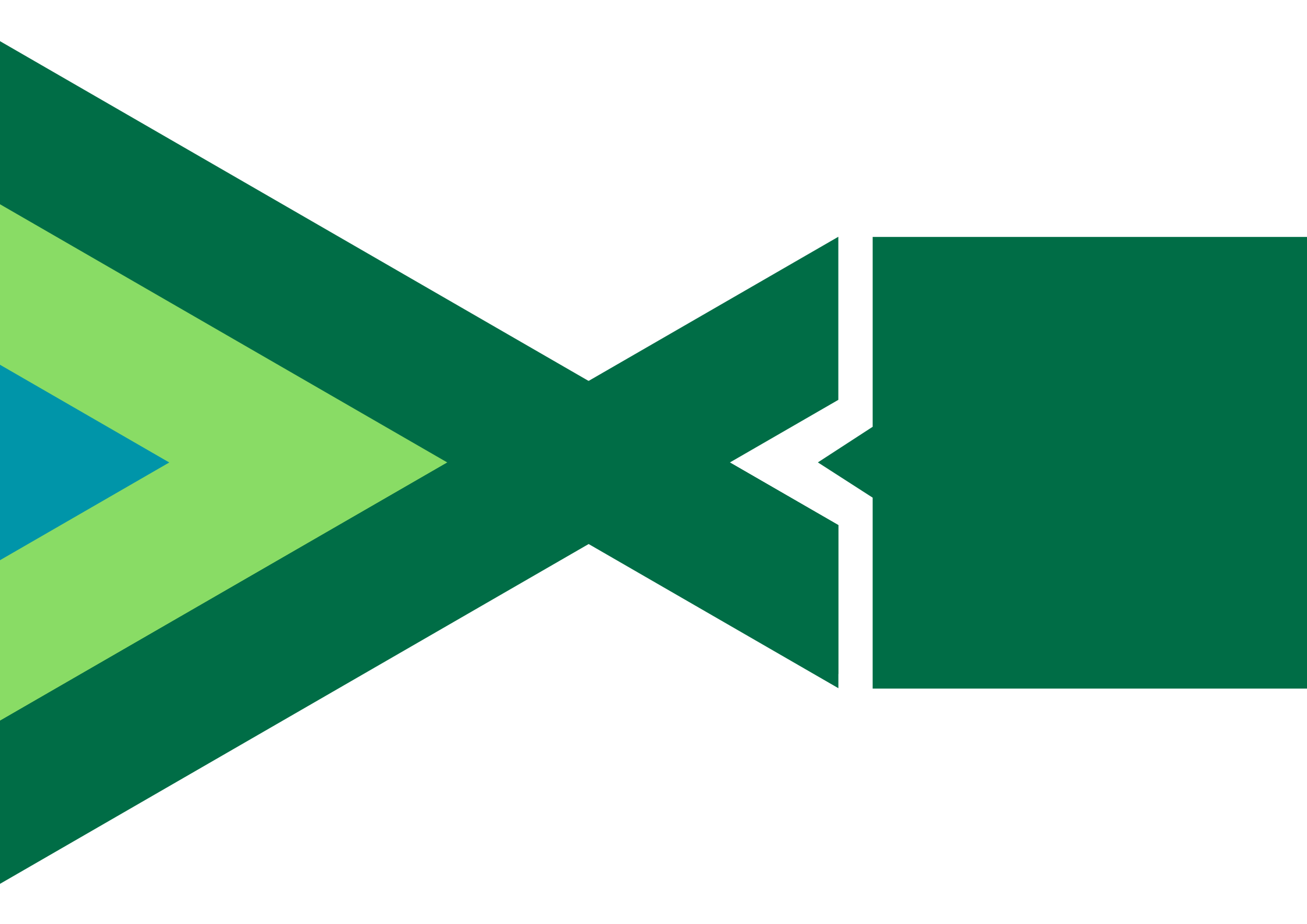




THE NEXT INVESTMENT DESTINATION







My first objective is for our country to be a pioneering and successful global model of excellence on all fronts, and I'll work with you to achieve that.



King Salman bin Abdulaziz Al Saud
Custodian of the Two Holy Mosques







Saudi Arabia is one of the richest and most populous nations in the Middle East, the heart of the Islamic and Arab world.

A natural bridge located at the convergence of Europe, Asia, and Africa, the Kingdom connects people and goods from around the world, making our nation a vital logistics hub for both global trade routes and business expansions.

The Saudi economy has been experiencing an annual average growth rate of 4% over the past 7 years, supported by a pro-business environment that quickly moves investors to the heart of the Arabic market.

The Kingdom's commitment to diversify its economy, expand the private sector, improve competitiveness, and build a vibrant society, is driven by its **Vision 2030**: the strategically developed roadmap to a prosperous future.

Above all, **Saudi Arabia is fully committed to develop its investment climate**: tremendous efforts advancing the business ecosystem have already been made, and new measures designed to increase the ease of doing business are already planned.

These opportunities are being developed in an environment that is home to one of the most liberal investment laws in the region where investors can own 100% of their business alongside with many other business-friendly regulations and incentives.

As we welcome you to the Kingdom, it is our aim to provide you with a unique investor experience supported by a country that is committed to help you establish and expand your business.

It is my pleasure to invite you to explore what the Kingdom has to offer.

Ibrahim Alomar

Governor of Saudi General Investment Authority

TABLE OF CONTENT

08-09

OVERVIEW

10-11

SAUDI ARABIA AT
A GLANCE

12-19

7 REASONS TO INVEST IN
SAUDI ARABIA

22

SAUDI ARABIA'S
REFORM JOURNEY

23

FOREIGN INVESTMENT
REGULATION

24-25

SUCCESS STORIES



20

VISION 2030

21

SUPPORT

27

ABOUT SAUDI GENERAL
INVESTMENT AUTHORITY

OVERVIEW

7 KEY REASONS TO INVEST IN SAUDI ARABIA

SAUDI ARABIA'S DIVERSIFICATION AND REFORM JOURNEY



Strong and serious commitment about **reforming** the country and bringing the Kingdom into a new era

GAME-CHANGING OPPORTUNITIES



Presence of **investment opportunities** for transformational projects

INTEGRATED INFRASTRUCTURE



Integrated infrastructure enabling **well-interconnected transport networks** and **effective IT digital solutions**

ATTRACTIVE PROPERTY SOLUTIONS



Stimulating the creation of **advanced technology clusters** and diversified industries

YOUNG AND SKILLED WORKFORCE



Young and skilled workforce supported by **educational programs** granted by the government

EXPANDING QUALITY OF LIFE



Ensuring safety and security, advanced health assistance, and even more enjoyable lifestyles

LEADING FINANCIAL SECTOR



Supported by a large financial system and new reforms and initiatives



Above all, Saudi Arabia is fully committed to **develop the Kingdom's investment environment**: tremendous efforts in advancing the business ecosystem have been already made, and new measures aimed at making it easier to do business are already planned.

SAUDI ARABIA AT A GLANCE



32.5 MILLION
Total Population



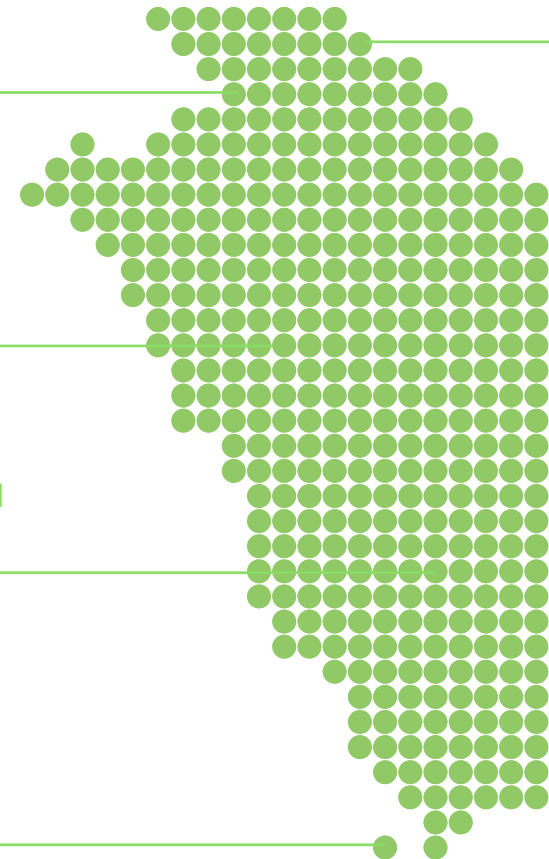
5.7 MILLION
Saudi Labor Force



\$231 BILLION
FDI Inward Stock



\$646 BILLION
NOMINAL GDP



6.7 MBPS
Internet Speed



\$19,858
GDP PER CAPITA



2.5%
Population Growth Rate



50%
Percentage of Youth
(Under age of 30)



7 KEY REASONS TO INVEST IN SAUDI ARABIA

SAUDI ARABIA'S REFORM JOURNEY



- Development of Vision 2030, with clear priorities and alignment amongst stakeholders
- Strong governance
- Clear 3-year planning, through 12 programs
- Undeniable initial **successes across multiple themes** (ease of doing business, entertainment, social, cultural, localization of industries, women participation in the workforce, fiscal balance)



2 GAME-CHANGING OPPORTUNITIES

- Privatization program to unlock state-owned assets and to increase private investors participation
- Localization of value chain cooperating with both local and international investors
- Giga projects to create integrated economic ecosystems
- Large commitment to attract investors by improving overall business environment

7 KEY REASONS TO INVEST IN SAUDI ARABIA

3 INTEGRATED INFRASTRUCTURE

- **Strategic natural location** linking three different continents
- **Largest seaport on Red Sea**, capturing 80% of maritime flows
- Internal **transport network** well-interconnected
- Efforts to **optimize logistics** for turning Saudi Arabia into a leading logistic hub
- **Digital infrastructure** development with private sector



4 ATTRACTIVE PROPERTY SOLUTIONS

- **35 industrial and economic cities**, strategically positioned
- Many of those creating cluster-effects (e.g., chemicals, mining, maritime) **leveraging synergies and fostering system productivity**
- Presence of **ready-built supporting infrastructure**
- Land at very **competitive prices**



7 KEY REASONS TO INVEST IN SAUDI ARABIA



5 YOUNG AND SKILLED WORKFORCE

-
- ~30% of Saudi **working age population** is below 29 years old
 - ~400k young Saudis entering the labor market every year, contributing to strengthen the **development of workforce capabilities**
 - **Education** as the second largest area of government spending
 - **Leading universities** growing scientific research activities

EXPANDING QUALITY OF LIFE

- **Tax free salaries**
Among the world's lowest levels of tax
- **High safety and security**
One of the safest place in the world
- **Advanced healthcare systems and facilities**
Ranking 26th worldwide
- **Expanding lifestyle**
Women driving, entertainment, plan for culture, alternative tourism



7 KEY REASONS TO INVEST IN SAUDI ARABIA

7 LEADING FINANCIAL SECTOR

- **Large financial system**
192% financial sector total assets to GDP in 2016
- **Well-capitalized and resilient banking sector**
15% bank capital to assets in 2016
- **Biggest capital market in Middle East, North Africa and Turkey**
\$450B market cap
- **New reforms and initiatives**
T+2 settlement cycle, qualified foreign investors framework, International Financial Reporting Standards





VISION 2030

SAUDI ARABIA'S VISION 2030 HAS BEEN ACHIEVING REMARKABLE INITIAL SUCCESS



SAUDI ARABIA'S VISION 2030

- Introduced in April 2016 by Crown Prince Mohammed Bin Salman Al Saud, with the aim of **diversifying and expanding the economy competitiveness**
- Vision 2030 builds on Saudi Arabia's **pillars** of competitive advantage to deliver on three key themes
 - **A vibrant society**
 - **A thriving economy**
 - **An ambitious nation**
- Its narrative sets forth the ambitions of the Kingdom over the next years and highlights a selection of **commitments, goals, and aspirations** which are being pursued

12 VISION REALIZATION PROGRAMS

- **12 Vision Realization Programs** developed to deliver impact against strategic objectives, each with specific mandates, owners, targets
 - Enriching the Hajj and Umrah experience
 - Lifestyle Improvement Program
 - Privatization Program
 - National Transformation Program
 - National Companies Promotion Program
 - Saudi Character Enrichment Program
 - Public Investment Fund Program
 - Strategic Partnerships Program
 - Fiscal Balance Program
 - National Industrial Development and Logistics Program
 - Housing Program
 - Financial Sector Development Program

REMARKABLE INITIAL SUCCESS

- Already achieved **remarkable initial success** along multiple themes, attesting the seriousness of the country's transformation into a global and modern nation
 - Increased women's participation in the workforce, through initiatives and reforms
 - Reduction of budget deficit, from 15% to 8% of GDP between 2015 and 2017 (a reduction of > SAR 160 bn in two years)
 - Enhanced access to entertainment, with 2.3 million visitors between October 2016 and April 2017 from 100+ events in 21 cities

SUPPORT

SUPPORT IS OFFERED TO ENCOURAGE INVESTMENT

As part of Vision 2030, Saudi Arabia intends to increase the participation of the private sector in order to ensure sustainable growth. Potential investors are offered a variety of incentives, most notably: enhanced market access, capital availability, robust infrastructure and investor-friendly tax rate and business environment.



FINANCIAL SUPPORT

- Export credit financing, guarantee, insurance provided by the Saudi export program
- Energy and utilities subsidies for power, water, natural gas, ethane, diesel, and land
- Financial incentives for R&D projects with potential to boost country's economic growth and self-reliance
- Loan programs for public and private industrial investments



FISCAL SUPPORT

- Custom duty drawback and exemption on selected materials, equipment and machinery
- Tax credit and tax exemptions on Saudi national worker's payroll and training costs



EMPLOYMENT SUPPORT

- Programs offered by Human Resources
- Development Fund (HRDF) and aimed at encouraging training and employment of Saudi nationals
- On-the-job training program for Saudi graduates (Tamheer)
- Program to support the growth of Saudization of enterprises
- Professional Certification Support Program
- Doroob program

SAUDI ARABIA'S REFORM JOURNEY

SAUDI ARABIA EMBARKED ON A SUCCESSFUL REFORM JOURNEY TO ENHANCE ITS BUSINESS ENVIRONMENT



SAUDI ARABIA'S REFORM JOURNEY

- Enhancing the business environment for the private sector is among the top priorities laid down by Vision 2030. **The Tayseer's committee was established to pursue four main objectives:**
 - Increase efficiency of government services
 - Position Saudi Arabia among the top 20 countries globally for doing business
 - Implement regulations aimed at stimulating the private sector growth
 - Increase private sector engagement with direct involvement in decision-making
- Broad and ambitious reforms, e.g. new regulation for the trading across borders, judicial development policy and procedures aimed at enhancing transparency, have been already completed
- More than one hundred additional reforms are in the pipeline for approval and implementation



RECOGNITION OF BUSINESS ENVIRONMENT ADVANCEMENT

- Saudi Arabia is making tremendous efforts in advancing its business environment
- Ranked 2nd as best reformer among the high income countries in the G20 by the World Bank, thanks to its serious commitment to improve the regulation on crucial areas such as those related to the protection of minority investors, the property registration, and the insolvency resolution
- Among the best 20 countries globally in overall reforming effort
- 30th most competitive economy according to the World Economic Forum's Global Competitiveness ranking



FOREIGN INVESTMENT REGULATION

THREE KEY ELEMENTS OF THE FOREIGN INVESTMENT REGULATION



LICENSING REGULATION AND PROCESS FOR FOREIGN INVESTMENT

- Being licensed to operate in Saudi Arabia as a foreign investor is necessary to obtain any permit to start operations
- The Saudi Arabian General Investment Authority (SAGIA) is the Kingdom's investment promotion agency, responsible to setup and govern the foreign investment regulation, facilitate the entrance of investors into the country and license investors
- Different types of investment licenses are available, each with its own requirements, such as minimum acceptable capital and a cap on foreign capital
- Prospective investors can apply for a license online on SAGIA's portal



FISCAL REGIME ELEMENTS RELEVANT FOR FOREIGN INVESTMENT

- Four main fiscal regime elements are particularly relevant for foreign investment
 - Corporate income tax, applicable on foreign ownership of Saudi Arabia-based company; with statutory corporate rate set at 20%, it is the lowest among the G20
 - Zakat, applicable on local ownership of Saudi Arabia-based company; set at 2.5% of the Zakat base
 - Value-Added-Tax
 - Social Security contribution; only for Saudi personnel



INTERNATIONAL TRADE AGREEMENTS

- Saudi Arabia is member of WTO with commitment to further liberalize trade regime and accelerate integration in the global economy
- On a regional dimension, Saudi Arabia is member of the Gulf Cooperation Council and of the Greater Arab Free Trade Area¹
- Bilaterally, Saudi Arabia signed treaties for the avoidance of double taxation of income and capital (DTAs) with 29 countries² as well as agreements aimed at promoting and protecting the investments of the enterprises of one contracting party in the territory of the other with 23 countries³

1. Algeria, Bahrain, Egypt, Iraq, Kuwait, Lebanon, Libya, Morocco, Oman, Palestine, Qatar, Saudi Arabia, Sudan, Syria, Tunisia, United Arab Emirates and Yemen

2. Algeria, Azerbaijan, Austria, Bangladesh, Belarus, China, Egypt, Ethiopia, Greece, Hungary, India, Italy, Japan, Kazakhstan, Luxembourg, Macedonia, Malaysia, Netherlands, Pakistan, Portugal, Russia, South Africa, South Korea, Spain, Sweden, Turkey, Uzbekistan, Venezuela, Vietnam

3. Azerbaijan, Austria, Belarus, Belgium, China, Czech Republic, Egypt, France, Germany, India, Indonesia, Italy, Luxembourg, Malaysia, Philippines, Singapore, South Korea, Spain, Sweden, Switzerland, Taiwan, Turkey, and Ukraine

SUCCESS STORIES



General Electric 75 YEARS OF SUCCESS

Over the last decade we've made a tremendous amount of progress in the Kingdom helped by good guidance across the government. We believe that we've gotten a good return on our investment for our shareholders too.

John G. Rice
Vice Chairman GE



Dow 40 YEARS OF SUCCESS

"Dow is truly honored to be the first company to receive a trading license and advance our legacy of strategic partnerships and investments in the Kingdom...Dow has been a strategic partner in Saudi Arabia for nearly 40 years and we look forward to playing a key role in helping advance the Saudi's Vision 2030 plan designed to create a vibrant society and a thriving diversified economy"

Andrew N. Liveris
Dow Chairman and Chief Executive
Office Dow Chemical Company





Honeywell 55 YEARS OF SUCCESS

“We have found that Saudi presents a tremendous opportunity in terms of its local talent potential. The Saudi youth makes up more than 50 percent of the country’s population and this will provide a sustainable pipeline of talent to drive Saudi’s growth and economic diversification”

Norm Gilsdorf, President

High Growth Regions, Middle East,
Russia, Central Asia, Honeywell



Honeywell

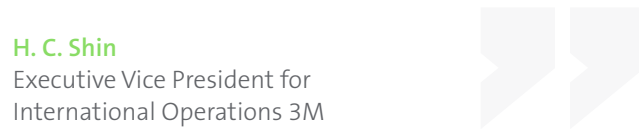


3M 35 YEARS OF SUCCESS

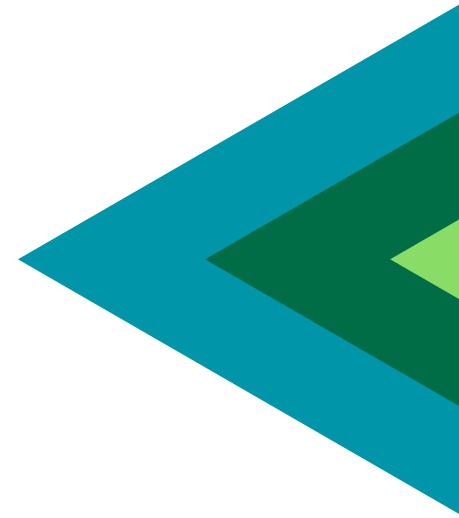
“As a global leader in developing innovative solutions, our goal is to play an important role in the Kingdom’s effort to diversify its economy through knowledge and technology transfer. We will work closely with the Saudi government to enhance our manufacturing investment plans, invest in specialized research and development centers, and create high-value, technically sophisticated jobs.”

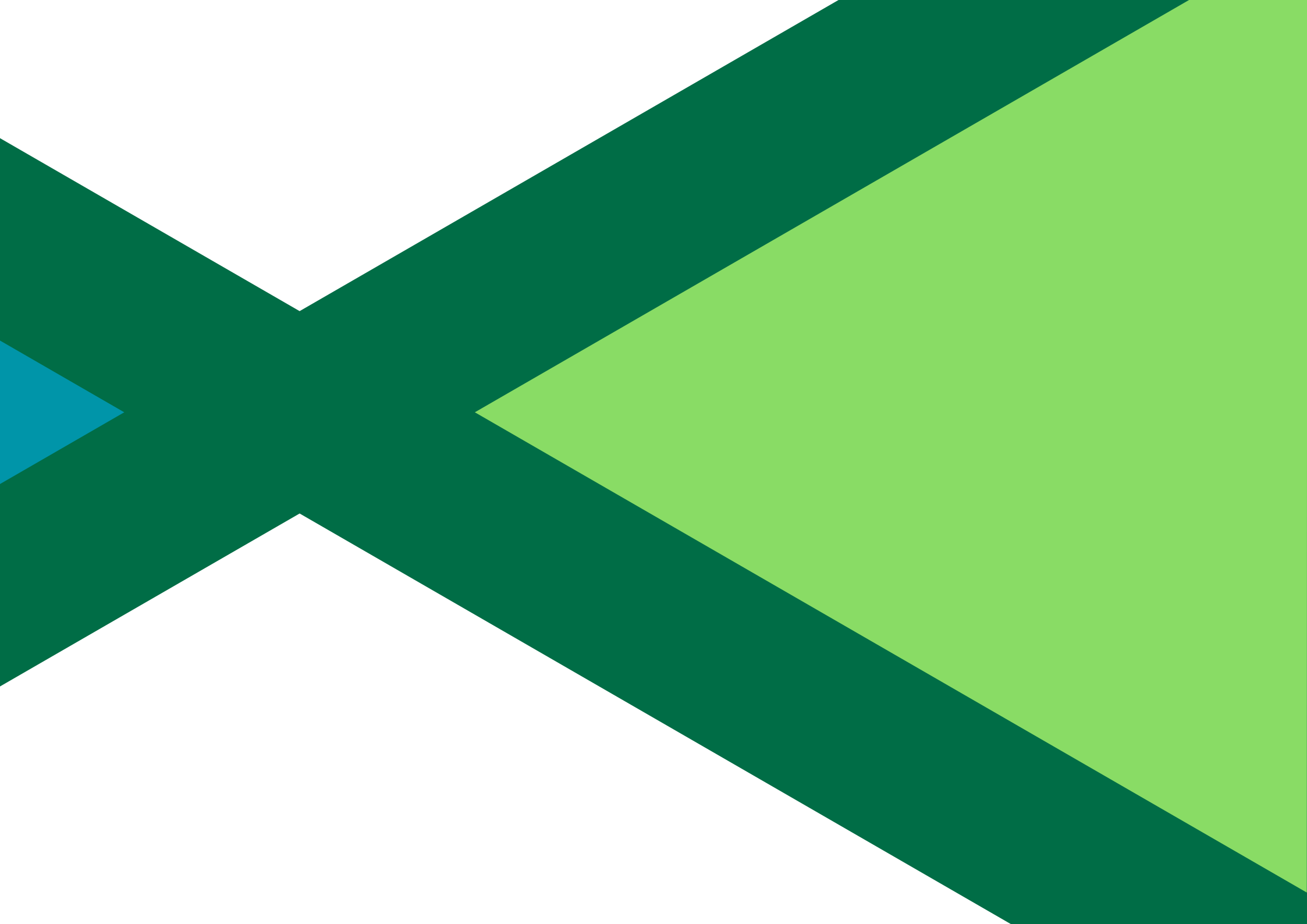
H. C. Shin

Executive Vice President for
International Operations 3M



3M





ABOUT SAUDI GENERAL INVESTMENT AUTHORITY

Saudi General Investment Authority is the Kingdom's investment promotion agency. Our priorities are to attract and develop foreign investment, enhance the nation's investment climate, increase the ease of doing business, and eliminate obstacles from investors' journey.

CONTACT US NOW

To discover the countless opportunities, across major economic sectors, that Saudi Arabia has to offer:

HEADQUARTERS

Imam Saud Bin Abdulaziz Road

T + 966 11 203 5555

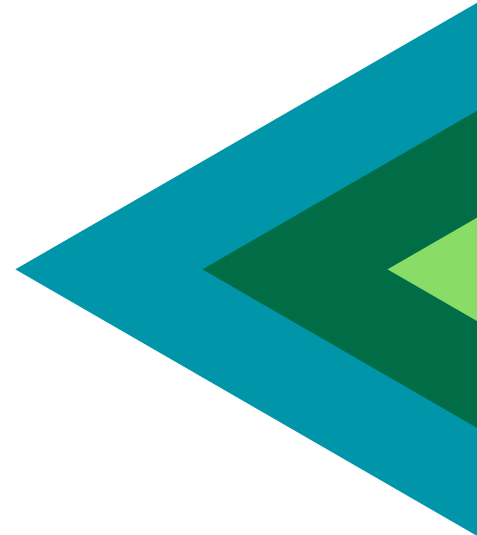
F + 966 11 263 2894

E invest@sagia.gov.sa

P.O. Box 5927, Riyadh 11432

Kingdom of Saudi Arabia

investsaudi.sa



investsaudi.sa

