

SEC's 2026 Examination Priorities:

What They Signal for
Governance in Saudi Arabia



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The regulatory environment facing financial institutions keeps evolving, and not just in the United States. Digital transformation, cybersecurity threats, artificial intelligence, and increasingly complex investment products are reshaping markets everywhere, Saudi Arabia included. The Kingdom's own asset management industry topped USD 340 billion in assets under management by the end of Q1 2026, up 17% from a year earlier, and that kind of growth is exactly what puts governance and investor protection on a regulator's desk.

Source: Fitch Ratings, June 2026.

On November 17, 2025, the U.S. Securities and Exchange Commission's Division of Examinations released its 2026 Examination Priorities, naming fiduciary duty, cybersecurity, governance, operational resilience, and compliance programs as its top supervisory focus areas for the year ahead.

The report speaks directly to SEC-regulated firms in the US. But its themes echo what Saudi Arabia's own regulators, the Capital Market Authority (CMA) and the Saudi Central Bank (SAMA), have been pushing through their own reform agendas over the same period. In the Kingdom, that push is already visible in enforcement activity: in May 2026 alone, the CMA fined 15 individuals a combined SAR 10.7 million for share-price manipulation, and separately fined 11 former board and audit-committee members SAR 18 million for misstating a listed company's financial results.

Source: CMA data, via Argaam and MENA Fintech Association, May 2026.

Organizations that proactively strengthen governance and compliance today, in Riyadh as much as in New York, will be better prepared to meet future regulatory expectations while maintaining stakeholder confidence.

At a Glance

01

Fiduciary duty remains one of the SEC's highest examination priorities for 2026, and Saudi fund managers carry a comparable formal duty under CMA rules.

02

Cybersecurity governance and operational resilience continue to receive heightened attention from both the SEC and SAMA.

03

Investment advisers and fund managers are expected to show strong governance over conflicts of interest, disclosures, and client protection.

04

Regulators on both sides increasingly expect firms to integrate cybersecurity, compliance, and enterprise risk management rather than treat them as separate functions.

Source: U.S. SEC Division of Examinations (2025); CMA Investment Funds Regulations, 2025 amendment; SAMA Cyber Security Framework, 2026 audit cycle.

Regulators Are Looking Beyond Compliance

Historically, regulatory examinations focused heavily on documentation and policy compliance. Today, supervisory expectations have expanded, on both sides of the Atlantic and here in the Gulf.

Regulators increasingly assess whether governance frameworks operate effectively in practice. Organizations are expected to show that policies are backed by real oversight, monitoring, internal controls, employee accountability, and continuous improvement. The emphasis has shifted from having policies to proving that governance works, and that is exactly the direction Saudi Arabia's capital-market and banking regulators are moving in as well.

How SEC Priorities Map to Saudi Regulatory Expectations

SEC 2026 Focus Area	What the SEC Expects	Saudi Regulatory Equivalent
Fiduciary duty	Documented adherence to duty of care and loyalty, conflict mitigation	CMA Investment Funds Regulations: fund managers owe a formal fiduciary duty to unitholders
Cybersecurity & operational resilience	Regulation S-P readiness, incident response, vendor oversight	SAMA Cyber Security Framework, 2026 audit cycle; NCA Essential Cybersecurity Controls (ECC-2-2024)
Emerging technology & AI	Supervision of AI tools, algorithmic trading, automated advice	CMA regulatory sandbox; robo-advisory and simplified investment fund rules
Compliance-risk integration	Coordinated view across Compliance, ERM, Internal Audit, InfoSec	CMA Corporate Governance Regulations; SAMA enterprise risk guidance
Enforcement posture	Risk-based exams; deficiency findings tied to real penalties	CMA fines and licence actions running through 2026 (see Table 2)

Table 01: SEC 2026 examination priorities and their closest Saudi regulatory equivalents.

Source: U.S. SEC Division of Examinations (2025); CMA Rulebook; SAMA Cyber Security Framework, 2026 audit cycle.

Four Executive Priorities

Boards and senior management can respond to this shift in four practical steps.

01

Reinforce Fiduciary Governance

Organizations should keep client interests at the centre of decision-making. Governance structures should manage conflicts of interest, support transparent disclosures, and promote ethical conduct throughout the organization.

02

Strengthen Cybersecurity Oversight

Cybersecurity is no longer solely an IT responsibility. Boards and executive management should receive regular reporting on cyber risks, incident preparedness, third-party exposures, and operational resilience.

03

Integrate Compliance with Enterprise Risk Management

Compliance functions should work closely with Enterprise Risk Management, Internal Audit, Information Security, and Operational Risk to give leadership one coordinated view of organizational risk and regulatory obligations.

04

Continuously Test Internal Controls

Policies alone are not enough. Organizations should regularly review, test, and validate internal controls so they stay effective as business operations, technologies, and regulatory requirements evolve.

The Insights Perspective

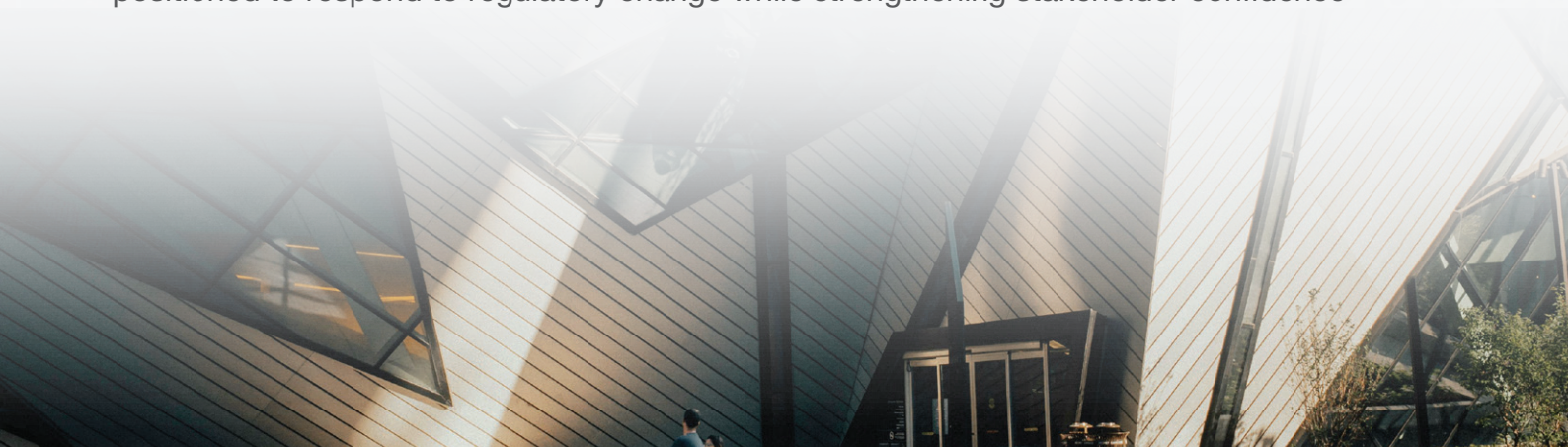
Many organizations ask:

“Are we compliant with current regulations?”

A more strategic executive question is:

“Can our governance framework demonstrate that compliance is embedded throughout the organization?”

Organizations that build governance into everyday decision-making are generally better positioned to respond to regulatory change while strengthening stakeholder confidence



The Numbers Behind the Shift in Saudi Arabia

Saudi Arabia's capital market has grown fast, and growth of this size is exactly what draws closer regulatory attention. The figures below cover the state of governance-relevant activity across the Kingdom's asset management industry and its enforcement record through 2026.

Data Point	Figure	Source
Saudi asset management industry AUM, Q1 2026	USD 340 billion (+17% YoY)	Fitch Ratings, June 2026
Saudi asset management industry AUM, 2027 (forecast)	Above USD 400 billion	Fitch Ratings, June 2026
Government AUM-to-GDP target, 2030 (from ~23% in 1H 2025)	40% of GDP	Fitch Ratings, via Arab News, Oct 2025
CMA-regulated capital market institutions, total AUM, Q1 2026	SAR 699.06 billion	CMA data, via Global Regulation Tomorrow, Mar 2026
CMA-registered investment fund assets, Q4 2025 (+26.5% YoY)	SAR 884.45 billion	CMA data, via Global Regulation Tomorrow, Mar 2026
Licensed CMA asset managers (up from ~5 in 2016)	36+ firms (2025)	Vision 2030 Encyclopedia, Asset Management, 2026
CMA fines, market manipulation case, May 2026 (15 individuals)	SAR 10.7 million	CMA data, via Argaam, May 2026
CMA fines, financial-statement manipulation case, May 2026 (11 individuals)	SAR 18 million	CMA data, via MENA Fintech Association, May 2026

Table 02: Verified governance, market, and enforcement figures for Saudi Arabia, 2025-2027.

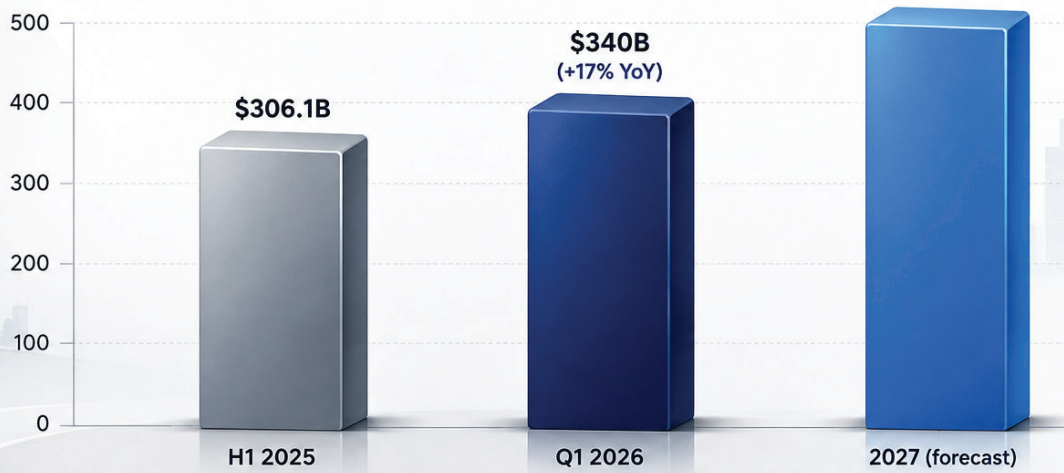
Source: Fitch Ratings (2025-2026); CMA data via Argaam, Global Regulation Tomorrow, and MENA Fintech Association (2026); Vision 2030 Encyclopedia (2026)



Saudi Arabia Asset Management Industry AUM

— Strong Growth Trajectory —

Assets Under Management
(USD Billion)

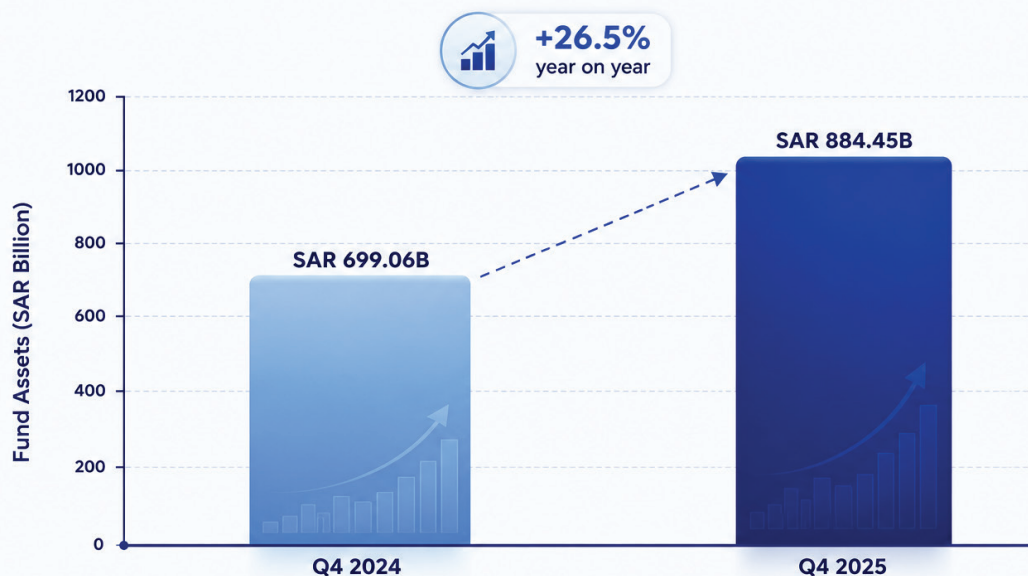


Figures as reported by Fitch Ratings; 2027 value is Fitch's own published forecast, not a calculation.
Source: Fitch Ratings, cited in Arab News (Oct 2025) and Economy Middle East (June 2026)

Chart 01: Saudi Arabia's asset management industry is on track to grow from USD 306.1 billion in mid-2025 to more than USD 400 billion by 2027.

Source: Fitch Ratings, cited in Arab News (October 2025) and Economy Middle East (June 2026).

CMA-Registered Investment Fund Assets



Source: Capital Market Authority data, cited in Global Regulation Tomorrow, March 2026

Chart 02: CMA-registered investment fund assets grew 26.5% in a single year.

Source: Capital Market Authority data, cited in Global Regulation Tomorrow, March 2026.

These figures point in one direction. As Saudi Arabia's capital market grows, and as more capital flows through CMA-licensed fund managers and advisers, the case for tested, evidence-based governance grows with it. The CMA's own enforcement record in 2026 shows what happens when governance falls short: real fines, real reputational cost, and real recourse for affected investors.

How Insights Helps Organizations

At Insights Financial & Management Consulting, we help organizations strengthen governance and regulatory readiness through:

- Governance Framework Assessments
- Enterprise Risk Management Reviews
- Regulatory Compliance Assessments (SEC, CMA, SAMA)
- Internal Audit and Internal Control Reviews
- Cybersecurity Governance Advisory
- Operational Resilience Assessments
- Board and Committee Effectiveness Reviews

Our approach combines governance, risk management, and regulatory expertise to help organizations build sustainable compliance capabilities while supporting strategic business objectives, whether they report to the SEC, the CMA, SAMA, or all three.

Key Takeaway

The SEC's 2026 Examination Priorities highlight a broader regulatory trend that Saudi Arabia's own capital-market and banking regulators are following closely: effective governance is becoming as important as regulatory compliance itself. Organizations that integrate fiduciary responsibility, cybersecurity oversight, enterprise risk management, and strong internal controls into a unified governance framework will be better positioned to manage regulatory expectations, strengthen resilience, and maintain long-term stakeholder confidence.



Compliance shows the paperwork is in order. Governance shows the organization actually works the way it says it does.



Sources

- ▶ U.S. SEC Division of Examinations, 2026 Examination Priorities, November 17, 2025.
- ▶ CMA Investment Funds Regulations (2025 amendment) and CMA Rulebook.
- ▶ SAMA Cyber Security Framework, 2026 audit cycle guidance.
- ▶ Fitch Ratings, Saudi asset management industry reports, October 2025 and June 2026.
- ▶ CMA data, via Argaam, June 2026 and May 2026.
- ▶ CMA data, via Global Regulation Tomorrow, March 2026.
- ▶ CMA data, via MENA Fintech Association, May 2026.
- ▶ Vision 2030 Encyclopedia, Asset Management sector profile, 2026.

Contacts Us

For further information, clarification and discussion concerning the contents, please contact

Khawaja Soha Butt

Partner - Financial & Risk Advisory

✉ : sbutt@insightss.co

Nick Whitford

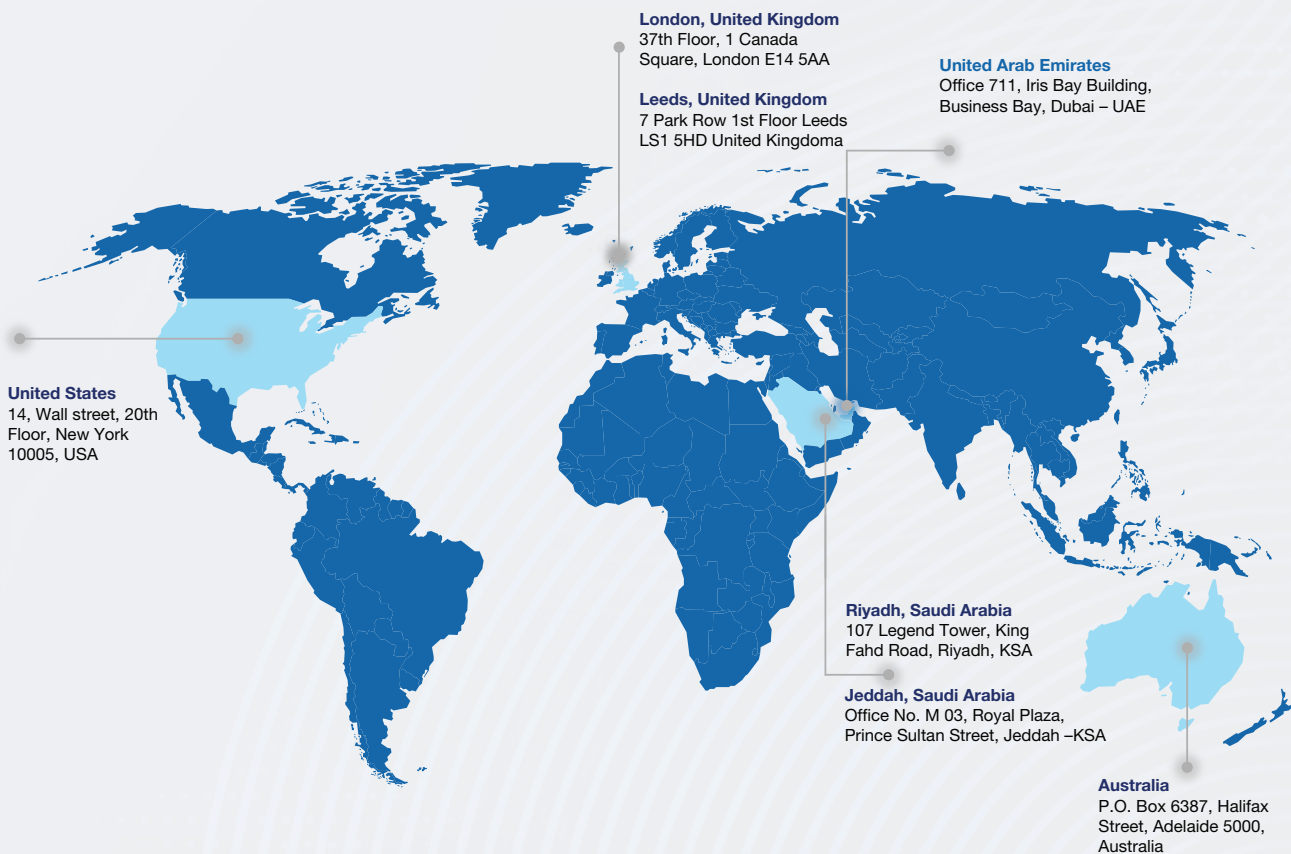
SVP – Business Growth

✉ : nwhitford@insightss.co

Ameer Abbas

VP - Financial & Risk Advisory

✉ : aabbas@insightss.co



Insights

☎ : +966 53 775 0075

☎ : + 966 11 293 0665

✉ : info@insightss.co

🌐 : www.insightss.co

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