

Sustainability Pillars continued

Pillar 5

Address climate change and foster a circular carbon economy



Saudi Tadawul Group is committed to creating the market infrastructure for a net zero, circular carbon economy, positioning Saudi Arabia as a global hub for carbon trading. In 2022, it launched the Regional Voluntary Carbon Market Company (RVCMC) in partnership with PIF (20% ownership) to drive liquidity and transparency in carbon credit markets. By expanding sustainable finance solutions and developing carbon trading frameworks, the Group is accelerating the Kingdom’s climate transition and strengthening its role in global sustainability efforts.



UN SDG Contribution

Improve education, awareness raising, human, and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning.

Progress and Achievements

Advancing Climate Action and Sustainable Operations

Saudi Tadawul Group is embedding sustainability into its operations, advancing climate action, energy efficiency and responsible procurement. The Net Zero 2050 project was initiated to align with long-term climate transition goals, with emissions and energy-related data now tracked annually to measure progress toward decarbonization.

Saudi Tadawul Group reinforced its commitment to sustainability with the launch of the STG Green Initiative, aligning with Saudi Vision 2030’s environmental goals. As part of this initiative, the Group signed an MoU with Morooj, a non-profit governmental foundation under the Ministry of Environment, Water and Agriculture, to drive awareness, expand green spaces and enhance vegetation cover across the Kingdom. Through this collaboration, Saudi Tadawul Group is actively supporting national sustainability efforts, demonstrating leadership in environmental responsibility and contributing to the Kingdom’s broader green transformation.

Furthermore, the transition to KAFD is expected to generate significant energy savings, with precise reductions to be reported in 2025. Energy-efficient systems, including motion-sensor lighting in all offices and corridors, were implemented at the new King Abdullah Financial District (KAFD) premises, aiming to reduce electricity consumption.

Additionally, the Group monitors its energy use via electricity meters and tracking rent bills while exploring further optimization opportunities in data centers and infrastructure. The LEED certification process was also launched to ensure office buildings meet international sustainability standards.

Saudi Tadawul Group is enhancing sustainable procurement by requiring all new suppliers to sign the Supplier Code of Conduct and obtaining ISO 20400 certification. It integrates sustainability due diligence into supplier audits, focusing on local content and responsible sourcing. Through operational efficiency, emission reductions and responsible procurement, the Group supports Saudi Arabia’s transition to a circular carbon economy and aligns with the Vision 2030 sustainability goals.

Developing a Regional Voluntary Carbon Market

Saudi Tadawul Group reinforced its role as a leader in sustainable finance through its strategic involvement in the Regional Voluntary Carbon Market Company (RVCM), established in partnership with PIF in 2022. With a capital investment of ﷲ 500 million (USD 133 million), RVCM played a pivotal role in facilitating carbon credit auctions that align with Saudi Arabia’s ambitious climate objectives. The Group’s 20% stake underscores its commitment to supporting PIF’s mission to develop 70% of the nation’s green energy capacity – an essential component of Vision 2030 and the Kingdom’s path to achieving net zero emissions by 2060.

In 2024, RVCM advanced its vision of spearheading high-integrity climate action from the Global South, channeling investment into critical carbon reduction initiatives across the Middle East, Africa and beyond. With a focus on harnessing blue carbon opportunities and integrating carbon credits into financial instruments, RVCM is not only driving emission reductions but also paving the way for Islamic finance to play a greater role in the climate transition.

Strengthening Waste and Water Management

Saudi Tadawul Group is advancing its waste and water management practices to align with sustainability goals and reduce environmental impact. Efforts to enhance water consumption tracking are underway, improving monitoring capabilities to ensure more efficient use of resources. The Group is utilizing KAFD’s greywater recycling system to manage water discharge sustainably, supporting conservation efforts within its operations.

Waste management strategies have also been refined, resulting in a notable reduction in total waste generated. While recycling initiatives remain limited, the Group is exploring opportunities to expand waste recycling efforts and implement third-party verification to enhance transparency and accountability in its waste metrics.

By focusing on resource efficiency, conservation and responsible waste management, Saudi Tadawul Group is laying the groundwork for more sustainable operational practices, reinforcing its role in driving environmental responsibility within Saudi Arabia’s financial sector.

2025 Focus

Saudi Tadawul Group is advancing its sustainability efforts with a comprehensive Net Zero 2050 roadmap, incorporating Scope 3 emissions tracking, targeted reduction strategies, and feasibility assessments for on-site renewable energy solutions. To enhance resource efficiency, the Group is strengthening waste and water data collection while implementing measures to reduce electricity consumption and improve energy efficiency. As part of its commitment to global best practices, it continues to elevate building sustainability through its LEED Certification journey. These initiatives reinforce Saudi Tadawul Group’s environmental leadership, supporting Saudi Arabia’s Vision 2030 and the global transition to a low-carbon economy.