Response from a Financial Institution in Saudi Arabia

Part A – Demographic Information

1. Responding on behalf of an organization

TAWKELAT FINANCING COMPANY

2. Stakeholder category

Other users or beneficiaries of the Code (Financial Institution)

3. Organization information

Organization: Financial Company

Email: TFC-HQ-Fin@tawkelat.sa

Jurisdiction: Kingdom of Saudi Arabia

Question 4 – Confidence in Professional Accountants

Overall, the NOCLAR framework has strengthened our confidence in how professional accountants approach potential non-compliance with laws and regulations. It provides a practical ethical framework for identifying, evaluating, and escalating concerns while balancing professional confidentiality with the public interest.

For financial institutions operating in a highly regulated environment such as Saudi Arabia, this is particularly valuable. It supports a culture of accountability and reinforces the importance of timely action when issues relating to fraud, financial reporting, anti-money laundering, sanctions, or other regulatory breaches are identified. The framework is most effective when supported by ongoing training and consistent application across organizations.

Question 5 – Suggestions for Improvement

The NOCLAR provisions are well established, but there are opportunities to make implementation more practical and consistent. We encourage the IESBA to develop more industry-specific guidance and case studies, particularly for regulated sectors such as banking, insurance, and financial services. Additional examples addressing situations involving confidentiality, regulatory reporting, and cross-border operations would also help professionals exercise sound judgment in complex situations.

Continued collaboration with regulators, professional bodies, and firms to promote awareness and share implementation experiences would further strengthen global consistency.

Question 6 – Legal Protection

Saudi Arabia has a robust regulatory framework that requires financial institutions to report certain types of misconduct and maintain internal reporting and whistleblowing mechanisms. These requirements support the objectives of the NOCLAR framework.

While the current framework provides an important foundation, continued efforts to strengthen awareness of whistleblower protections and provide greater clarity around protections for professionals acting in good faith would further encourage timely reporting and reinforce public confidence.

Question 7 – Additional Comments

We believe the NOCLAR provisions have made a positive contribution to promoting ethical behavior and protecting the public interest. Going forward, the focus should be on supporting consistent implementation rather than introducing significant changes to the requirements.

Providing additional practical guidance, sharing implementation experiences from different jurisdictions, and monitoring emerging risks such as cybercrime, digital assets, and ESG reporting will help ensure the framework remains relevant and effective for professional accountants operating in an increasingly complex regulatory environment.