

# The Kingdom's Ambitious Vision 2030

**The Kingdom's Vision 2030 is a transformative framework aimed at diversifying the Kingdom's economy by reducing its reliance on oil and enhancing the private sector's contribution. It emphasizes the role of the Public Investment Fund while advancing key strategic sectors such as health, education, infrastructure, recreation, tourism and more. Built on the pillars of a vibrant society, thriving economy and an ambitious nation, Vision 2030 charts a course for a prosperous future for Saudi Arabia.**

To support the realization of the Kingdom's ambitious Vision 2030, the Financial Sector Development Program (FSDP) was established to build a diversified and effective financial sector. This program aims to stimulate savings, finance and investment by enhancing financial institutions and services while transforming the Saudi Exchange into an advanced capital market. The FSDP outlines key objectives, including expanding and deepening Saudi Arabia's capital markets, positioning the Kingdom as the leading capital market in the Middle East, achieving global recognition as one of the top 10 financial markets and creating a world-class investment environment that attracts participation. Additionally, it's emphasis is on developing financial institutions and fostering private sector growth.

At the heart of these efforts is Saudi Tadawul Group, whose strategic initiatives drive the development of a technologically advanced and integrated capital market. The Group's transformation into a holding structure in 2021 marked a pivotal milestone, underlining its commitment to modernizing the Saudi capital market, enhancing competitiveness and aligning with international standards. By fostering economic diversification and growth, the Group aligns seamlessly with Vision 2030's objectives, positioning Saudi Arabia as a global financial hub and a leader among emerging markets.

Saudi Tadawul Group's strategic objectives include enhancing market infrastructure, introducing cutting-edge services, facilitating investment diversification and creating a dynamic environment responsive to global and regional trends. Initiatives such as the development of Nomu - Parallel Market for SMEs and facilitating foreign investments across all listed securities underscore the Group's comprehensive approach to capital market development. These efforts are supported by the Group's subsidiaries, driving innovation, offering value added solutions and leveraging technology to address market challenges.

The Group's leadership in promoting and handling the largest number of IPOs in the Kingdom's history - including Saudi Tadawul Group Holding Company in December 2021 - highlights its role as a national champion in advancing the FSDP's goals. Continued growth in Qualified Foreign Investors further illustrates its impact on expanding the Saudi capital market. By driving innovation, fostering investment and building infrastructure, Saudi Tadawul Group plays an essential role in supporting the Kingdom's economic transformation while elevating its stature in the global financial community.



## Financial Sector Development Program (FSDP)

The FSDP serves as a pivotal enabler of Vision 2030, driving economic transformation through diversification, empowering the private sector and fostering global integration. At its core, the program aligns with Level 1 objectives of Vision 2030 by focusing on growing and diversifying the economy, increasing employment opportunities and fostering a culture of social responsibility.

Within the capital markets, the FSDP supports Vision 2030's Level 2 objectives by amplifying the role of the private sector, unlocking the potential of the non-oil economy and deepening Saudi Arabia's regional and global economic ties. This initiative underpins efforts to attract foreign investment, enhance market sophistication and strengthen the Kingdom's economic competitiveness on the world stage.

At a more granular level, the FSDP is directly tied to Vision 2030 Level 3 objectives, emphasizing reforms to enhance the ease of doing business, privatize state-owned assets and develop an advanced capital market. These measures aim to elevate Saudi Arabia's financial sector into a globally connected, investor-friendly hub that accelerates national growth and ensures long-term economic resilience.

Built on 4 strategic pillars, the FSDP provides a robust framework to strengthen financial institutions, develop advanced capital markets, enhance financial planning and position Saudi Arabia as a global fintech hub.

Efforts to **Enable Financial Institutions to Support Private Sector Growth**, the first pillar, have focused on broadening financial services, building innovative infrastructure and enhancing talent capabilities. This approach has bolstered the Kingdom's ability to manage risks while driving financial inclusivity and sectoral expansion. The second pillar, **Ensure the Formation of an Advanced Capital Market**, emphasizes expanding financing sources for the national economy, fostering investment through diversified products and ensuring a safe and transparent infrastructure for the Saudi market participants.

**Promote and Enable Financial Planning**, the third pillar, aims to strengthen demand for savings products, expand financial literacy and enhance the savings ecosystem. Finally, the **Fintech Strategy** underscores Saudi Arabia's ambition to establish itself as a global fintech hub by developing a supportive regulatory environment, enhancing infrastructure, and fostering partnerships to catalyze innovation.

Complementing the FSDP, the Saudi Central Bank (SAMA) and the Capital Market Authority (CMA) have set ambitious 2024 targets. These include advancing digital supervision solutions, launching licensed digital banks and amending key governance frameworks. Additionally, the CMA has facilitated financing in the capital market, and enhanced its contribution to the national economy by increasing the pace of listings in the capital market and listing 24 companies in 2024, increasing micro and small enterprise representation to 45% of total listings, and increasing the market's attractiveness to foreign investors and raising their ownership share of the total market value of free-float shares to 17% by the end of 2024. These initiatives collectively underscore Saudi Arabia's commitment to economic transformation and its emergence as a global financial powerhouse.





The Kingdom’s Ambitious Vision 2030 continued

Saudi Tadawul Group's Progress and Impact in 2024

During 2024, Saudi Tadawul Group played a central role in driving the realization of Vision 2030 and the objectives of the FSDP. Key initiatives focused on expanding market diversity and efficiency through a broad and wide range of new listings, enhanced trading infrastructure, an expanded product portfolio, colocation services, the Data Monetization Program, advancements in the Post-Trade Transformation Program and innovative offerings like Omnibus accounts in the Saudi debt market. These served to strengthen the Kingdom’s financial sector, support economic growth, enhance the Group’s position as a global financial hub and modernize market infrastructure, solidifying the Group’s status as a transformative leader in regional markets and showcasing its capacity to compete on a global scale.

Launch of Single Stock Options on **10** Saudi companies, paving the way for market expansion

WAMID launched a Data Monetization Program accelerating innovation in market data services and analysis

**55** New listings in 2024 including 54% on Nomu, the Group exceeded CMA targets for the year

Nomu’s market capitalization rose to **58.86** billion

Develop the Financial Sector

Saudi Tadawul Group continued to strengthen its efforts to advance and transform Saudi Arabia’s financial market by fostering derivative markets and diversifying financial products. The Group’s subsidiaries - Saudi Exchange, the Saudi Exchange Company, Muqassa, the Group’s clearing subsidiary and Edaa, the securities depository center - established a task force to further propel the Saudi market’s derivatives activity through the launch of Single Stock Options on 10 underlying Saudi companies, paving the way for market expansion.

Complementing this, the advancement of the Post-Trade Transformation Program (PTTP 2.0) and enhanced Muqassa risk management frameworks provided a foundation for sustainable growth. The Saudi Tadawul Group promoted investment diversification by broadening its range of services related not only to equities but also funds and debt securities, and actively worked to internationalize and institutionalize the derivatives market to attract domestic and global participants. These initiatives reflected the Group’s commitment to creating a resilient and dynamic financial ecosystem.

Drive Economic Growth

The Group contributed significantly to regional economic growth by enhancing market depth, liquidity and efficiency. Muqassa secured approvals from CMA and SAMA for its Recovery Plan and participated in global cyber resilience simulations, ensuring operational excellence. Additionally, it facilitated the formation of the Risk Working Group, aligning with global guidelines and best practices to strengthen risk management frameworks. It also introduced a full list of government Sukuk and bonds as acceptable collateral to expand financial flexibility, ensuring broader risk management options for members.

The Saudi Exchange expanded its network of market makers, upgraded trading mechanisms and actively engaged with investors. With 55 new listings in 2024, including 54% on Nomu, the Group exceeded the targets set by the FSDP for the year. It boosted global and domestic engagement through over 1,300 visits, 45 workshops and roadshows in major financial hubs, educating Stakeholders about the listing process and creating pathways for greater participation in the Saudi capital market. It also strengthened

investor relationships and facilitated international participation with its Foreign Companies Listing Guide.

These proactive initiatives led to increased trading volumes and a more vibrant market environment, as Qualified Foreign Investors (QFIs) surpassed 4,000 for the first time, contributing to 25% of the average daily trading value (ADTV). Liquidity was further bolstered by enhanced trading mechanisms, 3 new market makers and optimized market-making frameworks. Nomu’s market capitalization rose by 22% to 58.86 billion, while total traded value increased by 41.7% to 9.01 billion. High-frequency traders accounted for 25% of the ADTV, reaching up to 40% on peak days. Additionally, derivatives trading saw remarkable growth, with volumes up by 593% and value increasing by 76%.

Position Saudi Arabia as a Global Financial Hub

The Group strengthened Saudi Arabia’s position as a global financial hub through strategic global engagement and partnerships. The Capital Market Forum attracted over 4,200 participants in 2024, including 640 investors and 41



corporates, showcasing investment opportunities and strengthening international ties. The international edition of the forum in Hong Kong facilitated collaborations with HKEX to enhance connectivity with Asian markets, while the London Forum drove awareness and connectivity in the UK and beyond.

Additional partnerships were formalized through MoUs with exchanges in Bahrain, Qatar and Johannesburg, emphasizing the Group’s role in bridging global capital flows. The acquisition of a 32.6% stake in DME Holdings Limited, the parent company of Dubai Mercantile Exchange (DME), which was subsequently rebranded as Gulf Mercantile Exchange (GME) aligns with the Group’s growth strategy and Vision 2030 objectives, enabling diversification through commodities trading and unlocking new opportunities in energy, metals and agricultural markets. The partnership also supports the transition to a sustainable economy with the introduction of innovative derivative contracts. Furthermore, strengthened ties with foreign depository centers underscored the Group’s commitment to expanding its global footprint and creating cross-border opportunities.

Enhance Capital Markets Infrastructure

Modernizing the infrastructure of Saudi Arabia’s capital markets remained a

cornerstone of the Group’s strategy in 2024, WAMID enhanced the Data Monetization Program based on a Google Cloud solution, accelerating innovation in market data services and analysis.

Edaa, another key subsidiary, launched a Savings Sukuk Program in partnership with NDMC, fostering financial inclusion and encouraging responsible investment. Edaa’s approval for its fund platform marked a major step forward in creating a robust and diversified investment landscape.

The Group also played a pivotal role in facilitating the introduction of Aramco’s secondary offering transaction, a significant milestone in the company’s financial journey, as well as the accelerated bookbuild offering of stc shares worth 3.8 billion to local and international institutional investors. These initiatives highlight the Group’s commitment to enhancing market efficiency and demonstrates its expertise in navigating complex financial landscapes. Additionally, infrastructure upgrades further enhanced market accessibility and operational efficiency, positioning the Saudi capital market to meet the evolving needs of local and international participants.

Through its achievements across these pillars, Saudi Tadawul Group demonstrated its unwavering commitment to advancing Vision 2030.

By driving innovation, expanding market connectivity and fostering sustainable growth, the Group laid a solid foundation for continued success in transforming Saudi Arabia’s financial sector into a global powerhouse.

Promoting Sustainable Finance and ESG Integration

Saudi Arabia is making significant strides in integrating ESG principles into its financial sector. These efforts are part of the Kingdom’s broader strategy to promote sustainable development and diversify its economy. By embedding ESG criteria, Saudi Arabia is paving the way for a more accountable and transparent financial landscape, aligned with global sustainability goals.

The continued growth, accelerating innovation and enhanced sustainability in 2024 highlight Saudi Arabia’s commitment to shaping a forward-thinking, globally competitive financial sector. Saudi Tadawul Group continues to play a pivotal role in driving economic growth and transforming the Kingdom’s capital markets. By championing fintech innovation, fostering sustainable finance and attracting global investment, the Group is shaping a resilient, diversified and globally competitive financial ecosystem, ensuring the Kingdom’s financial sector remains a cornerstone of its ambitious Vision 2030 transformation.