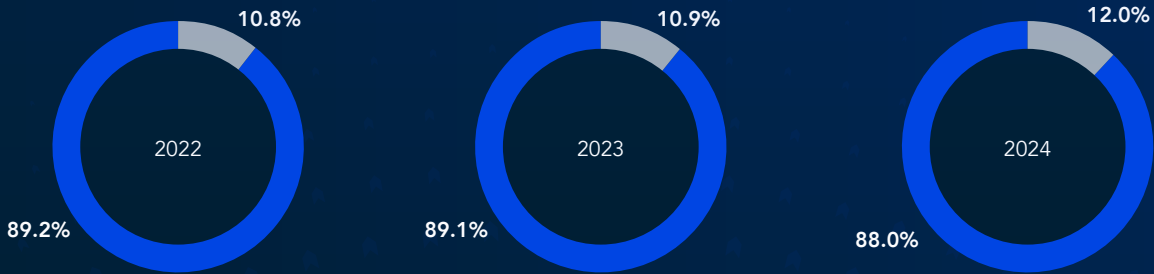
Diversity in workforce

FemaleMale



The female workforce complement demonstrates the Group’s resolve to pave the way for future female leaders. Women empowerment initiatives show appreciation for their accomplishments and the Group’s commitment to nurturing an environment where every person can thrive.

Diversity in managment



In terms of the non-discrimination clause within the HR Policy promoting equal treatment for all employees, and advised by independent remuneration consultants, the Group provides equal pay for equal work irrespective of gender and other diversity characteristics.

The Group addresses incidents of discrimination through clear reporting channels and transparent investigations.

Female employees across the Group	2022	2023	2024
<b>Saudi Exchange</b>	28	24	21
Female employees in middle management positions	1	1	1
Female employees in senior management positions	1	1	1
<b>Edaa</b>	9	13	17
Female employees in middle management positions	2	2	3
Female employees in senior management positions	1	1	1
<b>Muqassa</b>	12	14	16
Female employees in middle management positions	0	0	0
Female employees in senior management positions	0	0	0
<b>WAMID</b>	0	3	5
Female employees in middle management positions	0	0	0
Female employees in senior management positions	0	0	0

Female employees across the Group's subsidiaries





# Employee Health and Well-being

The Group prioritizes the health and well-being of employees, recognizing that a healthy workforce is essential for productivity and long-term success. This commitment is reflected in a range of initiatives designed to create a supportive work environment, promote work-life balance, and ensure employees feel valued, engaged and empowered.

- Various health and wellness programs including regular physical check-ups, fitness activities
- Flexible work arrangements, including remote working options, to help employees maintain a healthy work-life balance so they can effectively manage their personal and professional responsibilities
- Employee assistance programs that provide confidential counseling and support services to employees facing personal or work-related challenges such as stress, anxiety and other issues
- Strict safety protocols and training on safety practices to maintain a safe and secure working environment for all employees
- Social events and engagement activities to foster a sense of community and belonging through relationship building and by improving overall morale
- Creating a diverse and inclusive work environment with a positive and supportive workplace culture

The Employee Code of Conduct is an integral part of the Group’s onboarding process. It is designed to familiarize employees with a comprehensive array of rights and regulations. It guarantees they understand the protection of the code.

Recognizing the potential health risks inherent in corporate office environments, the Group has a proactive approach to employee well-being. Regular awareness sessions are aligned with global health initiatives such as:

White Cane Safety Day on 15 October every year to celebrate the achievements of blind or visually impaired people

Breast Cancer Awareness Month every October

World Diabetes Day on 14 November each year

In addition, the Group established a dedicated health and wellness program, which promotes:

- Nutritious diets with resources and information that enable employees to pursue healthy eating habits by making better dietary choices
- Peak physical health through partnerships with health clubs and gyms offering special deals and discounted subscriptions for employees to access fitness facilities at reduced rates and thus encourage them to remain active
- Early disease detection with medical insurance plans, including coverage for comprehensive health checks
- Blood donation drives nurturing a sense of social responsibility and well-being among employees and the local community

The Group continuously improves health and safety practices with insight from the OHI assessment, which aims to foster cultural development and increase employee satisfaction. The Group is thus also able to refine employee engagements and support strategies.

Moreover, the Facility Management Department upholds strict internal policies and procedures to ensure a

secure and safe workplace. This includes round-the-clock CCTV surveillance, constant trained security personnel presence and readily available first aid resources on every floor.

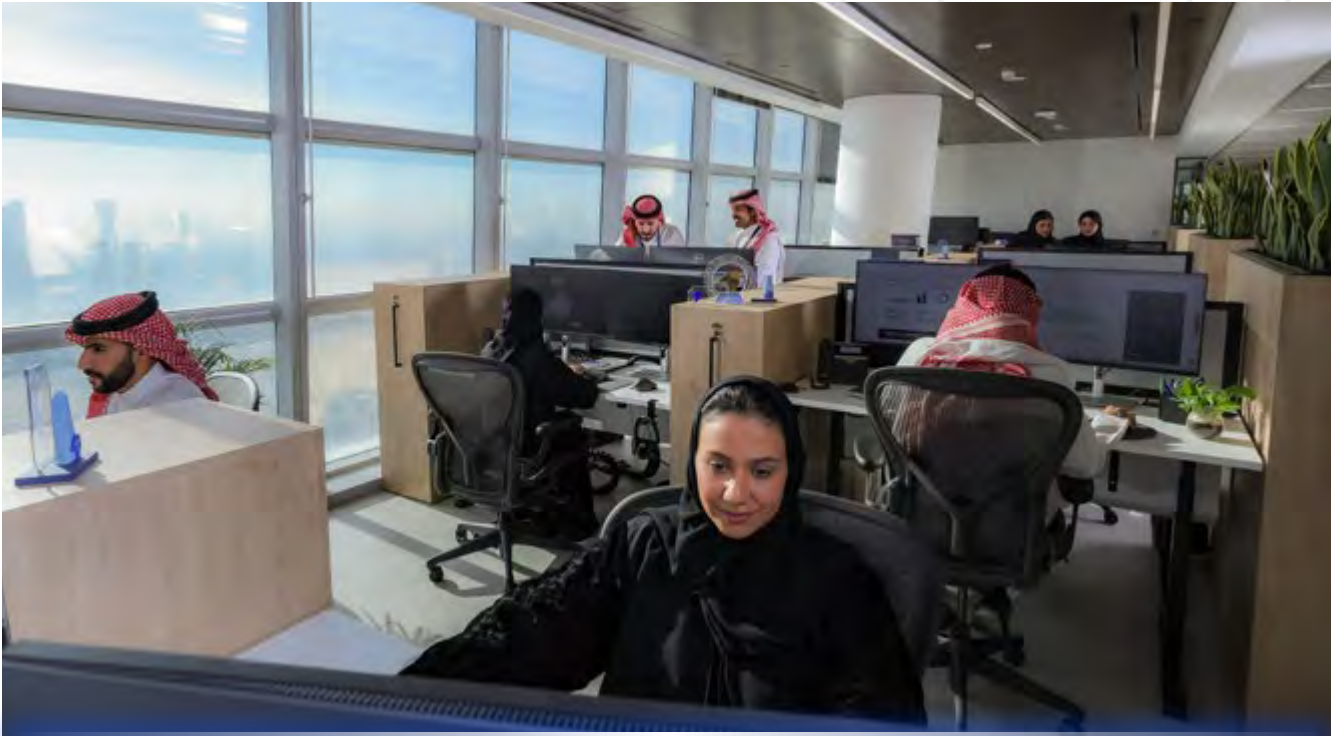
Safety measures, including regular communication and training on the evacuation plan, have resulted in no serious incidents or fatalities within the Group for the past five years. This

underscores the efficacy of health and safety protocols and commitment to safeguarding employees’ well-being.



0 incidents and fatalities within the Group over the past five years

KPIs	2020	2021	2022	2023	2024
Employee fatalities	0	0	0	0	0
Contractor fatalities	0	0	0	0	0
Total recordable employee injuries	0	0	0	0	0
Total contractor recordable injuries	0	0	0	0	0
Employee lost-time injuries	0	0	0	0	0
Contractor lost-time injuries	0	0	0	0	0





# Financial Literacy and Local Community Development

Guided by Vision 2030 and the FSDP, the Group continuously elevates financial literacy within the Kingdom. The ongoing partnership with the World Federation of Exchanges in the “Ring the Bell for Financial Literacy” event aims to raise investor awareness on the fundamentals of investing and enhance their ability to seize market opportunities, ultimately contributing to the growth and resilience of the national economy.

The flagship Invest Wisely Program is at the forefront of the Group’s financial literacy initiatives. It offers a robust online platform and mobile app designed to empower individuals with the knowledge and tools needed for prudent investment in the Saudi Capital Market. This program reinforces participants’ investment proficiency, catering to diverse experience levels. It provides a comprehensive introduction to the fundamentals of investing, insight into financial instruments within the Saudi Capital Market and practical advice on avoiding common investment pitfalls. Bolstering participants’ expertise, Invest Wisely offers detailed guidance on interpreting financial statements from listed companies. The program has presented seven workshops on a variety of subjects from derivatives to financial planning and market analysis – all facilitated by seasoned investment professionals and experts. The number of Invest Wisely participants has reached 210,237 attendees.

Interaction and communal learning are also facilitated through seminars and workshops organized by the Saudi Exchange. Participants can exchange insight, receive advice and use the Trading Simulator to practice real-life trading. Sustainability knowledge development is another integral aspect of the financial literacy strategy that supports a seamless transition to a sustainable market aligned with the overarching goals of Vision 2030. As emphasis on sustainability investment intensifies globally, the Group will play an increasingly pivotal role in growing sustainability awareness and understanding.

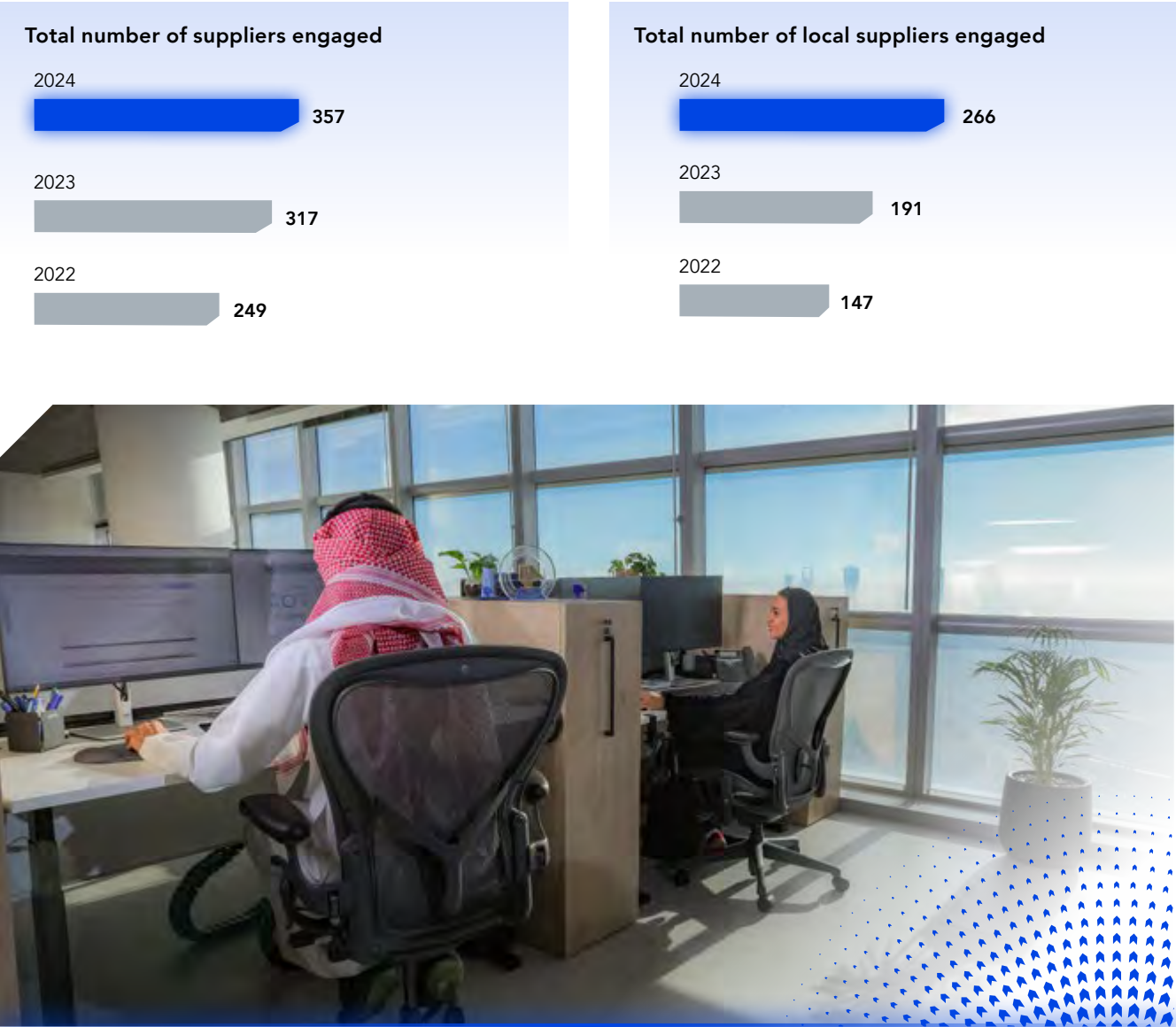
## Local and Responsible Procurement

The Group is committed to supporting local businesses through its agreement with the The Human Resources Development Fund (HRDF). Its focus on SME development continues to enhance the local business environment.

The Group’s Supplier Code of Conduct further demonstrates its unwavering commitment to ethical, social and environmental stewardship, including anti-corruption practices in the Group’s procurement activities. The Group’s recommendation for suppliers to adhere to standards, including ISO 14001 (environmental management), OHSAS 18001 (occupational health and safety management), and the ethical requirements specified in the Supplier Code of Conduct, has established a robust foundation for sustainable and ethical procurement practices.

Into the future, the Group’s strategic focus will remain firmly on supporting sustainable procurement practices and promoting the growth of local businesses within the Saudi community. The Group’s continuous progress in this area is expected to contribute significantly to the local economy and help achieve set sustainable development goals.

KPIs	2020	2021	2022	2023	2024
Total number of suppliers engaged	248	241	249	317	357
Total number of local suppliers engaged	158	147	147	191	266
Percentage of local suppliers engaged	64%	61%	59%	60%	65%
Percentage procurement from local suppliers	76%	77%	74%	87.4%	76.5%

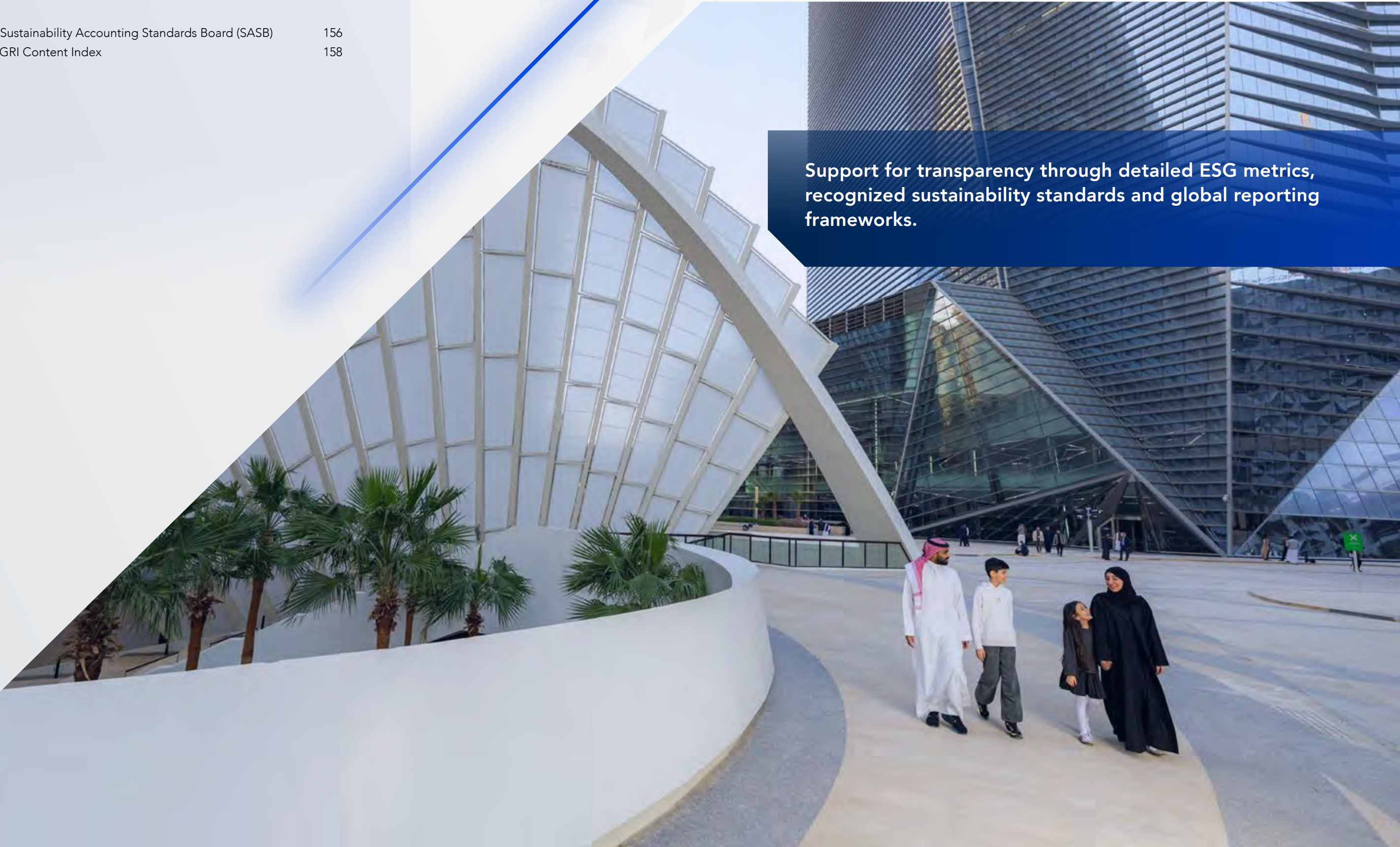




# Appendix

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Support for transparency through detailed ESG metrics, recognized sustainability standards and global reporting frameworks.





# Appendix A: Sustainability Accounting Standards Board (SASB)

### SASB Index

The SASB Standards enable companies to disclose sustainability-related risks and opportunities relevant to investors. These standards identify factors that may impact an entity's cash flows, access to finance and cost of capital over the short, medium and long term, ensuring disclosures remain financially material.

Saudi Tadawul Group reports in accordance with the Securities & Market Exchange Sector Standard, integrating relevant aspects of the Software & IT Services Standard where applicable to business operations. This approach ensures disclosures align with investor expectations and industry best practices, reinforcing transparency and financial sustainability in the evolving capital markets landscape.

Table 1. Sustainability Disclosure Topics & Accounting Metrics

	Metric	Disclosure
Promoting Transparent & Efficient Capital Markets	FN-EX-410a.1: (1) Number and (2) average duration of (a) halts related to public release of information and (b) pauses related to volatility	<ul style="list-style-type: none"><li>• Saudi Exchange suspended trading in seven companies due to delayed disclosure of their annual financial statements for the fiscal year ending December 31, 2024.</li><li>• These halts were disclosure-related suspensions to enforce compliance with financial reporting regulations.<ul style="list-style-type: none"><li>• Average duration of the initial trading halt was 1 trading day, after which trading resumed for a grace period of 20 sessions.</li></ul></li><li>• There were no reported trading pauses on the Saudi Exchange in the reporting period related to market volatility.</li></ul>
	FN-EX-410a.3: Description of alert policy regarding timing and nature of public release of information	Although there is no standalone alert policy, the requirements are embedded within the <a href="#">Listing Rules</a> , which govern the timely and transparent dissemination of material information to the market.
	FN-EX-410a.4: Description of policy to encourage or require listed entities to publicly disclose environmental, social and governance (ESG) information	Pillar 4: Lead the Market Toward ESG Adoption and Disclosure: pages 116- 121
	FN-EX-510a.1: Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behavior, market manipulation, malpractice or other related financial industry laws or regulations	Pillar 2: Promote Integrity: page 93
Managing Conflicts of Interest	FN-EX-510a.2: Discussion of processes for identifying and assessing conflicts of interest	Pillar 2: Promote Integrity: pages 86-87 and 92

	Metric	Disclosure
Managing Business Continuity & Technology Risks	FN-EX-550a.1: (1) Number of significant market disruptions and (2) duration of downtime	One market disruption was experienced in 2024. The disruption lasted approximately five minutes due to an unexpected interruption in the connection channels with market members.
	FN-EX-550a.2: (1) Number of data breaches, (2) percentage involving personally identifiable information (PII) and (3) number of customers affected	Zero incidents of data breaches
	FN-EX-550a.3: Description of efforts to prevent technology errors, security breaches and market disruptions	Pillar 2: Promote Integrity: pages 96-99 and 102

Table 2. Activity Metrics

	Metric	Disclosure
Activity Metrics	FN-EX-000.A: Average daily number of trades executed, by product or asset class	For detailed information on daily trading activities, please refer to the Saudi Exchange's <a href="#">Detailed Annual Market Report</a> .
	FN-EX-000.B: Average daily volume traded, by product or asset class	For detailed information on daily trading activities, please refer to the Saudi Exchange's <a href="#">Detailed Annual Market Report</a> .



# Appendix B: GRI Content Index

## GRI Content Index

Saudi Tadawul Group Holding Company has reported the information cited in this GRI content index for the period from 1 January to 31 December 2024 with reference to the GRI Standards.

GRI 1 used: GRI 1: Foundation 2021

GRI Standard	Disclosure	Location/Direct Answer
GRI 2: General Disclosures 2021	2-1 Organizational details	About the Group: pages 10-15
	2-2 Entities included in the organization’s sustainability reporting	
	2-3 Reporting period, frequency and contact point	
	2-4 Restatements of information	Not applicable
	2-5 External assurance	Not applicable
	2-6 Activities, value chain and other business relationships	About the Group: pages 10-15
	2-7 Employees	Pillar 6. Support the Talent that Drives Market Progress: pages 134-151
	2-8 Workers who are not employees	Pillar 6. Support the Talent that Drives Market Progress: page 140
	2-9 Governance structure and composition	Sustainability Across the Group: pages 28-29 Pillar 2. Promote Integrity: pages 84-86
	2-10 Nomination and selection of the highest governance body	Pillar 2. Promote Integrity: page 84
	2-11 Chair of the highest governance body	Chairperson Statement: pages 16-17 Sustainability Across the Group: pages 28-29 Pillar 2. Promote Integrity: page 86
	2-12 Role of the highest governance body in overseeing the management of impacts	Sustainability Across the Group: pages 28-29 Pillar 2. Promote Integrity: pages 84-86
	2-13 Delegation of responsibility for managing impacts	Pillar 2. Promote Integrity: page 99
	2-14 Role of the highest governance body in sustainability reporting	Pillar 2. Promote Integrity: page 86
	2-15 Conflicts of interest	Pillar 2. Promote Integrity: pages 88-90 and 94
	2-16 Communication of critical concerns	Pillar 2. Promote Integrity: page 97
	2-17 Collective knowledge of the highest governance body	Pillar 2. Promote Integrity: pages 84-87

GRI Standard	Disclosure	Location/Direct Answer
GRI 2: General Disclosures 2021	2-18 Evaluation of the performance of the highest governance body	Pillar 2. Promote Integrity: page 87
	2-19 Remuneration policies	Pillar 2. Promote Integrity: page 85
	2-20 Process to determine remuneration	Pillar 6. Support the Talent that Drives Market Progress: page 152
	2-21 Annual total compensation ratio	
	2-22 Statement on sustainable development strategy	Sustainability Across the Group: page 30
	2-23 Policy commitments	Pillar 2. Promote Integrity: pages 85, 88 and 95
	2-24 Embedding policy commitments	
	2-26 Mechanisms for seeking advice and raising concerns	Pillar 2. Promote Integrity: page 95
	2-27 Compliance with laws and regulations	Pillar 2. Promote Integrity: pages 92-93
	2-28 Membership associations	Pillar 1. Continuously Elevate the Sophistication of the Saudi Capital Market: pages 60-61 Pillar 4. Lead the Market Towards ESG Adoption and Disclosure: page 118
	2-29 Approach to stakeholder engagement	Sustainability across the Group: pages 32-41
	2-30 Collective bargaining agreements	Not applicable in Saudi Arabia
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Sustainability across the Group: page 32
	3-2 List of material topics	Sustainability across the Group: pages 33-35
	3-3 Management of material topics	Sustainability across the Group: pages 34-35
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Annual Report: page 12
	201-2 Financial implications and other risks and opportunities due to climate change	Pillar 5. Address Climate Change and Foster a Circular Carbon Economy: pages 129-131
	201-3 Defined benefit plan obligations and other retirement plans	Annual Report: pages 214-216
GRI 202: Market Presence 2016	202-2 Proportion of senior management hired from the local community	Pillar 6. Support the Talent that Drives Market Progress: page 141
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Pillar 6. Support the Talent that Drives Market Progress: page 152-153



Appendix B: GRI Content Index continued

GRI Standard	Disclosure	Location/Direct Answer
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	<b>Sustainability across the Group:</b> page 45 <b>Pillar 2. Promote Integrity:</b> page 95 <b>Pillar 6. Support the Talent that Drives Market Progress:</b> page 152
	205-2 Communication and training about anti-corruption policies and procedures	<b>Pillar 2. Promote Integrity:</b> page 92 <b>Pillar 4. Lead the Market Towards ESG Adoption and Disclosure:</b> page 118
	205-3 Confirmed incidents of corruption and actions taken	<b>Pillar 2. Promote Integrity:</b> page 92
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Zero cases of anti-competitive behavior, anti-trust, and monopoly practices
GRI 302: Energy 2016	302-1 Energy consumption within the organization	<b>Pillar 5. Address Climate Change and Foster a Circular Carbon Economy:</b> page 130
	302-2 Energy consumption outside of the organization	
	302-3 Energy intensity	
	302-4 Reduction of energy consumption	
	302-5 Reductions in energy requirements of products and services	
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	<b>Pillar 5. Address Climate Change and Foster a Circular Carbon Economy:</b> page 131
	303-2 Management of water discharge-related impacts	
	303-3 Water withdrawal	
	303-4 Water discharge	
	303-5 Water consumption	
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	<b>Pillar 5. Address Climate Change and Foster a Circular Carbon Economy:</b> pages 128
	305-2 Energy indirect (Scope 2) GHG emissions	
	305-3 Other indirect (Scope 3) GHG emissions	
	305-4 GHG emissions intensity	

GRI Standard	Disclosure	Location/Direct Answer
GRI 305: Emissions 2016	305-5 Reduction of GHG emissions	<b>Pillar 5. Address Climate Change and Foster a Circular Carbon Economy:</b> pages 127 -128
	305-6 Emissions of ozone-depleting substances (ODS)	Not applicable
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	<b>Sustainability across the Group:</b> page 45 <b>Pillar 5. Address Climate Change and Foster a Circular Carbon Economy:</b> page 131
	306-2 Management of significant waste-related impacts	<b>Pillar 5. Address Climate Change and Foster a Circular Carbon Economy:</b> page 131
	306-3 Waste generated	<b>Pillar 5. Address Climate Change and Foster a Circular Carbon Economy:</b> pages 128 and 131
	306-4 Waste diverted from disposal	Not applicable
	306-5 Waste directed to disposal	<b>Pillar 5. Address Climate Change and Foster a Circular Carbon Economy:</b> pages 128, 132 and 135
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	<b>Pillar 5. Address Climate Change and Foster a Circular Carbon Economy:</b> page 130
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	<b>Pillar 6. Support the Talent that Drives Market Progress:</b> page 147
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	<b>Pillar 6. Support the Talent that Drives Market Progress:</b> pages 140
	401-3 Parental leave	<b>Sustainability across the Group:</b> pages 42 and 44 <b>Pillar 6. Support the Talent that Drives Market Progress:</b> page 145
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	<b>Pillar 2. Promote Integrity:</b> page 100 <b>Pillar 6. Support the Talent that Drives Market Progress:</b> pages 151-152
	403-3 Occupational health services	<b>Pillar 6. Support the Talent that Drives Market Progress:</b> pages 150-151



Appendix B: GRI Content Index continued

GRI Standard	Disclosure	Location/Direct Answer
GRI 403: Occupational Health and Safety 2018	403-4 Worker participation, consultation, and communication on occupational health and safety	Pillar 6. Support the Talent that Drives Market Progress: pages 150-151
	403-5 Worker training on occupational health and safety	
	403-6 Promotion of worker health	
	403-8 Workers covered by an occupational health and safety management system	Pillar 6. Support the Talent that Drives Market Progress: pages 150-151
	403-9 Work-related injuries	Pillar 6. Support the Talent that Drives Market Progress: page 151
	403-10 Work-related ill health	
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Pillar 6. Support the Talent that Drives Market Progress: page 144
	404-2 Programs for upgrading employee skills and transition assistance programs	Sustainability across the Group: 42 Pillar 6. Support the Talent that Drives Market Progress: pages 142-145
	404-3 Percentage of employees receiving regular performance and career development reviews	Pillar 6. Support the Talent that Drives Market Progress: pages 144
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Pillar 2. Promote Integrity: page 86 Pillar 6. Support the Talent that Drives Market Progress: pages 146-148
	405-2 Ratio of basic salary and remuneration of women to men	Pillar 6. Support the Talent that Drives Market Progress: pages 146-148
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Not applicable in Saudi Arabia
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Pillar 6. Support the Talent that Drives Market Progress: pages 152-153
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Pillar 6. Support the Talent that Drives Market Progress: page 152
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Zero (Pillar 2. Promote Integrity: page 80)





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