



PIF

الاستثمارات العامة
Public Investment Fund

INVESTED IN BETTER

PIF Annual Report
2023



Custodian of the Two Holy Mosques

**KING SALMAN BIN
ABDULAZIZ AL SAUD**



His Royal Highness Prince

**MOHAMMED BIN SALMAN
BIN ABDULAZIZ AL SAUD**

Crown Prince and Prime Minister
Chairman of the Council of Economic and Development Affairs
Chairman of the Public Investment Fund

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ABOUT PIF

AT A GLANCE



AT A GLANCE

VISION

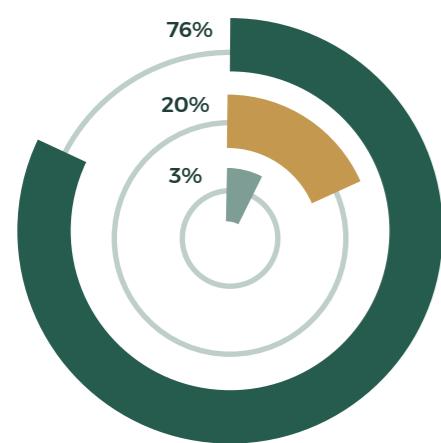
To be a global investment powerhouse and the world's most impactful investor, enabling the creation of new sectors and opportunities that will shape the future global economy, while driving the economic transformation of Saudi Arabia.

MISSION

To actively invest over the long term to maximize sustainable returns, be the investment partner of choice for global opportunities, and enable the economic development and diversification of the Saudi economy.

PORTFOLIO PERFORMANCE ANALYTICS

AuM Breakdown¹

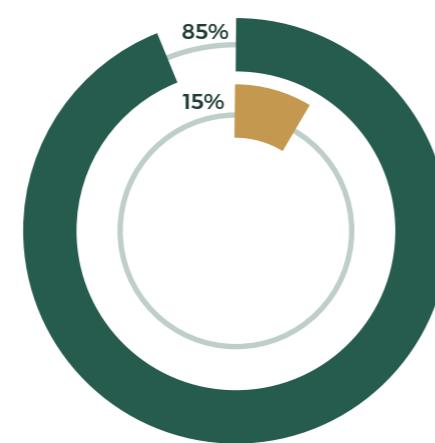


■ Local Investments
■ International Investments
■ Treasury

INTERNATIONAL SUBSIDIARY OFFICES



Management Type



■ Internally Managed
■ Externally Managed

Assets Under Management



SAR
2,871
BN¹

Total Shareholders Return²



8.7%

Total Employees



2,553

Companies Established in 2023



23

Jobs Created up to 2023³



730,249

STRATEGIC REVIEW



GOVERNOR'S STATEMENT



**H.E. Yasir Bin Othman
Al-Rumayyan**
Governor of the Public
Investment Fund

INVESTMENT FOR IMPACT

During a year of progress and widespread achievement, PIF has continued to deliver on its mandate as the driving force of Saudi Arabia's sustainable economic transformation and diversification. With a bold vision and increasing global reach, PIF unveiled new giga-projects, launched new portfolio companies across strategic sectors, forged landmark strategic partnerships and accelerated ahead of financial return targets – in line with the goals of its Vision Realization Program (VRP) 2021-2025. As a long-term investor and catalyst of change, PIF continues to invest in high-impact projects, companies and partners that are diversifying the Saudi economy, creating new opportunities for investment and shaping the global industries of the future.

RESILIENCE AND DIVERSIFICATION

Vision 2030 remained a guiding force in Saudi Arabia's economic diversification, aiming to modernize the economy, stimulate innovation and establish Saudi Arabia as a leading global investment destination. Significant strides were made toward Vision 2030 objectives through strategic investments, economic diversification and focus on quality of life.

Saudi Arabia's economic performance in 2023 demonstrated resilience and adaptability amid a challenging economic landscape. The outlook for the Saudi economy remains positive, supported by strong non-oil GDP growth, robust consumption spending and expedited project implementation. However, geopolitical risk, conflicts and economic uncertainty, both regionally and globally, have the potential to affect oil prices and the wider financial landscape, and highlight the need to continue building economic resilience and investing in economic diversification.

PROGRESS AND PERFORMANCE

With SAR 2.87 trillion in assets under management (AuM), an increase of 29% from SAR 2.23 trillion as of year-end 2022, PIF delivered on its growth mandate in 2023.

Since 2015, when PIF refocused its resources and expertise to become Saudi Arabia's primary economic engine, it has propelled Saudi Arabia's economic growth and diversification. In less than a decade, it has launched five giga-projects that have captured the world's imagination, created over 90 portfolio companies and championed the development of strategic sectors, ensuring a robust and diverse economic framework. With an annual average investment of SAR 150 billion in the local economy.

PIF's multifaceted approach to economic development and diversification is built upon the eight strategic pillars of its VRP, which collectively maximize PIF's impact and contribute to achieving Vision 2030's second pillar of a prosperous economy.

The VRP propels local sectors by identifying and nurturing 13 strategic sectors critical to the domestic market. The program prioritizes the five giga-projects' development, while leveraging technology and knowledge to stimulate the economy and diversify beyond oil.

PIF supports national development by enhancing supply chains, Saudization and private-sector engagement. On the global stage, PIF seeks to diversify its assets through international partnerships and investments, aligning with global trends and diversifying wealth sources. Additionally, PIF fosters cooperation among its investment portfolios to create strategic value and improve sustainability and governance.

Financially, it aims to diversify funding sources and strengthen its position to support high-growth projects. Institutionally, enhancing PIF's structure ensures that it remains an engine of innovation, intellectual leadership and economic development, thus amplifying its contribution to Vision 2030's objectives.

Through the effective execution of these priority areas, PIF ranked as the sixth largest sovereign wealth fund (SWF) in the world by AuM as of year-end 2023, according to SWF Institute. PIF's prominence on the world stage has continued to rise alongside its asset portfolio, in line with its expansion strategy and international growth ambitions. This elevated standing was highlighted during the year as the Global SWF ranking of PIF rose 64 places from 71st the previous year to seventh globally as of year-end 2023, according to Global SWFs Governance, Sustainability and Resilience (GSR) rating.

With
SAR 2.87 TN
PIF delivered on its growth
mandate in 2023

2023 HIGHLIGHTS AND ACHIEVEMENTS

The year 2023 offered significant growth and accelerated achievements across many of PIF's strategic pillars and sectors domestically, including the unveiling of Diriyah Company as the fifth giga-project, the announcement of Riyadh Air as a new national airline and Lifera, an innovative investment company poised to transform Saudi Arabia into a premier hub for pharmaceutical manufacturing, and a new joint venture with Ma'aden, creating Manara Minerals. Furthermore, the newly announced New Murabba Development Company that will oversee the development of the world's largest modern downtown in Riyadh, is complemented by the launch of Al Balad Development Company, dedicated to transforming the historic Jeddah district of Al Balad into a global tourist destination.

These highlights are just a few examples of the many achievements involving the nation's giga-projects and PIF's 200-plus portfolio companies across the Middle East and North Africa. Overall, total net cash returns for both Saudi Sector Development (SSD) and Saudi Equity Holdings (SEH) pools reached SAR 42 billion for the year, substantially exceeding the SAR 20 billion target. This performance contributed to 19.4% and 10.8% Total Shareholder Return (TSR) of the SSD and SEH pools, respectively since the VRP's inception in 2017, both significantly ahead of 2023 targets. The Saudi Real Estate and Infrastructure Development (SREID) pool increased 15% year-on-year to reach SAR 233 billion in AuM and launched 12 new companies during the year.

With respect to PIF's international pools and program, total AuM reached SAR 586 billion as of year-end 2023, an increase of 14.3% compared to the previous year, well ahead of its 2023 target. The International Strategic Investments (ISI) pool plays a pivotal role in strengthening PIF's expansive international portfolio. By deploying capital with a long-term perspective and a focus on impactful investments, the ISI pool fosters strategic partnerships that generate substantial returns over time. This focus on long-term value creation contributes significantly to the stability and sustainability of PIF's overall portfolio. Meanwhile, the International Diversified Pool (IDP) contributed to curating a well-balanced, risk-weighted portfolio across a diverse array of asset classes in Saudi Arabia and the world, and the International Capital Markets Program grew total AuM across its diversified portfolio to SAR 190 billion.

The launch of PIF's inaugural Private Sector Forum was an important milestone in highlighting opportunities for local businesses to align with and support PIF's mandate. At the event, several key initiatives were unveiled, including MUSAHAMA, the local content growth program, and the Suppliers Development Program. The hub promises to offer private-sector companies enhanced visibility into supplier and investment opportunities within PIF and its subsidiary companies.

With respect to PIF's international pools and program, total AuM reached

SAR 586 BN

as of year-end 2023

SUSTAINABILITY AND GOVERNANCE

PIF reinforced its sustainability credentials during the year 2023, raising \$5.5 billion through its second international green bond issuance. The funds will finance or refinance eligible green projects, aligning with PIF's Green Finance Framework and the Saudi Green Initiative. The successful issuance, which has received "Emerging Markets Loan of the Year" and the "Middle East Loan of the Year" awards, underscores PIF's robust financial health and strong credit profile. It also marks another funding source diversification milestone, and champions impactful green investments within Saudi Arabia.

Demonstrating its ongoing commitment to global governance best practices, PIF implemented voluntary compliance with CFA Institute's Global Investment Performance Standards (GIPS®), which encompasses all of PIF's activities. PIF is one of the few SWFs globally to adhere to GIPS®, underscoring the high standards PIF sets for itself in reporting, transparency and integrity. This significant step follows the publication of PIF's recent annual reports and bond prospectus, as well as its standalone credit rating¹, which was reaffirmed during 2023 as the second highest among SWFs globally.

FOCUS AND AMBITION

Building on the progress achieved over the first three years of the VRP 2021-2025, PIF is poised to deliver even greater economic impact. PIF will maintain its strategic focus to develop and diversify Saudi Arabia's wealth by continuing to invest locally to unlock the growth potential of the nation's priority sectors, and internationally to expand and diversify its asset base.

PIF has set ambitious goals within its strategy, including: increasing its total AuM to approximately SAR 4 trillion, driving PIF and its subsidiaries' contribution to non-oil GDP to a cumulative SAR 1.2 trillion. Additionally, PIF and its subsidiaries aim to contribute to 60% of local content and increase cumulative non-governmental investment to SAR 1.2 trillion, encompassing both local and foreign direct investments. These ambitious targets reflect PIF's strategic role in diversifying the Saudi economy beyond oil, fostering economic growth and driving investment in Saudi Arabia's future.

PIF and its portfolio companies aim to contribute to

60%
of local content

PIF reinforced its sustainability credentials during the year 2023, raising

USD 5.5 BN

through its second international green bond issuance

ACKNOWLEDGEMENTS

As we reflect on another year of outstanding progress, I would like to take this opportunity to express my deepest gratitude to the Board of Directors and its committees. Their strategic guidance, unwavering support, and commitment to excellence were instrumental in achieving these remarkable accomplishments. Under the wise leadership of the Custodian of the Two Holy Mosques King Salman Bin Abdulaziz Al Saud and His Royal Highness Prince Mohammed bin Salman bin Abdulaziz Al Saud, Crown Prince, Prime Minister, Chairman of Council of Economic and Development Affairs, and Chairman of the Public Investment Fund, the Board's dedication has been truly invaluable.

I would also like to extend my appreciation to PIF's executive management, employees and stakeholders for their respective contributions and support in PIF's continued march toward its strategic ambitions.

PIF enters 2024 with strong momentum, a clear vision and confidence in our ability to deliver solid growth and returns, as we seek to accelerate impact and value creation for Saudi Arabia, its people and all stakeholders.

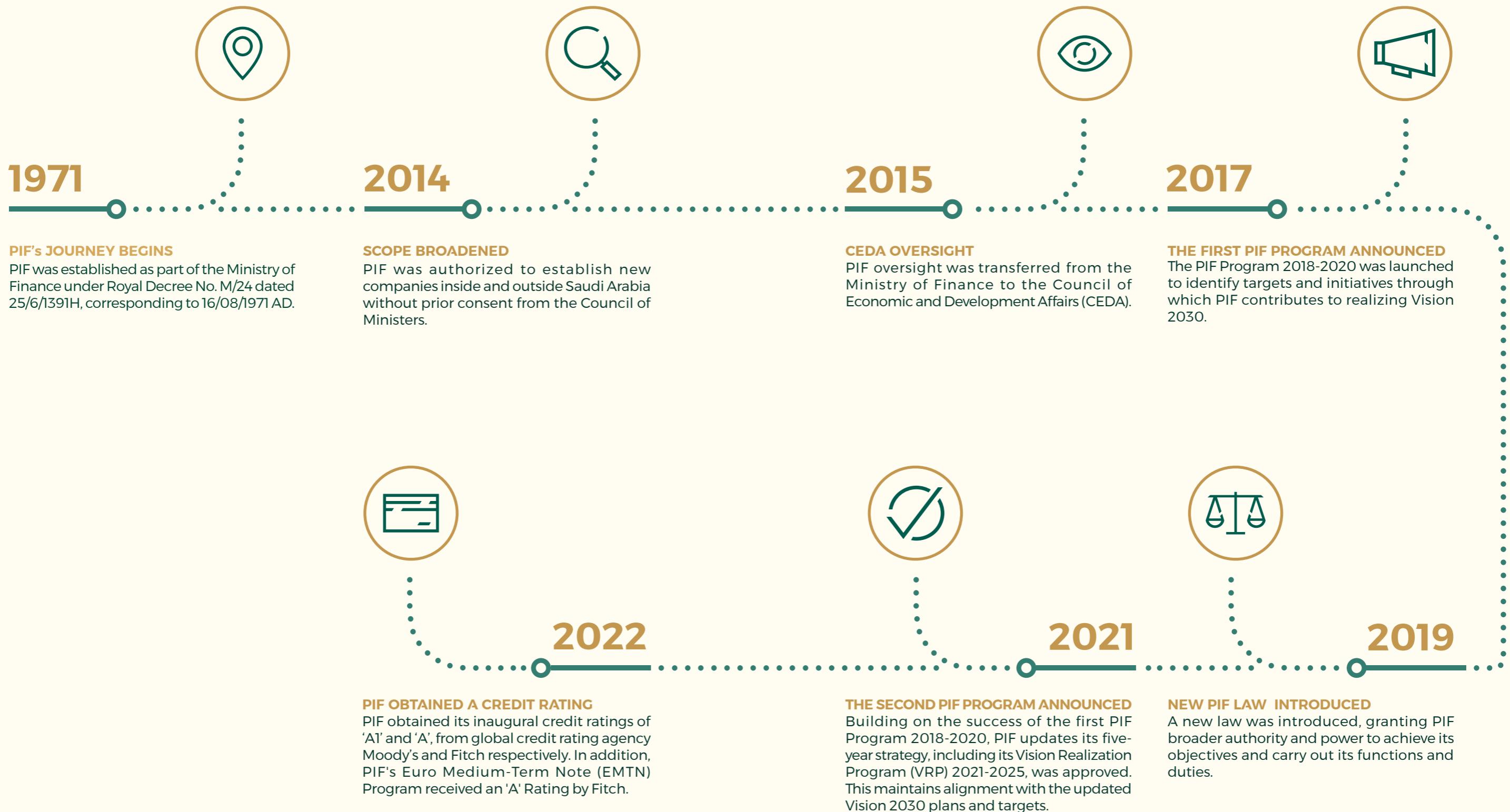
H.E. Yasir Bin Othman Al-Rumayyan

Governor of the Public Investment Fund



PIF HISTORY

For over five decades, the Public Investment Fund has been a catalyst for the development, diversification and transformation of the economy. Over the years, PIF's mandate, stature and portfolio have steadily increased, both at home and abroad, driving the evolution of strategic sectors and increasing value for Saudi Arabia and its people.



A YEAR IN REVIEW 2023

The Public Investment Fund delivered significant growth and made strong progress toward its Vision Realization Program objectives during 2023. Across Saudi Arabia and around the world, PIF leveraged its scale, stature, reach and expertise to forge landmark partnerships, accelerate strategic sectors, and diversify its expanding asset base for continued growth and value creation.





FIRST QUARTER

- HRH Crown Prince unveiled [Diriyah Project](#) as the fifth giga-project.
- PIF announced the establishment of [Manara Minerals](#) with Ma'aden, to invest globally in mining assets.
- HRH the Crown Prince announced the creation of [New Murabba Development Company](#) to develop the world's largest modern downtown in Riyadh.
- PIF issued its second international bond of \$5.5 billion to finance or refinance eligible green projects.
- PIF announced [Riyadh Air](#) as a new national carrier to expand Saudi Arabia's aviation ecosystem locally and globally.
- ROSHN unveiled [ALFULWA](#), its fourth residential community and first in the Eastern Province.
- PIF announced the acquisition of a 30% share of [Saudi Tabreed](#), a leading district cooling service provider.
- PIF announced the investment of \$1.3 billion in four leading companies in Saudi Arabia's construction services sector.
- PIF launched the inaugural [Private Sector Forum](#) to showcase opportunities for local businesses.



SECOND QUARTER

- NEOM Green Hydrogen Company (NGHC) closed on the world's largest green hydrogen production facility with a total investment value of \$8.4 billion.
- Red Sea Global launched [Akun](#), a new adventure sports company.
- PIF acquired a 30% share of [Tamimi Markets](#), one of Saudi Arabia's leading grocery chains.
- PIF announced the establishment of [Badael](#) to reduce smoking prevalence in Saudi Arabia.
- Pharmaceutical Manufacturing Company, [Lifera](#), was established to enable the domestic healthcare ecosystem.
- PIF announced the acquisition of 100% of the shares of [Thiqah Business Services Company](#).
- HRH the Crown Prince announced investment and privatization for sports clubs in Saudi Arabia.
- PIF secured the first rank in the Middle East and seventh globally among 100 sovereign wealth funds according to the [Global SWF ESG](#) ratings, achieving a remarkable 92% increase in its ESG index.



THIRD QUARTER

- A national champion in the Saudi Arabian steel industry was established in partnership with [SABIC](#) and [Rajhi Invest](#).
- PIF announced the launch of [SURJ Sports Investment company](#) to develop a world-class sports sector in Saudi Arabia and MENA.
- Asfar tourism investment company was launched to drive the growth of tourism projects and destinations across Saudi Arabia.
- Red Sea Global partnered with [Zain KSA](#) to launch the world's first zero-carbon 5G network.
- Regional Voluntary Carbon Market Company (RVCMC) sold over 2.2 million tons of carbon credits at the largest-ever voluntary carbon credit auction event held in Kenya.
- HRH the Crown Prince launched the master plan to develop [Soudah](#) and parts of [Rijal Almaa](#) into [Soudah Peaks](#), a luxury mountain tourism destination on Saudi Arabia's highest peak.
- Lucid Group announced the opening of the first-ever car manufacturing facility in Saudi Arabia, which has the capacity to assemble 5,000 vehicles per annum. Additionally, [Lucid](#) aims to transition the facility to produce vehicles with an annual total capacity of 150,000 vehicles.



FOURTH QUARTER

- PIF's inaugural \$3.5 billion international sukuk-bond represented another significant milestone in PIF's capital-raising strategy.
- PIF and [Pirelli](#) formed a joint venture to localize tire production and technologies as part of the Saudi automotive sector.
- ROSHN Group was the first in the region to achieve international Smart City certification.
- PIF-backed [ADES Holding](#), a leading oil and gas driller, raised \$1.22 billion in a successful IPO.
- Albalad Development Company was launched to develop Jeddah's historic district, a [UNESCO World Heritage Site](#).
- PIF raised a syndicated term loan, covered by K-SURE, for up to \$5 billion.
- [Diriyah Gate Company Limited](#) launched its first residential project: The Ritz-Carlton Residences.
- PIF announced [Dan Company](#) to specialize in agritourism and ecotourism, in partnership with local communities.
- Red Sea Global opened the Six Senses Southern Dunes, The Red Sea, the first resort to open in the Red Sea.
- [Rocco Forte Hotels](#) signed an agreement with PIF, which saw PIF invest GBP 650 million to acquire a 49.9% ownership stake of the London-headquartered hotel operator, which has 15 hotels and resorts across several European cities.

PIF VISION REALIZATION PROGRAM

The Public Investment Fund is a cornerstone in Saudi Vision 2030, tasked with driving sustainable and transformative economic change. Focused on strengthening the local economy and building its international asset portfolio, PIF is dedicated to maximizing sustainable returns and fostering economic diversification.



In 2021, PIF launched its Vision Realization Program 2021-2025, marking a critical step in the Fund's evolution and the alignment of its investments with national priorities and ambitions. The VRP emphasizes PIF's role in propelling Saudi Arabia toward a diversified and sustainable economic future, positioning the Fund as a pivotal player in Saudi Arabia's broader economic narrative.

EXPECTED IMPACT BY 2025

Cumulative Non-oil GDP Contribution

SAR 1.2 TN

Cumulatively.

Job Creation

1.8 MN

Direct, indirect and induced jobs.

Contribution to Local Content

60%

Including PIF and its portfolio companies.

Cumulative Non-governmental Investments

SAR 1.2 TN

Includes domestic and foreign direct investment.

13 STRATEGIC SECTORS OF FOCUS

 Aerospace and Defense

 Real Estate

 Metals and Mining

 Consumer Goods and Retail

 Automotive

 Entertainment, Leisure and Sports

 Utilities and Renewables

SOURCE OF FUNDING

- Capital injections from the government
- Government assets transferred to PIF
- Loans and debts instruments
- Retained earnings from investments

DIRECT OBJECTIVES

- Grow the assets of PIF
- Unlock new sectors through PIF
- Build strategic economic partnerships through PIF
- Localize cutting-edge technology and knowledge through PIF

2025 TARGETS

Assets Under Management (AUM)

SAR 4 TN

Baseline: SAR 1.5 Tn in 2020.

New Local Investments

SAR 150 BN

Annual Minimum.

STRATEGIC PILLARS

- Launch and grow domestic sectors
- Develop domestic real estate projects
- Develop giga-projects
- Grow and diversify PIF's assets internationally
- Support national development and enable Vision 2030
- Exploit portfolio synergies and create strategic and operational value
- Diversify funding and strengthen PIF's balance sheet
- Strengthen PIF as an institution

Share of PIF Assets in New Sectors

21%

Baseline: 1.5% 2020.

Share of PIF Assets in International Sectors

24%

Baseline: 30% in 2020.

SHOWCASING PIF

MANARA MINERALS

BREAKING GROUND TOWARD GLOBAL MINING LEADERSHIP

In an era when economic diversification and strategic resource management are paramount, PIF and the Saudi Arabian Mining Company (Ma'aden) have established Manara Minerals to set a new benchmark for global mining investments. This innovative collaboration aims to secure essential minerals for Saudi Arabia and the world.

Manara Minerals, which is 51% owned by Ma'aden and 49% by PIF, focuses on iron ore, copper, nickel and lithium – all key elements driving the future of industry and renewable energy technologies.

DEVELOPING THE MINING SECTOR AS SAUDI ARABIA'S THIRD ECONOMIC PILLAR

At the heart of this initiative is a commitment to Saudi Arabia's economic growth and diversification, aligned with the goals of Vision 2030 as well as Ma'aden's 2040 Strategy. The joint venture, underpinned by a \$50 million capital investment, strategically positions the country as a crucial player in global supply chain resilience.

By taking minority equity positions in essential mining assets worldwide, the partnership ensures a reliable supply of critical minerals, fostering domestic downstream sectors.

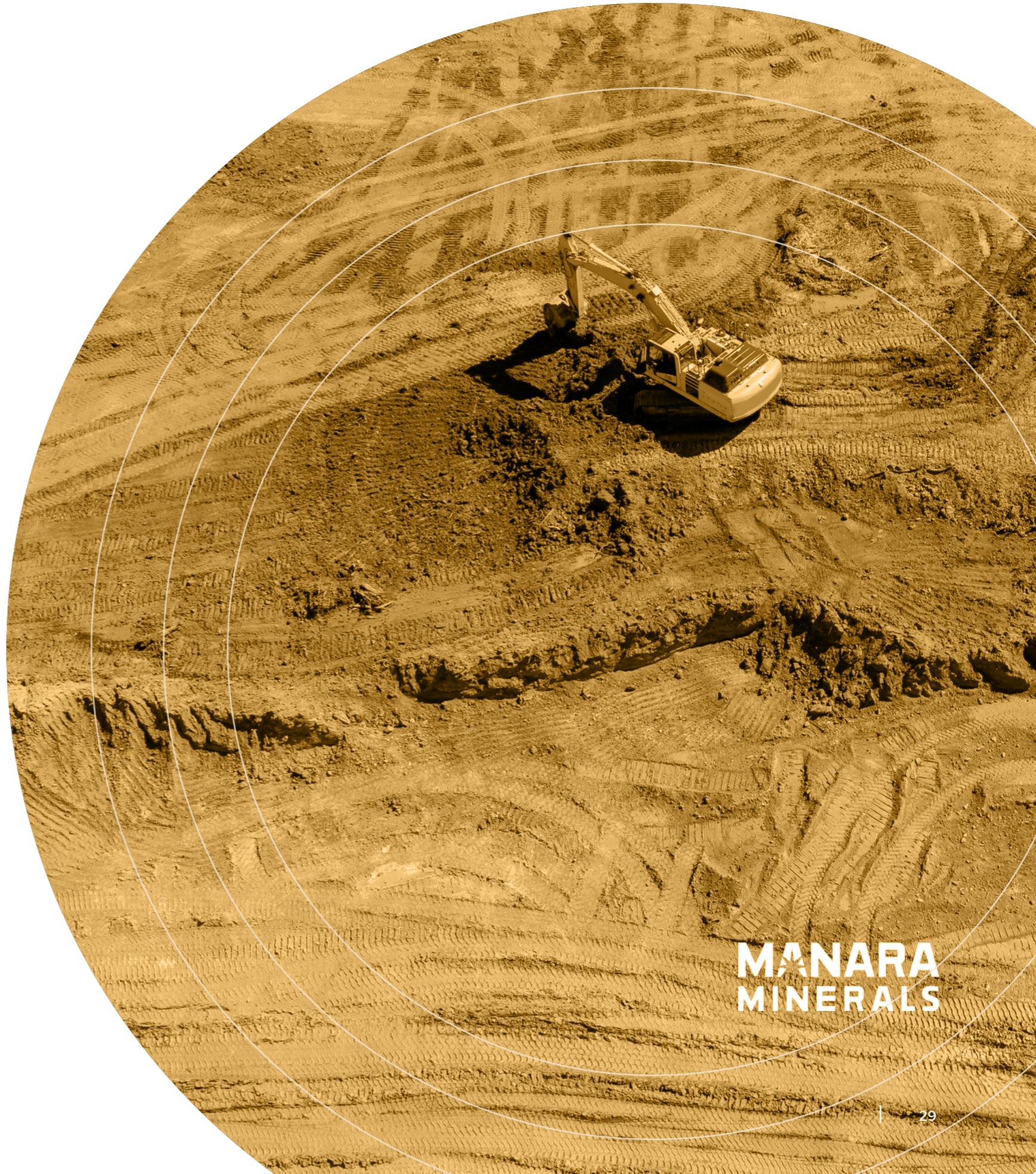
A FUTURE FORGED IN STRATEGIC MINERALS

Focusing on minerals essential for renewable energy and battery storage, the initiative addresses major supply constraints while meeting growing demand for future metals.

Manara Minerals is owned

51%
by Ma'aden and

49%
by PIF





RIYADH AIR

A NEW HORIZON IN GLOBAL AVIATION

The launch of Riyadh Air, Saudi Arabia's new national airline, marks local and global milestones in the travel and aviation sector. It will position Riyadh as a hub connecting the Saudi capital to over 100 destinations worldwide by 2030.

The vision is to leverage Saudi Arabia's unique geographic location bridging Asia, Africa, and Europe, and transform Riyadh into a global gateway for transportation, trade, and tourism.

A GATEWAY TO SAUDI ARABIA

Riyadh Air will also act as a bridge to Saudi Arabia's rich cultural and natural heritage, offering tourists from around the globe the chance to explore an exceptional travel experience enriched by unparalleled Saudi hospitality.

This move aligns perfectly with the Saudi National Transport and Logistics Strategy and the National Tourism Strategy to enhance air transport, increase cargo capacity, and boost international passenger traffic.

A CATALYST FOR DIVERSIFICATION AND GROWTH

A wholly owned PIF subsidiary, Riyadh Air boasts a leadership team of Saudi and international experts, blending local insight and global expertise. Set to unlock the potential of the aviation sector, it is poised to contribute \$20 billion to non-oil GDP growth and create over 200,000 direct and indirect jobs.

This ambitious project aligns seamlessly with Vision 2030, heralding a new era of prosperity and sustainability for the nation. Alongside the King Salman International Airport master plan, Riyadh Air is a testament to PIF's commitment to enhancing Saudi Arabia's aviation ecosystem, ensuring its financial resilience and global competitiveness.

Riyadh Air is poised to contribute

USD 20 BN

to non-oil GDP growth and create over

200,000

direct and indirect jobs.

LIFERA

BRINGING A NEW PHARMACEUTICAL CHAMPION TO LIFE

Lifera, a pioneering pharmaceutical investment company, is set to transform Saudi Arabia as a hub for pharmaceutical manufacturing, marking a new era in medical innovation and accessibility.

Addressing critical healthcare needs while bolstering national and global health security, Lifera is a commercial-scale contract development and manufacturing organization dedicated to the production of life-saving pharmaceuticals including insulins, vaccines, plasma therapeutics.

LIFERA STRENGTHENS INSULIN PRODUCTION WITH 70% SAUDIBIO ACQUISITION

To accelerate domestic insulin production and fortify national healthcare security, Lifera strategically acquired a 70% stake in SaudiBio, a leading insulin manufacturer in Saudi Arabia. This integration leverages SaudiBio's expertise and existing partnerships, ensuring a dependable supply chain for this critical medication.

EMPOWERING LOCAL CAPACITY THROUGH GLOBAL PARTNERSHIPS

Lifera will manufacture, stockpile, supply and ensure the availability of essential medicines through cutting-edge facilities and strategic collaborations both locally and internationally. By focusing on biologics, one of the pharmaceutical industry's fastest-growing segments, Lifera is poised to make a substantial impact in Saudi Arabia and beyond.

The company's approach to forging partnerships and attracting investments is designed to amplify local manufacturing capabilities, and drive the development of the domestic biopharmaceutical sector to new heights.

A VISIONARY APPROACH TO HEALTHCARE INNOVATION AND ECONOMIC GROWTH

Lifera heralds a new chapter in healthcare in Saudi Arabia, promising a future where access to essential medicines and treatments is secured for all. Lifera offers high-value formulation development, medicine manufacturing and testing services for sterile pharmaceutical products. It is aligned with the global healthcare market's trajectory, anticipated to see rapid advancements in medicine, therapies and treatment modalities over the next decade.

PIF's vision for Lifera is to catalyze the growth of the local healthcare ecosystem, creating vast opportunities for the private sector. By investing in Lifera, along with other key healthcare initiatives like the National Unified Procurement Company (NUPCO), it aims to enhance Saudi Arabia's supply chains and access to pharmaceuticals while also fostering job creation, skill development and technology transfer, reinforcing Saudi Arabia's position on the global healthcare map.

Lifera strategically acquired a

70%
stake in SaudiBio





ARDARA

BUILDING THE FUTURE OF TOURISM AND URBAN DEVELOPMENT

The launch of Ardara in the Aseer Region promises to redefine urban development and tourism in Saudi Arabia and is set to transform Saudi Arabia's southwest region into a vibrant urban center and premier tourist destination.

Drawing on Aseer Region's unique architectural style and rich heritage, Ardara will become a model of sustainable development and cultural celebration, aligning with Vision 2030 goals.

SUSTAINABILITY AND COMMUNITY AT THE HEART OF DEVELOPMENT

Spanning 2.5 million square meters, Ardara is designed with sustainability and quality of life as its guiding principles. The project dedicates over 30% of its area to lush green spaces, featuring more than 16 kilometers of waterfront and 17 kilometers of sports trails, fostering a community-centered lifestyle rich in cultural and recreational activities.

With plans to introduce five distinct districts, Ardara will offer residential, hospitality and leisure facilities, including 2,000 modern apartments and villas, luxury hotels, and commercial spaces, all thoughtfully integrated with the region's identity and historical significance.

A NEW ERA FOR ASEER REGION AND BEYOND

Ardara will act as a gateway for local and international investors to explore diverse opportunities in such sectors as hospitality, the arts, culture, food, agriculture, retail and entertainment. In line with PIF's strategy to invigorate key sectors and diversify Saudi Arabia's economy, Ardara is set to enable the private sector, creating substantial job opportunities for the local community and injecting SAR 19 billion into Saudi Arabia's non-oil GDP by 2030.

As Ardara evolves into a flagship destination, it embodies the future of Saudi Arabia's tourism and urban development and will elevate Aseer Region's appeal as a global tourist destination, while setting a new benchmark for innovative, sustainable urban planning and cultural enrichment.

Ardara dedicates over

30%
of its area to lush green spaces.

Ardara is set to inject

SAR 19 BN
into Saudi Arabia's non-oil GDP by 2030.

SECOND GREEN BOND

ADVANCING SAUDI ARABIA'S GREEN VISION

PIF once again demonstrated its pioneering role in sustainable finance by completing its second green bond issuance on February 10, 2023. The \$5.5 billion issuance is integral to financing eligible green projects, marking a significant step in aligning with PIF's Green Finance Framework.

Following the success of its inaugural green bond in October 2022 – the first by a sovereign wealth fund and a groundbreaking 100-year green bond – PIF continues to underscore its commitment to a green economy in Saudi Arabia and beyond.

OVERWHELMING STRONG GLOBAL INTEREST

The latest issuance attracted unprecedented interest, being more than six times oversubscribed with book orders exceeding \$33 billion. This enthusiasm reflects the global investment community's confidence in PIF's financial strength and its strategic vision for economic transformation.

Issued in three tranches of 7, 12, and 30 years, the bonds garnered attention from a diverse group of institutional investors worldwide, showcasing the widespread support for Saudi Arabia's green initiatives.

FUNDING A SUSTAINABLE FUTURE

PIF's green bond issuances are catalysts for driving impactful green investment across Saudi Arabia. The funds raised are earmarked for a range of eligible projects under PIF's Green Finance Framework, including renewable energy, energy efficiency, sustainable water management, pollution prevention and control, green buildings, clean transportation, and sustainable management of living natural resources and land use. This framework aligns with the International Capital Market Association's Green Bond Principles and the Loan Market Association's Green Loan Principles, ensuring best market practices.

PIF's continued success in the green finance arena sets a benchmark for sustainable investment, showcasing Saudi Arabia's proactive approach to environmental stewardship and economic diversification.

The latest issuance attracted unprecedented interest, being more than six times oversubscribed with book orders exceeding

USD **33** BN



PORTFOLIO REVIEW

Over five decades of increasing investment, the Public Investment Fund established itself as one of the world's preeminent sovereign wealth funds, renowned for its pioneering leadership, perceptive capital allocation, and significant contributions to the Saudi economy and global markets.

PIF actively manages a broad, diversified investment portfolio, encompassing a wide range of sectors, asset classes, and geographies. This multifaceted investment strategy has solidified PIF's status as a global investment powerhouse.

The impact of PIF's investments extends far beyond financial gain to touch the lives of millions of people across Saudi Arabia and beyond. As a dynamic force for transformative change, PIF's Vision Realization Program delivers meaningful and tangible economic and social benefits – today and for generations to come.

By the end of December 31, 2023, PIF delivered an annual average total portfolio return of 8.7% since the VRP's inception in 2017. This return was primarily driven by investments within Saudi Arabia, as well as international portfolio growth, as PIF continued to forge strong partnerships and enhance shareholder value.

TOTAL PORTFOLIO RETURN

8.7%
since VRP inception





PERFORMANCE REVIEW

The Public Investment Fund's broad and diversified investment portfolio is divided into the following six investment pools, in addition to its International Capital Markets Program and Treasury Pool:

- Saudi Sector Development
- Saudi Equity Holdings
- Saudi Real Estate and Infrastructure Development
- Saudi Giga-Projects
- International Strategic Investments
- International Diversified Pool

In line with PIF's Strategy 2021-2025 and Vision 2030, investments are guided by the following principles:

- Diversifying and enhancing wealth by investing across a balanced and broad portfolio to increase return on investments.
- Transforming the domestic economy through cornerstone investments in projects and companies across four domestic investment pools.
- Enabling some of the world's most innovative and transformational sectors and companies in PIF's international investment pools, as a global investment powerhouse.

PERFORMANCE REVIEW 2023



With SAR 2,871 Bn under management, the investments have been diversified with International investments comprising 20%, Local investments 79% (Including Treasury Pool) of the total, with the remaining 1% pertaining to the receivables from other parties.

THE PUBLIC INVESTMENT FUND'S PERFORMANCE IN 2023



**Total Shareholder
Return Since VRP
Inception (Per Annum)¹**

8.7%

The investments have been spread over a wide range of industries, and according to the Global Industry Classification Standard (GICS), they are represented as follows:





SAUDI INVESTMENT POOLS

SAUDI EQUITY HOLDINGS (SEH)

PIF is a key enabler for established and emerging Saudi businesses in key growth sectors, and invests strategically to enable their growth and the sectors overall. It acts as a bridge between companies, sectors and the nation's priorities, catalyzing economic development and driving progress toward Vision 2030 goals.

PIF's SEH portfolio consists of over 15 publicly listed Saudi companies with a combined market cap of over SAR 634 billion. It also includes two private sector Saudi companies, as well as other local funds focused on Saudi Stock Exchange listed equities.

The SEH pool supports this broad and growing portfolio of established leaders and high-growth companies to fulfill their potential as regional and global leaders in their sectors, thereby optimizing and maximizing value for PIF.

SEH portfolio consists of over

15

publicly listed Saudi companies with a combined market cap of over

SAR **634 BN**

SAUDI SECTOR DEVELOPMENT (SSD)

Over the past five decades, the Public Investment Fund has powered the Saudi economy's development and diversification, deploying strategic capital into high-priority sectors and growing industry champions.

In line with the objectives of PIF's VRP, the SSD investment pool is focused on establishing and promoting the growth of high-priority sectors in the Saudi economy. By investing in promising domestic sectors, it aims to accelerate diversification and dynamism in the economy and unlock potential through direct and indirect investments in new and emerging sectors and companies.

With over 100 companies¹ valued at over SAR 943 billion, PIF's SSD portfolio continued to achieve remarkable milestones and create value for PIF, their industries, their customers and the wider society in 2023, driving economic development, localizing cutting-edge talent, and creating private sector employment opportunities for Saudis – today and for the future.

2023 PERFORMANCE

SAR 943 BN
(an increase of 101% in AuM compared to the previous year)

representing
33%
of PIF's Total AuM



SEH AND SSD POOL ACHIEVEMENTS IN 2023

AEROSPACE AND DEFENSE

- PIF invested in [Saudia Technic](#) to advance the maintenance, repair and overhaul (MRO) of aircraft in Saudi Arabia, including the development of an approximately 1 million square meters MRO in public and private village that features a state-of-the-art jet propulsion center.
- AviLease signed a deal with [Avolon](#) to acquire a portfolio of 13 aircraft valued at \$725 million from Avolon and raised \$1.1 billion in unsecured debt from a consortium of international and local banks. In a separate transaction, AviLease also acquired Standard Chartered's aircraft leasing platform (FASTNET) for SAR 3.6 billion, marking one of the largest acquisitions in 2023 by a PIF portfolio company.
- Saudi Arabian Military Industries (SAMI) launched the [SAMI Land Systems Industrial Complex](#), a new industrial complex that will build local capabilities in the manufacturing, engineering, testing, and maintenance, repair and overhaul of defense land systems.
- SAMI with [Ministry of Defense](#) and the support of the [General Authority of Military industry](#), announced the inauguration of a new production line dedicated to software-defined multi-band radio systems in Riyadh. The production line, in collaboration with [L3Harris Technologies](#) and the [SAMI-L3Harris Joint Venture](#) will be a national leader in the field of electronic manufacturing capabilities.
- The [Helicopter Company](#) expanded its Leonardo AW139 twin-engine fleet by adding seven helicopters to reach a total of 16. It also acquired six additional Airbus H145s helicopters, to reach a total of 11. Overall, its fleet expanded to 46 helicopters as of the end of 2023 to better serve its customers. In addition, the THC air medical service program, carried out in cooperation with SRCA, saved 1,523 lives during 2023.
- The [National Security Services Company \(SAFE\)](#) acquired the Cash Management Services Business unit of [ABANA Enterprises Group](#), expanding SAFE's services offering in local and regional markets by providing services for the transit of cash and valuable goods.

AviLease signed a deal with Avolon to acquire a portfolio of

13 aircraft

valued at

USD 725 MN



AUTOMOTIVE

- PIF and [Hyundai Motor Company](#) signed a joint venture establishing a new automotive manufacturing plant in Saudi Arabia to manufacture 50,000 vehicles per year, including both internal combustion engines and electric vehicles.
- PIF and [Pirelli](#) signed a joint venture to establish a leading tire manufacturing facility in Saudi Arabia, localizing production, capabilities and technologies to create a national and regional champion.
- PIF and [the Saudi Electricity Company](#) signed a Joint Venture to launch the [Electric Vehicle Infrastructure Company \(EVIQ\)](#), with the aim of building best-in-class infrastructure and creating a nationwide network of fast-charging hubs for electric vehicles around Saudi Arabia.
- PIF announced [TASARU Mobility Investments](#) to enable the development of Saudi Arabia's automotive and mobility ecosystem.

BUILDING CONSTRUCTIONS, MATERIALS AND SERVICES

- PIF announced the investment of a total of \$1.3 billion in four leaders of Saudi Arabia's construction services sector: [Nesma & Partners Contracting Company](#), [ElSeif Engineering Contracting Company](#), [AlBawani Holding Company](#), and [Almabani General Contractors Company](#).



CONSUMER GOODS AND RETAIL

- [Noon](#) increased efficiency due to a stronger focus on business sustainability that led to the profit contribution of SAR 607 million per year.
- [PIF](#) became a shareholder with 30% ownership of [Tamimi Markets Company LLC](#), one of Saudi Arabia's leading grocery store chains, by way of a capital increase and subscription for new shares.

ENTERTAINMENT, LEISURE AND SPORTS

- [SURJ Sports Investment](#) acquired a minority equity ownership stake in [PFL](#) and will invest in a new regional league due to launch in 2024, PFL MENA, as well as supporting [PFL](#)'s expansion in Saudi Arabia and the wider MENA region.
- [Savvy Games Group](#) launched [VoV RFM](#) and finalized a \$4.9 billion acquisition of Scopely, a leading games publisher and developer with a track record of innovation and catalog of successful mobile first titles.
- [Sela](#) announced [Kingdom Arena](#), a multi-purpose venue that accommodates over 26,000 people, and hosts a large number of sport and music events during the year.
- [PIF](#) acquired 75% ownership of four Saudi football clubs: [Al Hilal](#), [Al Nasser](#), [Al Ahli](#), and [Al Ittihad](#).
- [Cruise Saudi](#) unveiled a new 335 meter vessel by [AROYA Cruises](#), reflecting Saudi Arabia's commitment to global tourism and maritime competitiveness.
- [Asfar](#) announced [Baheej](#), a diversified asset development and destination management firm, to enhance [Yanbu](#) through lifestyle and wellness offerings, and [KMC Company](#) to develop attractions in the Al-Baha region through two primary assets focusing on nature, adventure, recreation, and entertainment.



FOOD AND AGRICULTURE

- SALIC acquired 180 million shares of the Brazilian company (BRF), a global leader in the poultry sector, won a tender for General Food Security Authority (GFSA) first batch of 2023 to supply 355,000 tons of wheat, acquired 42.4% of National Aquaculture Group (NAQUA), and raised its stake in the National Agricultural Development Company (NADEC) from 32.46% to 38.65%.
- Saudi Coffee Company unveiled its Jazeen specialty coffee brand, launched its first retail pop-up store, signed an MoU for farming with the Jazan Mountains Development Authority, and signed an investment contract for a second model farm, 2.1 million square meters in Jazan .
- PIF announced the Sawani Company to grow the Saudi camel farming industry and actively contribute to its sustainable development.
- PIF announced Al Madinah Heritage Company to develop and enhance production of Saudi Ajwa Dates. The new company will play a key role in improving the quality and production capacity of Ajwa dates in the Madinah region.
- Halal Products Development Company (HPDC) signed a strategic partnership with Halal Development Corporation Berhad to amplify the Halal industry's growth within Saudi Arabia and globally.
- Halal Products Development Company (HPDC) forged a strategic partnership with U.S.-based Eat Just Inc., a pioneer in innovative food products, to help Eat Just obtain certification and approvals needed to operate as a Halal food distributor.



FINANCIAL SERVICES

- The Saudi Exchange (Tadawul) launched the Tadawul Size and IPO Indices.
- The GCC Exchanges Committee, chaired by The Saudi Exchange (Tadawul), published a unified set of ESG Disclosure Metrics, comprising 29 standards aligned with the World Federation of Exchanges and Sustainable Stock Exchanges Initiative.
- Tadawul Advanced Solutions Company (Wamid), the innovation arm of the listed Saudi Tadawul Group Holding Company, launched a meeting management platform under the name Liqaa, and completed the acquisition of DirectFN, an award-winning capital markets data solutions provider.
- Jada Fund of Funds Company invested in Iliad Partners venture capital initiative, Iliad Partners “Tech Ventures Fund I,” Aliph Capital’s GCC-focused “Aliph Fund I,” eWTP Arabia’s \$1 billion fund, and Ruya Partners’ \$250 million fund.
- Saudi Real Estate Refinance Company (SRC) completed its largest refinancing deal with Alrajhi Bank for more than SAR 5 billion, and completed a sukuk issuance of SAR 3.5 billion.
- Saudi Tadawul Group (STG) announced its first M&A transaction, the acquisition by WAMID of a 51% stake in DirectFN. It also introduced new indices and Single Stock Options.
- Saudi National Bank (SNB) delivered 10% growth in total assets to exceed SAR 1 trillion.
- Gulf International Bank (GIB) KSA successfully raised SAR 1.5 billion through a debut issuance of a 10-year Tier 2 sukuk under the bank’s inaugural SAR 3 billion Tier 2 Sukuk program.
- Sanabil Investments continued to serve and develop the Saudi Arabian startup ecosystem through their innovative Venture Studio in partnership with Stryber, in which \$14 million in capital has been deployed during the first year of operations.
- Regional Voluntary Carbon Market Company (RVCMC) sold over 2.2 million tons of carbon credits at largest-ever voluntary carbon credit auction event in Nairobi, Kenya.



HEALTHCARE

- PIF announced **Badael** to produce innovative new reduced-risk alternatives to combat smoking-related diseases, aiming to help nearly 1 million people in Saudi Arabia quit smoking by 2032.
- PIF announced the **Pharmaceutical Investment Company (Lifera)**, a commercial-scale contract development and manufacturing organization, to enable the growth of the local biopharmaceutical industry, strengthen national resilience, and support Saudi Arabia's position as a global pharmaceutical manufacturing destination.



METALS AND MINING

- PIF, Aramco and Baosteel entered a shareholders' agreement for the establishment of the first integrated steel plate manufacturing complex in Saudi Arabia.
- PIF, SABIC and Rajhi Invest signed agreements upon the completion of which PIF and Rajhi Invest will become sole shareholders of the Saudi Iron & Steel Company (Hadeed), which as part of the transaction will also acquire Rajhi Steel, thereby forming a national champion to lead the transformation of the Saudi steel sector.
- PIF signed an agreement to invest in Alkhorayef Petroleum, the leading GCC-based artificial lift systems manufacturer and services provider.
- TAQA completed the acquisition of UAE-based AlMansoori Petroleum Services, the GCC's leading well testing and slickline services provider.
- Offshore contract drilling company ADES successfully completed its initial public listing on Tadawul.
- In a significant move to bolster its domestic mining capabilities and future production pipeline, Ma'aden has undertaken three key initiatives. First, Ma'aden acquired 9.9% of the shares of Ivanhoe Electric Inc. and formed a 50/50 joint venture to undertake one of the largest exploration programs ever conducted. Second, Ma'aden entered a framework agreement with Metso and Thyssenkrupp Uhde for the development and licensing of Ma'aden's Integrated process concept, aiming for greenfield facilities at Ras Al Khair in Saudi Arabia. Finally, Ma'aden discovered significant gold resource potential extending along a 100 km strike from the existing Mansourah Massarah gold mine, the first find from the company's extensive exploration program launched in 2022 to build Ma'aden's production pipeline.



TELECOM, MEDIA AND TECHNOLOGY

- The Saudi Company for Artificial Intelligence (SCAI) invested SAR 776 million in SenseTime Group through a joint venture to establish SenseTime MEA to build a sophisticated AI lab, create highly skilled jobs for Saudis, and contribute to positioning Saudi Arabia as the region's leading AI-tech hub.
- PIF announced the acquisition of 100% of the shares of Thiqah Business Services Company.
- Saudi Information Technology Company (SITE) announced a new joint venture with U.S.-based Privafy Inc. under the commercial brand METRAS, focused on the localization of world-class, next-generation cybersecurity solutions, including the launch of an innovative Extended Detection and Response (XDR) offering. SITE and Fortanix launched a dedicated Saudi-based node SaaS data security solution serving the MENA region.

TRANSPORT AND LOGISTICS

- Bahri, the National Shipping Company, increased its capital from SAR 4.9 billion to SAR 7.3 billion through the capitalization of retained earnings and statutory reserves to strengthen its balance sheet to support future growth. It also increased its equity stake in Petredec Group Limited, a leading LPG integrated player with a fleet of over 20 very large gas carriers, from 30% to 40%.
- Bahri successfully transported 60,000 tons of barley, marking the first shipment of Saudi Agricultural and Livestock Investment Company (SALIC) to be transported with Bahri.
- Bahri Logistics entered a three-year international freight forwarding service agreement with Saudi Arabia Railways (SAR) to serve as SAR's primary provider for both imports and exports.
- Bahri Line, a business unit under Bahri Logistics, announced a new pendulum service line between Asia and Europe.
- PIF completed the acquisition of 40% of Zamil Offshore Services Company (ZOSCO), one of the leading Saudi offshore support vessel and construction service providers in the Arabian Gulf.
- Saudi Public Transport Company (SAPTCO) was successfully awarded the contract to operate the transportation network in the city of Tabuk. Through its 85% owned subsidiary, SAPTCO ALSA for Transportation (SAT), it was also awarded the contract to operate the inter-city bus network in the Southern Region of Saudi Arabia.



UTILITIES AND RENEWABLES

- Water and Electricity Holding Company (Badeel), a wholly owned portfolio company of PIF, reached financial close on more than 7GW of renewable projects in 2023.
- PIF announced the completion of the acquisition of a 30% stake in Saudi Tabreed, the leading Saudi district cooling service provider.
- National Energy Services Company (Tarshid) achieved more than 5 TWh of energy savings in the government sector, equating to around SAR 1.7 billion in monetary savings, which translates to more than 10.5 million barrels of oil equivalent and more than 3.9 million tonnes of CO2 emissions in 2023.
- PIF successfully closed the sale of a 10.92% stake in National Gas and Industrialization Company (GASCO) to Jadwa Investment Company for SAR 491 million.
- PIF contributed SAR 132 million to the capital increase of GCC Labs to support the company's expansion plans, providing testing, inspection and certification services to customers in Saudi Arabia and the region.
- PIF is actively expanding its investments in the green hydrogen sector in support of Saudi Arabia's commitment to lowering its carbon emissions and contributing to the offering of clean and sustainable solutions to global energy markets. PIF entered separate memorandums of understanding with Marubeni, JERA and Engie to develop large-scale green hydrogen projects in Saudi Arabia, with the intention to export green hydrogen and its derivatives to international markets.



SAUDI REAL ESTATE AND INFRASTRUCTURE DEVELOPMENT POOL (SREID)

Aligned with the Vision 2030 objectives of diversifying the economy, and improving quality of life in Saudi Arabia, PIF's SREID investment pool deploys strategic capital to develop real estate and crucial infrastructure within Saudi Arabia.

With AuM of over SAR 233 billion, the SREID pool's initiatives are designed to optimize land use and increase the value of its existing land bank. PIF is committed to pioneering new infrastructure projects in major urban areas to spur economic development. PIF's efforts include developing residential and tourism projects, and attracting investments from both domestic and international real estate firms.

By undertaking these real estate and infrastructure projects across Saudi Arabia, PIF fosters sustainable commercial growth and opens new investment avenues. Through its contributions, PIF aims to bolster local economies, enrich community well-being, and ultimately support Saudi Arabia's overarching prosperity.

2023 PERFORMANCE

SAR 233 BN

(an increase of 15% in AuM compared to the previous year)

representing

8%

of PIF's Total AuM



SAUDI GIGA-PROJECTS

ECONOMIC POWERHOUSES RISING IN THE SAUDI DESERT

In the coming decades, Saudi Arabia's landscape will be transformed by its bold giga-projects destined to reshape Saudi economy and establish new sustainability benchmarks.

To date, PIF has launched five giga-projects NEOM, ROSHN, Qiddiya, Red Sea Global, and Diriyah Project. PIF created wholly owned vehicles to channel financing to these projects, while also inviting global investors and multinational enterprises to participate.

PIF's overarching aim is to unlock the potential of promising sectors to establish Saudi Arabia as a leading tourism and cultural destination.

The five giga-projects will establish new industrial and business hubs, enhance areas of outstanding beauty with conservation and ecotourism ventures, develop thriving communities, and promote multiple opportunities for Saudi entrepreneurs.





NEOM is a first-of-its-kind

26,500 Km²
Global Hub

NEOM

BRINGING A SINGULAR VISION TO REALITY

NEOM, a groundbreaking 26,500 square km global hub in Saudi Arabia's northwestern Tabuk province, is rapidly transforming from vision to reality.

This project encompasses The Line, a linear urban development powered by renewable energy, and Oxagon, a futuristic city focused on advanced and clean logistics and industries. NEOM also boasts diverse tourist destinations like Sindalah and Trojena, catering to a variety of preferences.

As a wholly owned company of PIF, NEOM is spearheaded by a team of experts tasked with leading the region's development across 14 key economic sectors. Supporting this mission is the NEOM Investment Fund (NIF), NEOM's strategic investment arm, which fuels the project's growth.

NEOM prioritizes cutting-edge technology at its core. Through its subsidiary TONOMUS, NEOM recently announced a significant collaboration aimed at implementing advanced artificial intelligence capabilities across both NEOM and Saudi Arabia as a whole.

This commitment to innovation extends to sustainability, with a prime example being NEOM's achievement of financial close for the world's largest carbon-free green hydrogen plant and establishing a logistics joint-venture.

NEOM's intention of becoming the new standard-setter in sustainability was furthered by agreements to develop the aquaculture industry in an environmentally responsible way.

Further, the establishment of Topian, a food company, will embed innovative solutions geared to bolstering Saudi Arabia's food security goals, while tackling issues from population growth and changing consumption patterns to climate change and natural resource depletion.

NEOM will see new communities established around various developments, providing an opportunity for Saudis to capitalize on emerging entrepreneurial opportunities. It will also foster a vibrant lifestyle through its new immersive arts and entertainment destination.

NEOM envisions a vibrant lifestyle and boasts a new immersive arts and entertainment destination. Visitors will be treated to a broad spectrum of tourism attractions and experiences. Several global hotel developers and operators announced plans in 2023 to build new properties within NEOM, further solidifying its vision as a premier tourist destination. Additionally, a new coastal tourism and residential development launched in 2023 promises to set new global benchmarks in hospitality and architecture.





ROSHN

EMPOWERING HOMEOWNERSHIP

ROSHN Group is Saudi Arabia's most trusted multi-asset class real estate developer. As a wholly-owned PIF subsidiary, it has been mandated to build 200 million square meters of integrated communities that reflect Saudi Arabia's rich heritage and aspirations of its people, and to contribute to the Vision 2030's goal of 70% home ownership for Saudis.

ROSHN's integrated developments offer a vibrant new way of living, supported by amenities including green spaces, sports hubs, and retail and entertainment facilities within walking distance. To date, ROSHN has launched five residential developments: SEDRA and WAREFA in Riyadh, ALAROUS and MARAFY in Jeddah, and ALFULWA in the Eastern Region.

In 2023, ROSHN unveiled WAREFA and ALFULWA, and the third phase of SEDRA. The announced projects will encompass communities accommodating an initial 23,000-plus quality homes across Saudi Arabia, and public spaces that embrace sustainability.

Also during the year, ROSHN signed eight new contracts worth more than SAR 8 billion to provide its new communities with vital infrastructure, schools, and mosques, as well as retail, entertainment, and sporting facilities to be built by leading domestic and international construction and real estate companies.

As a wholly owned PIF subsidiary, ROSHN has been mandated to build

200 MN M²
of integrated communities

ROSHN is set to contribute to Vision 2030's goal of

70%

home ownership for Saudis.

ROSHN signed eight new contracts worth more than

SAR 8 BN

to provide its new communities





QIDDIYA

BUILDING A GLOBAL SPORTS, CULTURE, AND ENTERTAINMENT DESTINATION

Only 40 minutes from Riyadh, Qiddiya is a new city poised to become the world's foremost entertainment, sporting, and cultural destination. Located in the Tuwaiq Mountains, Qiddiya includes 25 distinct districts, with masterplans combining experiences and more than 400 tourist attractions with mixed-use areas, residential communities, and nature. It is connected to Riyadh via major highways and will be integrated into the capital's public transport network.

Construction is well underway following the award of contracts worth SAR 10 billion. Qiddiya will boast 60,000 buildings in an overall area of 360 square km and is expected to deliver an annual economic output of SAR 135 billion.

In 2023, His Royal Highness Prince Mohammed bin Salman bin Abdulaziz Al Saud, Crown Prince, Prime Minister and Chairman of the Board of Directors of the Qiddiya Investment Company (QIC), launched the urban design for the city and brand. The year also saw the announcement of a new gaming and e-sports district that will position Saudi Arabia as the global epicenter of this rapidly growing industry.

Home to a projected 600,000-plus residents and a must-see destination for an expected 48 million tourists each year, Qiddiya City will generate more than 325,000 permanent jobs. As a wholly owned PIF subsidiary, Qiddiya Investment Company is responsible for the new giga-project's overall strategic direction, as well as all its for-profit investments.

The new city will boost Saudi Arabia's international standing and make a substantial economic contribution. The attendant positive impact on Riyadh's quality of life and GDP output will elevate the capital into one of the top 10 global city economies.

Construction is well underway following the award of contracts worth

SAR 10 BN

Qiddiya will boast

60,000

buildings in an overall area of 360 km²





RED SEA GLOBAL

DEVELOPING A NEW MODEL OF SUSTAINABILITY

Red Sea Global (RSG) is a visionary Saudi Arabian developer that has innovated a new model of sustainable development. Putting people and planet first, RSG leverages unique concepts and technologies to deliver projects that actively enhance the well-being of customers, communities, and the environment.

As part of its mandate, RSG oversees a growing portfolio of projects stretching the length of Saudi Arabia's Red Sea coast, with the potential to expand beyond Saudi Arabia in the future. Additionally, RSG is establishing subsidiary businesses to boost the Saudi tourism sector and associated industries.

RSG's flagship initiative is the Red Sea, an ambitious regenerative tourism program and luxury destination centered on the world-renowned natural wonders of the Red Sea. RSG is also developing Amaala, which, alongside the Red Sea Project, will become a key feature of Saudi Arabia's luxury tourism segment and sustainability agenda to protect the natural environment for future generations.

By the close of 2023, RSG had successfully launched 21 subsidiaries, reflecting its exceptional growth and expanding its contribution to Vision 2030.

This achievement reflects RSG's determination to drive economic growth, create job opportunities, and deliver memorable guest experiences.

RSG strengthened its financial foundation in 2023, reaching commercial close on a SAR 1.1 billion financing agreement for a joint venture.

RSG awarded a number of contracts for Amaala's primary infrastructure and utilities, as well as the world's first fully immersive experiential marine life center and yacht club.

New ventures included the launch of the first RSG hotel and the signing of new luxury resorts with additional multinational hotel brands. Six Senses Southern Dunes, the Red Sea Project's first guest welcomed property and a world-leading hotel brand, launched in late 2023.

On the sustainability front, RSG established a partnership to create more than 20 acres of new wetlands in line with Saudi Arabia's climate action. Additionally, RSG opened its first mangrove nursery to support planting 50 million mangrove trees by 2030. This effort is aligned to the Saudi Green Initiative as well as RSG's commitment to conserving and revitalizing the Red Sea coast, which aims to deliver a 30% net conservation benefit by 2040.

RSG strengthened its financial foundation in 2023, reaching commercial close on a

SAR 1.1 BN

financing agreement for a joint venture.





DIRIYAH PROJECT

THE HERITAGE AND CULTURE PROJECT

In 2023, the Diriyah Project was unveiled as PIF's fifth giga-project, a SAR 64 billion mixed-use historic, cultural, and lifestyle destination. Diriyah Project is aligned with PIF's strategy of unlocking the capabilities of promising sectors, including tourism and culture.

Diriyah Project was conceived to boost Saudi Arabia's position regionally and internationally as a leading tourism and cultural destination, showcasing Saudi Arabia's 300-plus years of history in an array of engaging heritage, hospitality, education, retail, and dining experiences for residents and visitors.

Diriyah is of particular significance as the home of the UNESCO World Heritage Site of At-Turaif and the unique nature of Wadi Hanifah. It is also regarded as the first Saudi capital and recognized as Saudi Arabia's symbolic birthplace.

During the year, the contract for the design and development of Diriyah's Northern Cultural District's project was awarded. This newest giga-project will be home to 100,000 residents and attract 25 million visitors every year for its cultural attractions, plazas, more than 100 restaurants, luxury residential developments, and international hotels.

In 2023, the Diriyah Project was unveiled as PIF's fifth giga-project, with the value of

SAR 64 BN

historic, cultural, and lifestyle destination.

This newest giga-project will ultimately be home to

100,000

residents and attract

25 MN VISITORS

every year



INTERNATIONAL INVESTMENT POOLS

INTERNATIONAL STRATEGIC INVESTMENTS (ISI)

The Public Investment Fund has a broad and diversified international portfolio, which it continues to develop through strategic investments carried out both independently and alongside carefully selected partners. Through the deployment of impactful, long-term capital, the ISI pool continues to generate substantial returns over medium- to long-term horizons, thereby contributing to PIF's portfolio stability and sustainability.

The ISI pool's continued development is a testament to PIF's clear strategic focus, risk-weighted approach, and effective execution. With a portfolio of direct and indirect investments across a spectrum of leading global brands, high-growth unicorns, and industry giants, the ISI pool plays a key role in diversifying PIF's assets globally, while strengthening its ever-expanding relationships with leading public and private sector organizations and institutions around the globe.

The ISI pool supports PIF's strategic objectives by:

- Growing and diversifying PIF's assets and returns.
- Strategic partnerships with innovative companies, investment managers and influential investors, allowing Saudi Arabia to extend its global reach and influence.
- Investing in cutting-edge technology and/or shaping the future global economy by enabling new sectors and opportunities.
- Bolstering Saudi Arabia's leading position on the world stage and building its international reputation as a preferred investor and partner of choice.
- Supporting the creation of opportunities to attract foreign investment and localize content and technologies, where possible.
- Supporting government-to-government relationships.

In 2023, the ISI pool continued to develop and diversify through direct and indirect investments, including:

- Rocco Forte Hotels
- Brazilian Toll-Roads Platform
- Aman



INTERNATIONAL STRATEGIC INVESTMENTS (ISI)

SELECTED INVESTMENTS



NEWCASTLE UNITED FOOTBALL CLUB

In October 2021, PIF led an investment group, also comprising PCP Capital Partners and RB Sports & Media, to complete the 100% acquisition of Newcastle United Football Club. Following the PIF-led purchase, the club has been achieving sporting and commercial success. New sponsorship agreements are in place, while on the pitch the club reached its first cup final since 1999 and secured a place in the 23/24 Champions League.



BRAZILIAN PROGRAM

In October 2019, during the Future Investment Initiative, PIF announced its intention to invest up to \$10 billion in the Federative Republic of Brazil. PIF is currently building relationships to help execute this program in accordance with PIF's goals and strategy. To date, PIF has committed to four funds in private equity and infrastructure.

LUCID

LUCID GROUP

Since 2018, PIF has invested in multiple tranches in Lucid Group, Inc., a US-based technology and automotive company that specializes in the manufacturing of technology-enabled and advanced luxury electric vehicles.

Uber

UBER

PIF invested \$3.5 Bn in Uber Technologies. Uber is a global leader in the transportation and technology sectors, and is transforming mobility.

LIV GOLF

LIV GOLF

In 2021, PIF established LIV Golf, an international professional golf tour which aims to improve professional golf for all stakeholders, including fans, players, and owners. Since then, LIV Golf was able to successfully complete its invitational series in 2022, and the first full season in 2023 season.

Blackstone

BLACKSTONE

US INFRASTRUCTURE INVESTMENT PROGRAM

PIF has committed up to \$20 billion to the "Blackstone Infrastructure Fund Program," one of the largest dedicated infrastructure Fund programs in the world, which mainly aims to modernize U.S. infrastructure at scale.

AMAN

In 2022, PIF invested in Aman Group, a privately-held luxury hotel group. Aman Group currently operates over 35 hotels and branded residences spread across +20 countries. PIF's investment aims to support Aman's global expansion strategy for ultra-luxury hotels and branded residences.



ACCORINVEST

PIF joined forces with a group of investors to acquire a stake in the French company in 2018. Accorinvest is both owner and operator of hundreds of hotels worldwide, largely focused on Europe.



FRENCH PROGRAM

A memorandum of understanding was signed with AFIC in June 2015 to invest \$2 billion with French asset managers, whereby PIF, until the end of 2023, committed to 14 investments in 15 Funds and one co-investment vehicle.



SOFTBANK VISION FUND

PIF is the major investor in SoftBank Vision Fund, one of the largest technology focused investment Funds, after allocating \$45 Bn. Since its inception, the SoftBank Vision Fund continues to invest across many technology sectors, such as Internet of Things (IoT), Artificial Intelligence, Healthtech and Fintech.



HAPAG LLOYD

PIF owns ~10% of Hapag-Lloyd, a leading container shipping company with operations across multiple regions globally.



ROCCO FORTE HOTELS

PIF has acquired a significant minority stake in Rocco Forte Hotels, which is a collection of 15 luxury landmark properties across major European cities including London, Edinburgh, Rome, Munich, Brussels and St. Petersburg.

ISI POOL ACHIEVEMENTS IN 2023

AMAN

Aman's global expansion has continued in 2023, marked by the announcement of the upcoming launch of Janu Tokyo scheduled for 2024, the initiation of residential unit sales in Aman Tokyo as well as signing contracts for upcoming new hotel openings in Bangkok, Singapore, Seoul, and the Maldives under Aman and Janu brands.



Brazilian Toll-Roads Platform saw a consortium comprised of PIF, Patria and GIC successfully awarded a 30-year concession to develop, own, and operate major new brownfield toll road projects for a total expected capital expenditure of **\$1.2 billion**.

LIV GOLF

LIV Golf successfully completed its 2023 season with 14 events worldwide. It secured a broadcasting deal with CW in the U.S. and other broadcasters internationally. LIV Golf has also successfully signed top golfer Jon Rahm, to join the LIV Golf League for its 2024 season.

LUCID

Lucid Group announced the opening of the first-ever car manufacturing facility in Saudi Arabia, which has the capacity to assemble 5,000 vehicles per annum. Additionally, Lucid aims to transition the facility to produce vehicles with an annual total capacity of **150,000** vehicles. Lucid Air was named the 2023 World Luxury Car of the Year at the New York International Auto Show. Lucid and Aston Martin entered into a long-term strategic technology partnership worth **\$450 million**, where Lucid will supply the Company's proprietary EV powertrain technology and battery systems to Aston Martin. Lucid and the Saudi Ministry of Finance signed an Electric Vehicles Purchase Agreement. Under this agreement, the MoF and its entities and corporate subsidiaries agreed to purchase 50,000 to 100,000 electric vehicles over a 10-year period.



Newcastle United FC reached the final of the Carabao Cup and ended the 22/23 season in fourth place, qualifying for the Champions League. Additionally, NUFC signed a multi-year agreement with Sela as a shirt sponsor, extended its sleeve sponsorship with Noon and signed multi-year partnership with Adidas and Saudia. The club also launched the "We Are Newcastle United" documentary on Amazon Prime Video and Noon's platform.

Hapag-Lloyd

Hapag-Lloyd In 2023, Hapag-Lloyd continued to achieve around 10% global market share (excluding Intra-Asia). Hapag-Lloyd also expanded its strategic terminal interests and further strengthened its liner shipping business in Latin America through the acquisition of 100% of the terminal business of the South American company SAAM.



ROCCO FORTE HOTELS PIF entered a strategic partnership with Rocco Forte Hotels, a London-based hotel operator with a presence in key European cities. The Public Investment Fund acquired a significant minority stake in the company. Rocco Forte Hotels currently manages 15 hotels and resorts across Europe.

INTERNATIONAL DIVERSIFIED POOL (IDP)

The IDP supports PIF's strategic goals by broadening PIF's investments across a diverse array of asset classes and geographies, and curating a well-balanced, risk-weighted portfolio. The IDP underpins PIF's asset diversification, employing a long-term, strategic asset allocation model aimed at robust wealth accumulation and revenue generation.

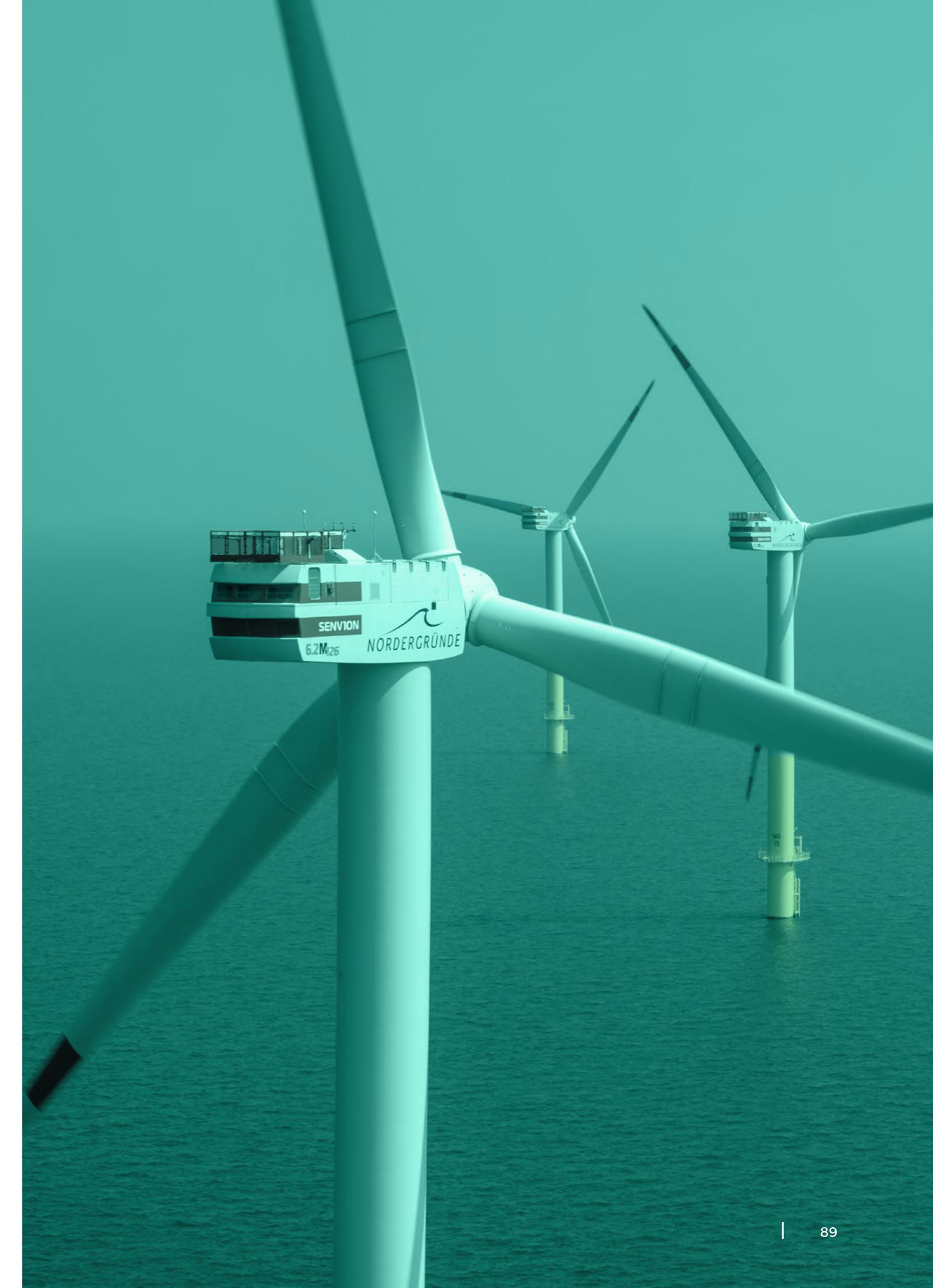
With a focus on long-term returns, the IDP invests in international assets, in alignment with PIF's specific risk tolerance and objectives. It is focused on deep global asset pools, including fixed income, public equities, private equities, real estate, infrastructure, alternative investments (such as hedge funds) and direct investments – carefully selected to reinforce PIF's financial foundation and advance its global investment footprint.

The IDP follows a stringent governance and investment methodology, including:

- Being a long-term institutional investor that benefits from investment opportunities and market inefficiencies.
- Adding value through strategic asset allocation, manager and security selection, and portfolio titles that take advantage of economic themes.
- Adopting and practicing a risk management approach centered on diversification, detailed due diligence, and downside protection.

IDP investments include:

- **Skyborn Renewables:** In 2022, PIF invested alongside GIP in Skyborn Renewables, one of the leading offshore developers globally with operations across Europe, Asia Pacific and North America. Skyborn has over 20 years of offshore development experience and currently has over 1.6 GW of capacity under operation or construction, along with a pipeline of more than 20 GW spread globally.
- **Vantage Towers:** In 2023, PIF invested alongside a consortium led by KKR and GIP in the take-private transaction of the Vantage Towers AG, second largest TowerCos in Europe, with operations across Germany, Spain, Greece, Romania, Hungary, Czech Republic, Portugal and Ireland. Vantage operates over 46,000 fully owned sites and over 84,000 total sites including joint ventures.



INVESTMENTS IN INTERNATIONAL CAPITAL MARKETS PROGRAM (ICMP)

The ICMP takes a strategic approach to capitalizing on emerging global trends, targeting specific regions and sectors, while remaining agile to seize opportunities as they arise, and further diversifying and developing PIF's asset base. This approach bolsters long-term investment returns, solidifying PIF's position in the global investment landscape.

Its diversified portfolio includes investments in communication services, energy, consumer goods, finance, healthcare, information technology and other key sectors across a range of countries including the U.S., U.K., Japan and China.



TREASURY POOL (NON-INVESTMENT POOL)

As the custodian of PIF's liquidity, the Treasury Pool safeguards PIF through the vigilant management of risks while generating returns through strategic deployment of capital. Through this dual mandate, the Treasury Pool ensures sufficient capital is always available to support PIF's strategic goals, aligning financial stewardship with PIF's broader objectives.

The Fund's Treasury function supports overall investment and growth strategies by optimizing the use of available liquidity to generate targeted returns within defined benchmarks and investment guidelines. The Treasury Pool provides continuous assessment and projections of PIF's liquidity profile, identifying any shortfalls and funding requirements.

The Treasury Pool's investments are guided by the following principles:

- Preserve capital by investing in assets with low probability of principal loss.
- Manage PIF liquidity to meet discretionary and non-discretionary financial obligations identified through budgeting and cash flow management.
- Minimize foreign currency exposure risk by optimizing investments in SAR, USD, and other recognized reserve currencies.

PIF's Treasury investments are categorized into three liquidity tiers, with distinct investment guidelines for each tier and its subcomponents:

- Tier 1: Working capital portfolio.
- Tier 2: Medium term investments.
- Tier 3: Investments in bonds, loans, and sukuk in local markets.

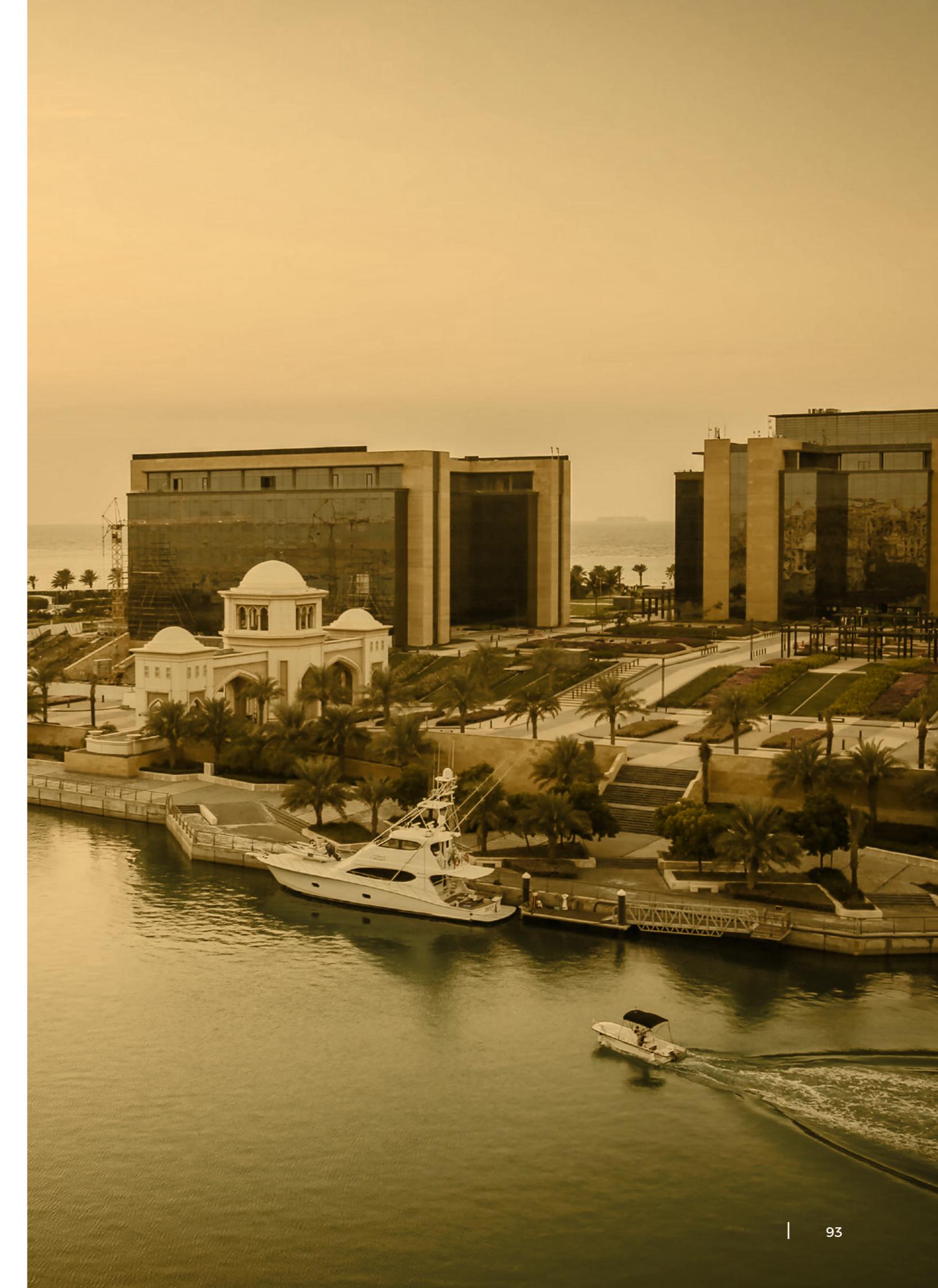
As of year-end 2023, total assets in the Treasury portfolio amounted to

SAR 72 BN

Treasury represents

3%

of PIF's Total AuM



SUSTAINABILITY REVIEW

Long-term sustainability is a fundamental focus for PIF, as outlined in Vision 2030 and PIF's Strategy 2021-2025. As a leading global investor, PIF is committed to having a positive impact on the world while maximizing returns. Achieving its ambitious targets requires PIF to integrate sophisticated sustainability metrics in its investments, policies, and procedures, and align with international best practices.

PIF's Sustainability roadmap drives value creation and minimizes risk exposure, while its Sustainability Integration Steering Group, represented by key internal stakeholders, supports the roadmap and the principles' inclusion in business processes and decisions. Meanwhile, PIF's Sustainability and Stewardship section oversees PIF's performance in these areas, with a mandate encompassing internal and external activities and stakeholders, ensuring consistency and connectivity.

ESG Performance Management Framework

Fourteen sector-specific ESG performance management frameworks allow regular reporting, assessment, monitoring, and improvement of the portfolio companies' ESG performance. In 2023, PIF conducted more than 50 ESG assessments using public and private data to identify risks, highlight opportunities, and enhance transparency and disclosure.

As a responsible steward of capital, PIF drives better ESG performance across its investment portfolio by actively communicating PIF's sustainability priorities and expectations with companies. In addition, the sustainability team regularly fosters collaboration and enhanced performance with them.

PIF encourages portfolio companies to develop sustainability expertise within their boards and managements to ensure effective oversight. In 2023, PIF engaged with over 30 companies on ESG strategy, reporting and policy, and best sustainability practices.

PIF reviews its policies and investment procedures to enhance adherence to sustainability standards across PIF. In 2023, a new PIF ESG Risk Framework was introduced, allowing assessments to be performed as part of the risk process for the SEH and SSD Portfolio's new deals and portfolio company reviews.

In 2023, PIF engaged with over

30

companies on ESG strategy

In 2023, PIF conducted more than

50

ESG assessments

GOVERNANCE, SUSTAINABILITY, AND RESILIENCE SCORE

In 2023, PIF ranked seventh globally and first in the Middle East among 100 SWFs assessed on Governance, Sustainability and Resilience performance by Global SWF¹. PIF was also recognized as the world's most improved SWF¹, improving its global ranking from 71st in 2021 to seventh in 2023. This progress over just two years reflects PIF's efforts to advance sustainability and ensure sound governance, which is highlighted by PIF's sustainability score improving in 2023 and the Fund being named Global SWF's "Champions in Sustainability" in 2023.

NET ZERO TRANSITION

PIF is committed to managing its investments' environmental impact and supporting Saudi Arabia's sustainability commitments, including PIF's intention to achieve net zero emissions by 2050 by adhering to Saudi Arabia's circular carbon economy approach. PIF was the first MENA sovereign wealth fund – and one of the first sovereign wealth funds in the world – to publicly commit to a net zero target. Numerous PIF portfolio companies such as ACWA Power, STC, and Ma'aden have already announced their net zero ambitions.

PIF continuously refines its data gathering and analysis methodologies to manage its investments' ESG performance and their exposure to climate risks. Last year, PIF endorsed the One Planet Climate Disclosure Guidance for Private Markets to improve the quality of climate financial information and strongly encourage private markets asset managers to estimate their carbon footprint by 2023².

In 2023, PIF conducted two comprehensive assessments to identify its corporate and financed emissions, as a prelude to developing a net zero transition strategy. The baselining exercises enhanced PIF's understanding of its operations' emissions and those of its investments across sectors, geographies, and industries. In addition to assessing current emissions, PIF projected future emissions based on the current portfolio's growth plans and its investment pipeline. It also developed preliminary emission reduction plans and future pathways. A comprehensive net zero transition strategy will be developed in 2024.

In 2023, PIF launched its Sustainability Award championing the best performing portfolio companies. The award recognizes companies that have launched successful sustainability initiatives, gaining international recognition, driving positive change, and aligning with PIF's net zero target.

In 2023, PIF ranked

1st

in the Middle East and

7th

globally among 100 SWFs

GREEN FINANCE

PIF applies its Green Finance Framework as the basis for issuing green bonds and other green debt instruments in line with international best practices. Its implementation is intended to contribute materially to Saudi Arabia's net zero commitment, following the G20-endorsed circular carbon economy concept.

As of year-end 2023, PIF has raised \$8.5 billion by issuing two highly successful green bonds – setting benchmarks for the first green bond issued by a sovereign wealth fund and the first 100-year green bond ever issued. PIF completed its second green bond issuance which raised \$5.5 billion in February 2023, which was more than six times oversubscribed, with books exceeding \$33 billion.

PIF also published its first "Allocation and Impact Report" in 2023, illustrating the two landmark green bonds' respective contributions to Saudi Arabia's sustainable future. This impact assessment has been carried out by a leading independent impact consultant, and verified by a leading global provider of audit and assurance. As of June 30, 2023, USD 1.3 billion was deployed and invested from the USD 8.5 billion issued, contributing to 35 eligible projects across seven green sectors categories. The report also disclosed PIF's currently available green-eligible CAPEX amount of USD 11.7 billion¹. The eligible green projects are expected to avoid 10.6 million metric tons of carbon dioxide equivalent and expected to treat 49.4 million cubic meters wastewater¹.

PIF completed its second green bond issuance which raised

USD 5.5 BN
in 2023

which was more than six times oversubscribed, with books exceeding

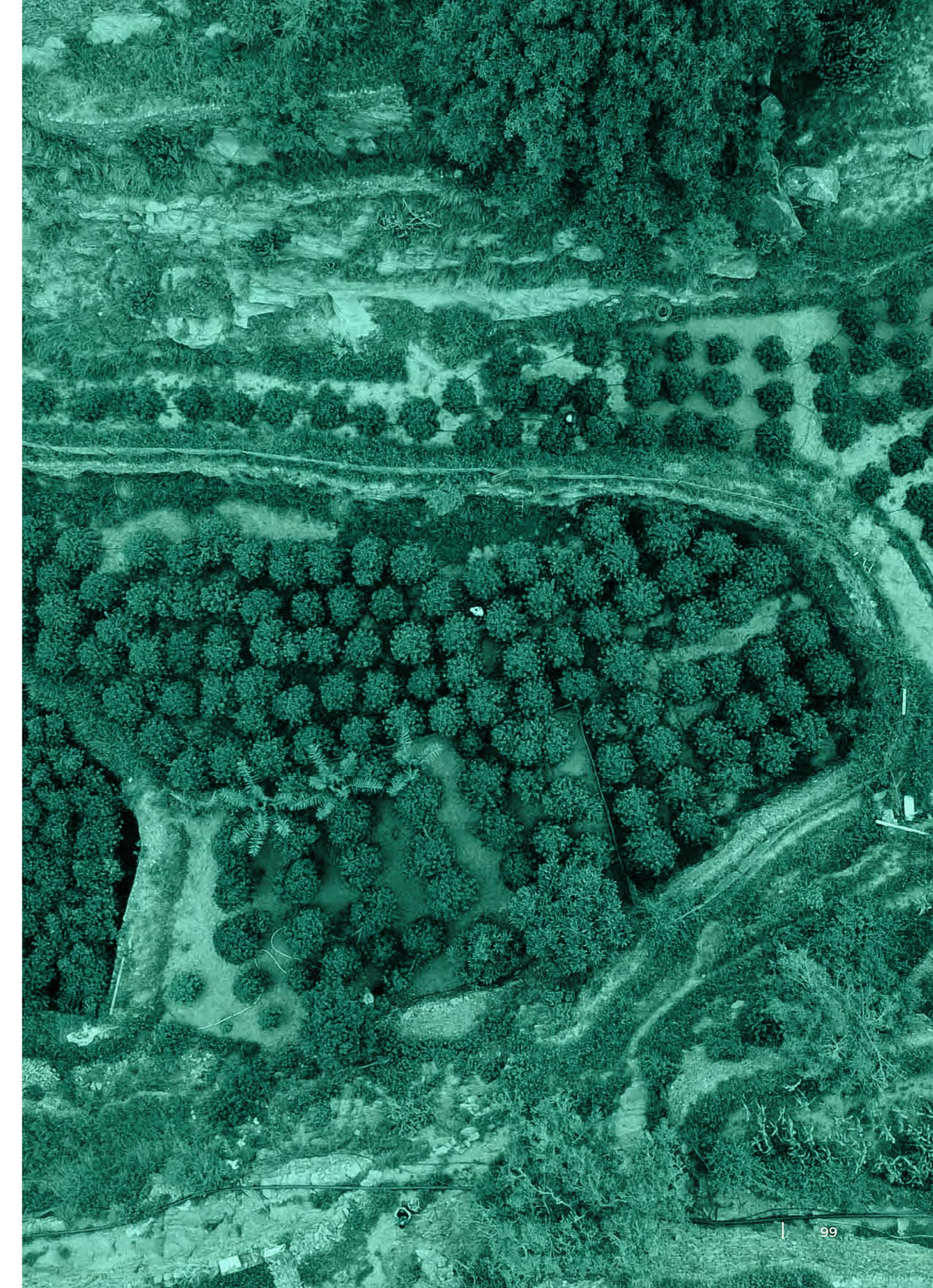
USD 33 BN

As of June 30, 2023,

USD 1.3 BN
was deployed from the

USD 8.5 BN
issued, contributing to

35
eligible projects across seven green sectors.



INVESTING IN PEOPLE, TECHNOLOGY AND RELATIONSHIPS

In 2023, PIF demonstrated its commitment to continuous improvement and impact, focusing on workforce development, organizational enhancements, and positive social contributions. Through its role as a transformation catalyst in Saudi Arabia and beyond, PIF undertook targeted initiatives cultivating a diverse and dynamic team, leveraging cutting-edge technology for operational excellence and engaging in sponsorships that align with Vision 2030's objectives.

NURTURING WORLD-CLASS TALENT

In 2023, PIF significantly enhanced its organizational framework and empowered its workforce, reflecting a deep commitment to both internal development and broader economic goals under Vision 2030.

The Fund continued to refine its organizational structure, incorporating robust design principles and cascading functional clarity to every level of the organization. This updated organizational structure increased the number of departments and sections, aiming to streamline operations and foster a more efficient working environment. To ensure it has the right talent in place to execute its ambitious strategy, PIF has incorporated annual workforce planning into its annual operational planning process. This data-driven approach helps identify the skills and expertise needed to achieve the Fund's objectives and proactively address any talent gaps. By anticipating future workforce requirements, PIF can develop targeted recruitment, training, and retention strategies, fostering a more agile and future-proof organization.

The year also saw a significant expansion of PIF's team, with 812 new employees joining the organization. This growth further diversified the talent pool in addition to strengthening the Fund's expertise across various sectors. This influx of talent was complemented by efforts to maintain a low turnover rate, underscoring PIF's strategic focus on the right talent at every level of the organization to execute its Strategy 2021-25.

Professional development was a particular focus, with a substantial number of employees engaging in certification programs. Training initiatives were extensive, including both internal and external opportunities, reflecting PIF's investment in continuous learning and skill enhancement. In addition, the "Life in Saudi" expat program was introduced, enhancing the integration and experience of international employees. Further enriching the professional development landscape, PIF had previously established the NOMU International initiative. This program allows eligible employees to embark on temporary and official development assignments with PIF's international business partners. These placements facilitate knowledge transfer and equip participants with valuable global exposure.

Noteworthy talent development initiatives, including the Leadership Development Program, Graduate Development Program, PIF Talk and the College Preparation Program, showcased the Fund's dedication to nurturing future leaders and promoting a culture of excellence and innovation. The Access to Digital Learning initiative provided employees with resources for self-improvement, while the Ehtiraf Program encouraged professional qualification through financial support and recognition.

PIF WORKFORCE BREAKDOWN



60

NATIONALITIES
OF PIF EMPLOYEES



812

NEW EMPLOYEES
IN 2023



827

FEMALE EMPLOYEES



2,103

SAUDI
EMPLOYEES



2,553

TOTAL EMPLOYEES

TALENT DEVELOPMENT IN 2023



59

EXTERNAL PROFESSIONAL
QUALIFICATIONS



82

TRAINING PROVIDERS
& PARTNERS



874

PIF ACADEMY TRAINEES



1,698

TRAINING BENEFICIARIES

PIF TALK

Informal learning plays an important role in creating connections across PIF's different functions and allowing PIF's extended teams to access worldwide expertise from outside of the business. PIF Talks, is an informal learning platform that provides an informal learning opportunity which allows elite speakers to share their expertise and experience with PIF employees.

During 2023, a range of PIF Talks were delivered encompassing a variety of interesting and practical topics including sessions with Abdulrahman Trabzoni, Tolga Sezer representing Badael, and Andrew Liveris. These sessions have been livestreamed to all PIF employees and those working for portfolio companies.

Three Talks

- Abdulrahman Trabzoni
- Tolga Sezer (Badeal)
- Andrew Liveris

COLLEGE PREPARATION PROGRAM

CPP1 concluded with

42 students

CPP 2 launched with

54 students

These efforts collectively underscore PIF's strategic approach to talent development, enhancing operational efficiency and fostering professional growth, while contributing to the transformative goals of Saudi Arabia's Vision 2030.

GRADUATE DEVELOPMENT PROGRAM

GDP 6 completed with

138 Saudi graduates

GDP 7 launched with

162 Saudi graduates
in 4 Specialty tracks





INVESTING IN OPERATIONAL EXCELLENCE

In 2023, PIF made substantial progress in operational excellence through organizational improvements, digitization and technological advancements. The Digital and Technology Department successfully completed 50 significant projects, which included introducing the Tier 4 Data Center and the Asset Managers Gate, alongside launching the SANAM and Public Markets Investments Performance Platform. These initiatives were pivotal in streamlining operations and enhancing investment performance analysis.

In the realm of planning and governance, PIF opened its subsidiary office in New York, contributing to the Fund's global expansion and asset management efficiency. Contracts and Procurement saw remarkable savings of SAR 300 million through strategic negotiations and prioritizing local suppliers, which accounted for 80% of PIF's total expenditure. This localization effort was bolstered by registering 300 new vendors, demonstrating PIF's commitment to supporting the local economy.

Demonstrating its commitment to efficient record management and secure facilities, the Records Administration and Facilities Center successfully achieved ISO certifications – ISO 41001:2019 for World Parts Manufacturer Identifier (WPMI) and ISO 25001:2014 for Systems and Software Quality Requirements and Evaluation (SQuaRE). These certifications ensure standardized practices for identifying parts and managing assets, respectively. ISO 25001:2014 specifically helps in establishing a framework for high-quality software development, leading to reduced defects, improved customer satisfaction, and enhanced operational efficiency. Together, these certifications contribute to improved traceability, operational efficiency, and overall risk mitigation.

The Shared Services Center for portfolio companies sourced over 45,000 square meters of office space, supporting more than 90 projects and new companies, with 28 new companies going live on the Company-in-a-box platform, improving time-to-operationalize company launches by 15% compared to 2022, in addition to significantly enhancing PIF's portfolio company infrastructure.

Digitization and technology solutions launched in 2023 included the second phase of SWIFT, the External Beneficiary Platform, and various enhancements in front-office operations, due diligence platforms, data hubs, and investment management applications. These initiatives, spanning disaster recovery enhancements to integrated operations centers and digital workplace transformations, were instrumental in PIF's move towards a more digitized, efficient, and paperless environment.

Overall, PIF's investment in operational excellence through organizational enhancements, digitization and technology in 2023 was a testament to continuous improvement, efficiency and innovation, positioning PIF as a leader in global investment and asset management.

CREATING VALUE THROUGH DIGITIZATION AND TECHNOLOGY

In 2023, PIF focused on leading projects with the potential to significantly enhance its operations and create substantive value for its broader ecosystem. These projects underscore PIF's commitment to leveraging advanced technologies to achieve strategic goals, resulting in a more efficient and dynamic ecosystem. Achievements included:

- Completion of 54 projects
- Creation of more than 48 management information reports
- Automation of over 300 business processes
- Launch of 15 applications
- Saving of over 15,000 hours

PIF aimed to set a benchmark for becoming a highly advanced digital organization. It made significant strides in infrastructure and security by implementing a Tier-4 Data Center and achieving Class C Cloud classification, the highest security standard both locally and globally. This upgrade bolstered PIF's cybersecurity, operational resilience, and data integrity, stopping cyber-attacks.

To streamline PIF's investment processes, innovative solutions were developed. The SANAM Platform was introduced to transform and support the investment division, featuring collaborative tools, electronic approvals and over 110 automated processes. Additionally, through the SWIFT Alliance Access, PIF connected to over 11,000 financial institutions worldwide, facilitating secure and seamless financial transactions.

Operational efficiency was enhanced in human capital and procurement systems, revolutionizing the employee experience and automating over 11,000 invoice generations for more than 2,000 vendors. This effort resulted in a 91% reduction in operational efforts across various HR processes.

PIF leveraged artificial intelligence (AI) to process over 7,000 employee requests, serving more than 1,500 users. This initiative significantly boosted team efficiency and underscored PIF's commitment to using cutting-edge technology for better decision-making, operational efficiency and customer experience.

In terms of ecosystem support, PIF automated over 50 key processes, enhancing the efficiency and reliability of its financial reporting. The automated system now consolidates and analyzes financial data across more than 250 entities in real-time, improving report generation time and accuracy.

Looking forward, PIF is committed to becoming fully digital, focusing on executing ambitious projects. The goal is to further digitize operations, leverage data, foster collaboration and explore innovative technologies to enhance and empower its teams and ecosystem. This vision highlights PIF's dedication to not just adapting to but actively shaping the digital future, ensuring it remains at the forefront of technological innovation and strategic growth.





POWERING POSITIVE CHANGE

Throughout 2023, PIF demonstrated its commitment to economic growth and diversification in Saudi Arabia through strategic sponsorships across various sectors. PIF's sponsorship portfolio included prominent events that enhanced its global presence and aligned with Vision 2030.

The Aramco Team Series, presented by PIF, spotlighted women's golf, promoting diversity and female empowerment in sports. This high-profile tournament, which included both individual and team competitions, attracted top athletes and ambassadors with social, environmental and economic impacts globally. Similarly, the Aramco Saudi Ladies International, also presented by PIF, raised the profile of women's golf with a substantial prize fund, marking a significant step toward gender equality in sports.

PIF's support extended to the Saudi Open and the PIF Saudi International, events that showcased Saudi Arabia as a premier golf tourism destination and contributed to the development of local talent and the sports industry. These tournaments also engaged schools and communities, furthering the sport's reach and impact.

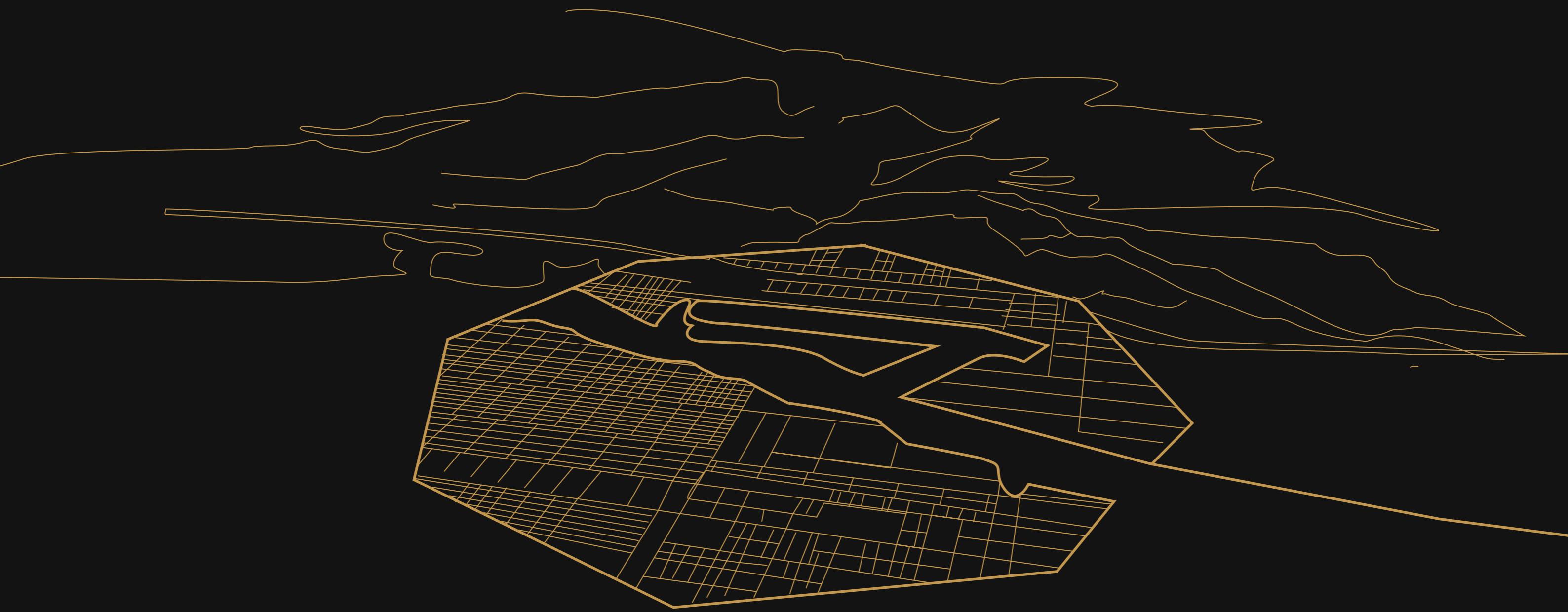
The Future Investment Initiative (FII) served as a global platform for discussing economic trends and investment opportunities in emerging sectors. The seventh edition of FII, under the theme "The New Compass," facilitated dialogues on sustainable growth and inclusive economic development and attracted an array of speakers and attendees from around the world.

The Global South Carbon Market Conference, a new initiative in 2023, brought together international leaders to discuss carbon markets and climate action to foster equitable climate solutions ahead of COP28. This conference underscored PIF's commitment to sustainability and climate change mitigation.

In addition, the Project Management Institute's Global Management Forum and the National Automotive and Vehicles Academy (NAVA) highlighted PIF's dedication to professional development and EV sector advancement in Saudi Arabia.

These sponsorships reflect PIF's strategic approach to investment, focusing on sectors that promise long-term growth, sustainability and social impact, in alignment with Saudi Arabia's broader economic objectives.

GOVERNANCE REVIEW



GOVERNANCE REVIEW

The Public Investment Fund follows a disciplined governance model that encompasses all its activities to ensure strong, transparent and informed decision-making.

Steered by a Board of Directors and chaired by His Royal Highness Prince Mohammed bin Salman bin Abdulaziz Al Saud, Crown Prince, Prime Minister and Chairman of the Council of Economic and Development Affairs, the Fund comes under the purview of the Council of Economic and Development Affairs, a branch of the Saudi Cabinet. The Board and Board Committees are comprised of seasoned ministers with experience in different fields. In addition, there are members external to the Board who serve on the Board sub-committees.

The diversity of knowledge brought by the members ensure that a wide range of perspectives are considered before decisions are made. This process is vital, as the Fund's activities play a leading role in Saudi Arabia's economic development, ensuring proper alignment with other government entities and initiatives.



BOARD OF DIRECTORS AND BOARD COMMITTEE MEMBERS

PIF's GOVERNANCE FRAMEWORK, BRINGING AUTHORITY AND ACCOUNTABILITY WHILE ENABLING STRATEGIC DECISION MAKING, FORMS AN IMPORTANT TOOL FOR EFFECTIVE BOARD OVERSIGHT.

The Public Investment Fund's Board of Directors has oversight of PIF's affairs and ensures the realization of its goals and implementation of its powers as per PIF bylaws. With the amendment to its operating structure approved by the Board, it has been given greater powers and authority to approve and issue internal rules and guidelines.

FORMATION OF THE BOARD OF DIRECTORS OF THE PUBLIC INVESTMENT FUND

In accordance with Article Five of the Public Investment Fund Law approved by Royal Decree No. (M/92), dated 12/08/1440 AH (18/04/2019): “The Fund shall have a board of directors to be chaired by the President of the Council of Economic and Development Affairs. Its membership shall include the Governor, as well as a minimum of four experts and specialists, provided they include representatives from relevant agencies; they shall be appointed pursuant to a royal order for a renewable term of five years.”



His Royal Highness Prince
MOHAMMED BIN SALMAN BIN ABDULAZIZ AL SAUD
Crown Prince
Prime Minister
Chairman of the Council of Economic and Development Affairs
Chairman of the Public Investment Fund



H.E. DR. IBRAHIM BIN ABDULAZIZ AL-ASSAF

BOARD MEMBER

CHAIRMAN OF THE INVESTMENT COMMITTEE

CHAIRMAN OF THE REMUNERATION COMMITTEE

H.E. Dr. Al-Assaf currently serves as the Minister of State and a member of the Council of Ministers. He is also a member of the Board of Directors of the Public Investment Fund, chairman of the Investment Committee and Chairman of the Remuneration Committee of the Board of Directors of the Public Investment Fund, Vice Chairman of the Board of Directors of Saudi Aramco, and member of the Council of Political and Security Affairs and the Council of Economic and Development Affairs.

H.E. Al-Assaf previously served as Minister of Foreign Affairs, Minister of Finance, Deputy Governor of the Saudi Arabian Monetary Authority, member of the Board of Directors of the World Bank Group and Board Chair, Deputy Executive Director of the International Monetary Fund, Assistant Professor and Head of Administrative Sciences at King Abdulaziz Military College, and Governor for the Kingdom in various organizations such as the Islamic Development Bank Group, Arab Fund for Economic and Social Development, and the Organization of the Petroleum Exporting Countries (OPEC) Fund's Ministerial Council.

H.E. Al-Assaf holds a doctorate in economics from the University of Colorado, and a master's degree in economics from the University of Denver, and bachelor's degrees in economics and political science from King Saud University.



H.E. DR. MAJID BIN ABDULLAH AL-QASABI

BOARD MEMBER

CHAIRMAN OF THE AUDIT AND COMPLIANCE COMMITTEE

H.E. Dr. Al-Qasabi currently serves as the Minister of Commerce, and a member of the Board of Directors of the Public Investment Fund. Chairman of the Board's Audit and Compliance Committee. He also leads prominent organizations, serving as a member of the Council of Economic and Development Affairs and the Strategic Committee, Chairman of the Board of Directors of the National Competitiveness Center (NCC), Chairman of the Board of Directors of the Saudi Business Center, Chairman of the Board of Directors of the Saudi Standards, Metrology and Quality Organization, Chairman of the Board of Directors of the Saudi Organization for Chartered and Professional Accountants (SOCPA), and Chairman of the Board of Directors of the Small and Medium Enterprises General Authority.

Previously, H.E. Dr. Al-Qasabi served as the Minister of Social Affairs, and the Acting Minister of the Ministry of Municipal Rural Affairs & Housing and the Ministry of Media. H.E. Al-Qasabi served as Head of Private Affairs Office of His Royal Highness the Crown Prince, Director-General of the Sultan bin Abdulaziz Al Saud Charitable Foundation, Secretary-General of the Jeddah Chamber, and Assistant Professor at the Department of Industrial Engineering at King Abdulaziz University. H.E. Al-Qasabi held the position of Director of a family-owned real estate and infrastructure company.

H.E. Al-Qasabi holds doctorate and master's degrees in engineering management with honors from the University of Missouri, a master's degree in civil administration with honors from the University of Berkeley, and a bachelor's degree in civil administration with honors from the University of Portland.



H.E. MOHAMMAD BIN ABDULMALEK AL-SHAIKH

BOARD MEMBER

H.E. Al-Shaikh currently serves as a Minister of State and a member of the Council of Ministers. He is a member of the PIF Board of Directors, the General Committee of the Council of Ministers, the Council of Economic and Development Affairs and the Financial Committee of the Royal Court. He previously served as the Board Chairman of the Saudi Authority of Intellectual Property.

He previously served as the acting, Chairman of the Board for the General Entertainment Authority, General Sports Authority and the Capital Markets Authority (CMA). Additionally, he was a Board member of World Bank and the Government of Saudi Arabia's representative at the World Bank, among other Board memberships in several Saudi Companies. H.E. Al-Shaikh is also a partner at a number of international law firms.

H.E. holds a Master of Laws degree from Harvard Law School, and a Bachelor of Arts from Umm Al-Qura University.



H.E. AHMED BIN AQEEL AL-KHATEEB

BOARD MEMBER

MEMBER OF THE REMUNERATION COMMITTEE

H.E. Al-Khateeb currently serves as Minister of Tourism, and is a member of the board of directors of the Public Investment Fund, a member of its Remuneration Committee, board member of NEOM, and board member of the National Development Fund. He is also chairman of the Tourism Development Fund, the Saudi Tourism Authority, Saudi Fund for Development, Saudi Arabian Military Industries, Quality of Life Program Committee, and the Saudi Red Sea Authority. H.E. Al-Khateeb also serves as Secretary General of the Diriyah Gate Development Authority board of directors, similarly serving in Jeddah Central Development Company (JCDC), the Events Investment Fund and Al-Diriyah Company.

H.E. previously served as the Minister of Health, chairman of the General Entertainment Authority, and advisor to His Royal Highness the Crown Prince at the Royal Court, the General Secretariat of the Council of Ministers, and the Minister of Defense. He also established private investment banking services at Riyad Bank, and was the founder of both the Jadwa Investment Company and Islamic Banking (Amanah) at Saudi Awal Bank (SAB).

H.E. holds a Bachelor of Business Administration degree from King Saud University, and a Certificate in Wealth Management from Dalhousie University.



H.E. ENG. KHALID BIN ABDULAZIZ AL-FALIH

BOARD MEMBER CHAIRMAN OF THE RISK COMMITTEE

H.E. Al-Falih currently serves as the Minister of Investment, and he holds memberships on the following Boards: The Council of Ministers, the Public Investment Fund, the Saudi-Emirati Coordination Council, and the India-Saudi Arabia Strategic Partnership Council. He is also chairman of PIF Risk Committee, the Joint Group for Saudi-Japan Vision 2030, the Joint Saudi-Canadian Council, the Saudi-Russian Joint Committee, Economic Cities and Special Zones Authority, Saudi Investment Promotion Authority, and National Incentive Committee.

Previously, H.E. Al-Falih served as the Minister of Energy, Industry and Mineral Resources, Minister of Health, Chairman of the Board of Directors of Ma'aden Company, Chairman of the Board of Directors of Saudi Aramco and CEO of Saudi Aramco, among other Aramco positions.

H.E. Al-Falih holds an honorary doctorate from the Korea Advanced Institute of Science and Technology, an MBA from King Fahd University of Petroleum and Minerals, and a Bachelor of Science Degree in Mechanical Engineering from Texas A&M University.



H.E. MOHAMMED BIN ABDULLAH AL-JADAAN

BOARD MEMBER

H.E. Al-Jadaan currently serves as the Minister of Finance, and a member of the Council of Ministers, the Council for Economic and Development Affairs and the Board of Directors of the Public Investment Fund. Within the government apparatus, he chairs the boards of several key authorities: the General Authority for Awqaf, the Authority for Special Economic Zones and Cities, the Zakat, Tax and Customs Authority, the Center for Achieving Efficiency of Government Spending and Projects, and the Saudi Authority for Accredited Valuers. Additionally, he leads the National Center for Government Resources Systems, the General Authority for Social Insurance, and the National Centers for Privatization, Debt Management, and Non-Oil Revenue.

He chairs the Boards of the General Authority for State Real Estate, the Financial Sustainability Program Committee, the Privatization Program Committee, the Financial Sector Development Program Committee. He is a member of the Boards of the Digital Government Authority, the Royal Commission for Makkah City and Holy Sites, the General Authority for Statistics, the Saudi Authority for Data and Artificial Intelligence, the Royal Commission for the City of Riyadh, the National Development Fund, the General Authority for Military Industries, and the General Organization for Military Industries. He serves on the Board of Governors for the Islamic Development Bank, the International Monetary Fund, the World Bank, the Arab Fund for Economic and Social Development, the Arab Monetary Fund, the Arab Bank for Economic Development in Africa the Asian Infrastructure Investment Bank, the Arab Authority for Agricultural Investment and Development, and a member of the Board of Directors of the Arab Corporation for Investment and Export Credit Guarantee.

H.E. Al-Jadaan previously served as the Acting Minister of Economy and Planning and Chairman of the Capital Market Authority (CMA), and is a founding partner of Al-Jadaan & Partners Law Firm.

H.E. holds a Higher Diploma in Legal Studies from the Institute of Public Administration, and a Bachelor of Islamic Economics degree from Imam Mohammad Ibn Saud Islamic University.



H.E. FAISAL BIN FADEL AL-IBRAHIM

BOARD MEMBER MEMBER OF THE INVESTMENT COMMITTEE

H.E. Al-Ibrahim is Minister of Economy and Planning and holds an array of prominent positions guiding Saudi Arabia's economic landscape. He sits on the Council of Ministers and the Public Investment Fund Board, and is a member of the Investment Committee of PIF, actively shaping investment strategies. As chair of the General Authority for Statistics and member of the board of directors of the Supreme National Committees for Investment and Industry, he plays key roles in data-driven decision-making. His expertise extends to high-level committees like National Incentives, Privatization Programs, and National Transformation, shaping economic development across various sectors. H.E. Al-Ibrahim serves as a member of the board in the National Development Fund, the Royal Commission for Riyadh City, and Cultural Development Fund further demonstrate his influence.

Prior to his ministerial role, H.E. Al-Ibrahim led mergers and acquisitions at Saudi Aramco, managed the Aramco Development Company and spearheaded major projects.

He brings an impressive academic background to his roles, holding an MBA from MIT and dual undergraduate degrees in economics and accounting with a management information systems minor from Pennsylvania State University.



H.E. YASIR BIN OTHMAN AL-RUMAYYAN

BOARD MEMBER MEMBER OF THE INVESTMENT COMMITTEE MEMBER OF RISK COMMITTEE GOVERNOR OF PIF

H.E. Al-Rumayyan currently serves as the Governor of the Public Investment Fund, and is a member of its Board, and a member of both the Investment and the Risk Committees. He is also chairman of the Royal Court Decision Support Center, Saudi Aramco, the Saudi Arabian Mining Company (Ma'aden) and Sanabil Investment Company, among other roles.

Previously H.E. served as a board member of Uber Technologies, CEO and board member of Saudi Fransi Capital, director of Corporate Finance at the Capital Market Authority, and Head of International Brokerage at Saudi Hollandi Bank.

H.E. holds a bachelor's in accounting from King Faisal University, and is a graduate of the Harvard Business Administration School's General Management Program. H.E. Al-Rumayyan is also a Fellow of the Saudi Organization for Chartered and Professional Accountants (SOCPA).



H.E. MOHAMMED BIN MAZYAD AL-TUWAIJRI

BOARD MEMBER

MEMBER OF THE RISK COMMITTEE

MEMBER OF THE REMUNERATION COMMITTEE

H.E. Al-Tuwaijri currently serves as a Royal Court Advisor. He serves on the Public Investment Fund board of directors and is a member of PIF's Risk Committee and Remuneration Committee. He is also a member of the Council of Economic and Development Affairs, Saudi Aramco, and Royal Commission for Makkah City and Holy Sites boards. Additionally, he is Deputy Chairman of National Development Fund, chairman of the National Transformation Program (NTP) Committee, Chairman of Saudi Royal Aviation, a member and supervisor of the Secretariat of the Financial Committee of the Royal Court, and member of the Board of Trustees of King Abdullah University of Science and Technology (KAUST), and member of KAUST's Executive and Investment Committee.

Previously H.E. served as the Minister of Economy and Planning, Vice Chairman of HSBC, CEO of HSBC MENA and Turkey, and Director and CEO of J.P. Morgan in Saudi Arabia.

H.E. holds a Master of Business Administration degree with honors from King Saud University and a Bachelor of Aviation Science degree from King Faisal Air Academy.



GOVERNANCE AT BOARD LEVEL

The PIF Board of Directors assumes full oversight of PIF, encompassing management, operations, and the fulfillment of its objectives. To achieve this, the Board is vested with all necessary authorities and powers. Additionally, the Board has the responsibility to approve and issue the Fund's Bylaws and Policies, including:

- 1. Investment Strategy and Oversight:** Establishing investment policies, procedures, and targeted returns. This includes mechanisms for approving, monitoring, and exiting investments.
- 2. Financial Management:** Determining accounting standards, approving loans and debt instruments, and overseeing the preparation and auditing of the Fund's financial statements.
- 3. Risk Management:** Implementing robust risk management procedures and systems.
- 4. Governance and Administration:** Setting policies for profit distribution, tax matters, board representation, delegating signing authority, and establishing policies and procedures for tax liability.
- 5. Organizational Structure and Budget:** Approving the Fund's organizational structure, function allocation, annual budgets, and annual reports.

OVERSIGHT

Under the Chairmanship and guidance of HRH Prince Mohammed bin Salman bin Abdulaziz Al Saud, the Crown Prince of the Board is responsible for overseeing PIF's long-term strategy, investment policy and overall performance.

BOARD REMUNERATION COMMITTEE

This committee has oversight of the overall remuneration pool relating to each senior management member, the compensation policy for external members of PIF committees and the compensation and benefits scheme linked to employee performance management.



MEMBERS OF THE REMUNERATION COMMITTEE FROM THE BOARD OF DIRECTORS



**H.E. DR. IBRAHIM BIN
ABDULAZIZ AL-ASSAF¹**

BOARD MEMBER
CHAIRMAN OF THE
REMUNERATION COMMITTEE



**H.E. AHMED BIN AQEEL
AL-KHATEEB²**

BOARD MEMBER
MEMBER OF THE REMUNERATION
COMMITTEE



**H.E. MOHAMMED BIN
MAZYAD AL-TUWAIJRI³**

BOARD MEMBER
MEMBER OF THE REMUNERATION
COMMITTEE

BOARD INVESTMENT COMMITTEE

This committee reviews PIF investment activities and makes decisions in light of the approved Delegation of Authority. The Board Investment Committee mainly covers the investments and governance of portfolio companies, new direct and indirect investments, the establishment of new companies, asset transfers and investment policy. The members, except for H.E. the Governor, are all non-executive members with local and international expertise in different fields.



MEMBERS OF THE INVESTMENT COMMITTEE FROM THE BOARD OF DIRECTORS



H.E. DR. IBRAHIM BIN ABDULAZIZ AL-ASSAF¹

BOARD MEMBER
CHAIRMAN OF THE INVESTMENT COMMITTEE



H.E. FAISAL BIN FADEL AL-IBRAHIM²

BOARD MEMBER
MEMBER OF THE INVESTMENT COMMITTEE



H.E. YASIR BIN OTHMAN AL-RUMAYYAN³

BOARD MEMBER
MEMBER OF THE INVESTMENT COMMITTEE

EXTERNAL INVESTMENT COMMITTEE MEMBERS



**H.E. AYMAN BIN
MOHAMMED AL-SAYARI**

MEMBER OF THE INVESTMENT COMMITTEE

H.E. Al-Sayari currently serves as the Governor of the Saudi Central Bank and Chairman of SAMA's Board of Directors and holds various memberships including the Board Investment Committee at the Public Investment Fund, the Board of Directors for the Saudi Development Fund, and he chairs the Nominations and Awards Committee for the National Center for Public Debt Management.

Previously, he held positions as Deputy Governor for Investment in the Saudi Central Bank, Vice Governor of SAMA for Investment and Research, and a financial analyst at the Saudi Industrial Development Fund. H.E. was also seconded to the World Bank Group in 2003 for three years to work in the Global Financial Markets Department at the International Finance Corporation (IFC).

He holds a master's degree in business administration from George Washington University, and a bachelor's degree in accounting from King Fahd University of Petroleum and Minerals. He also completed the General Management Program at Harvard Business School and is a CFA Charter holder (Chartered Financial Analyst).



**ENG. KHALID BIN
HASHEM AL-DABBAGH**

MEMBER OF THE INVESTMENT COMMITTEE

Eng. Al-Dabbagh currently chairs the Board of Directors of Saudi Basic Industries Corporation (SABIC), and is a member of the Investment Committee of the Public Investment Fund, Saudi Aramco's board of directors, the GCC Institute of Directors board of governors, the Committee of Chairmen of the Boards of Directors of the World Economic Forum, and a member on the Advisory Board of the King Abdulaziz Award for Excellence.

Prior to his current positions, Al-Dabbagh served as Senior Vice President for Finance, Strategy and Development at Saudi Aramco, while also holding the critical role of Chief Financial Officer. His leadership extended to various key positions within the company, including Controller and Treasurer. He also led different sectors at Saudi Aramco, encompassing corporate planning, development and management of joint ventures, and marketing. He held the position of CEO of Saudi Aramco International in New York and Managing Director of Saudi Aramco Limited in Tokyo.

He also chaired the board of directors for both Saudi Aramco Development Company (SADCO) and Wasaya Investment Company. He also actively participated in shaping corporate governance policies within Aramco Trading Company by serving as a member of their Board of Directors and chairing their Audit Committee. He held memberships on the boards of various other companies such as Showa Shell in Japan, Sadara Chemical Company (Sadara), Arlanxeo Holding BV in the Netherlands, Fujian Refining and Petrochemical Marketing Joint Venture in China, and Pervekim Refining and Petrochemical Joint Venture in Malaysia.

He holds a Bachelor of Science degree in Industrial Engineering from the University of Toledo and completed numerous executive leadership programs, including the prestigious Senior Executive Program at London Business School.

BOARD AUDIT AND COMPLIANCE COMMITTEE

Approves the internal and external audit plans, and reviews audit reports and financial statements. It also exercises oversight of PIF's compliance with all applicable laws and regulations and adherence to international standards of conducting business. All members of this committee are non-executive members, who offer their knowledge in the fields of audit, compliance and internal control to ensure PIF operations are on the right track and match global best practices.

MEMBERS OF THE AUDIT AND COMPLIANCE COMMITTEE FROM THE BOARD OF DIRECTORS



**H.E. DR. MAJID BIN
ABDULLAH AL-QASABI¹**

CHAIRMAN OF THE AUDIT AND
COMPLIANCE COMMITTEE

EXTERNAL AUDIT AND COMPLIANCE COMMITTEE MEMBERS



**H.E. ABDULAZIZ SALEH
AL-FURAIH**

MEMBER OF THE AUDIT AND COMPLIANCE COMMITTEE

H.E. Al-Furaih currently serves as chairman of the Steering Committee of the Ministry of Finance and is an Adviser to the Minister of Finance. He is also the Director of the Transformation Program at the Ministry of Finance, overseeing strategic initiatives. Additionally, he is a member of the Audit and Compliance Committee for the Public Investment Fund. He holds positions on the boards of several prominent companies, including NEOM, The Red Sea, Qadiyah, Amaala, the Royal Commission for AlUla, and the Saudi Electricity Company, where he chairs the Audit Committee. He is also a member of the Tadawul board and Chairman of its Audit Committee.

He has held various roles in auditing and finance, including Deputy Governor of the Saudi Arabian Monetary Authority (SAMA) and partner responsible for auditing services at a major national accounting firm. H.E. has led several operations in the field of consulting, and was the first to lead performance monitoring of accounting offices operating in Saudi Arabia.

He held several positions at Riyad Bank, the last of which was Assistant CEO, and worked at the Saudi Industrial Development Fund. He has a master's degree in accounting science from Paul State University and a bachelor's degree in the same discipline from San Diego State University. He is certified as part of the American Accountants' Fellowship.



H.E. DR. NAJM BIN ABDULLAH AL-ZAID

MEMBER OF THE AUDIT AND COMPLIANCE COMMITTEE

H.E. Al-Zaid currently serves as the Deputy Minister of Justice and a member of the Audit and Compliance Committee of the Public Investment Fund Board. He also chairs the Saudi Electricity Company Board of Directors. He is a Vice Chairman of the Board of Directors of the Gulf International Bank, and a member of the Board of Directors of the Royal Commission for Riyadh City, the Regulatory and Supervisory Policy Committee of the Saudi Tadawul Group, and the Permanent Steering Committee for the Higher Diploma Program in Legal Sciences at the Institute of Public Administration.

Previously, he served as an Advisor to the Royal Court and was the Founding Partner of Al-Zaid, Al-Sheikh & Al-Rashid Law Firm, established in cooperation with Hogan Lovells International. He was Head of the Governance and Legal Group at Al Rajhi Bank; a member of the Capital Market Authority Board; and a member of the Board of Directors of the National Center for Privatization. He was also a legal advisor in the Islamic Development Bank Group and the World Bank in the United States of America, and a member of the Bureau of Investigation and Public Prosecution, in addition to membership in several boards of directors of companies and their committees.

He holds a doctorate of law from George Washington University Law School, a Master of Laws degree from the University of Minnesota Law School, a Bachelor of Laws degree from Umm Al-Qura University, and a Diploma in the systems program from the Institute of Public Administration. He is also a graduate of the Executive Program in Leadership from Harvard University, the Executive Management Development Program from London Business School.



TARIQ BIN ABDULRAHMAN AL-SADHAN

MEMBER OF THE AUDIT AND COMPLIANCE COMMITTEE

Al-Sadhan serves as the Chief Executive Officer and board member of Saudi National Bank and is a member on both the Audit and Compliance Committee of the Public Investment Fund Board, and on the Audit and Compliance Committee of the Zakat, Tax, and Customs Authority. He is also member of the Board of Trustees of the Financial Academy.

He previously worked as the Chief Executive Officer of Riyadh Bank, and a member of the Board of Directors of Riyadh Financial, an advisor to the Chairman of the Saudi Development Fund, and served as the Acting Director General of the Zakat, Tax, and Customs Authority, as well as the Deputy Governor for Supervision at the Saudi Central Bank. He has over 18 years of experience at KPMG, the last position of which was Managing Director (CEO). He was also a member of the Supervisory Board of the World Economic Forum 2020 for the Middle East and North Africa.

He holds a Master of Business Administration degree from Ecole de Pont Business School in France, a diploma in Board Effectiveness from IMD Business School in Switzerland, a bachelor's degree in accounting from King Saud University, and is certified by the American Institute of Chartered Accountants and the Saudi Authority of Chartered Accountants.

BOARD RISK COMMITTEE

To emphasize the importance of risk management, a resolution was passed in 2018 stipulating that the scope of risk management must ensure that proper controls are in place and their implementation is strictly monitored. This ruling led to establishing the Risk Committee as a stand-alone not linked with the Audit and Compliance Committee. The Committee ensures that investments comply with risk management policies. It also prepares a risk appetite statement and formulates mitigation plans to avoid any risks PIF might encounter through its investment and non-investment activities.



MEMBERS OF THE RISK COMMITTEE FROM THE BOARD OF DIRECTORS



**H.E. ENG. KHALID BIN
ABDULAZIZ AL-FALIH¹**

BOARD MEMBER
CHAIRMAN OF THE RISK COMMITTEE



**H.E. YASIR BIN OTHMAN
AL-RUMAYYAN²**

MEMBER OF THE RISK COMMITTEE



**H.E. MOHAMMED BIN
MAZYAD AL-TUWAIJRI³**

BOARD MEMBER
MEMBER OF THE RISK COMMITTEE

EXTERNAL RISK COMMITTEE MEMBERS



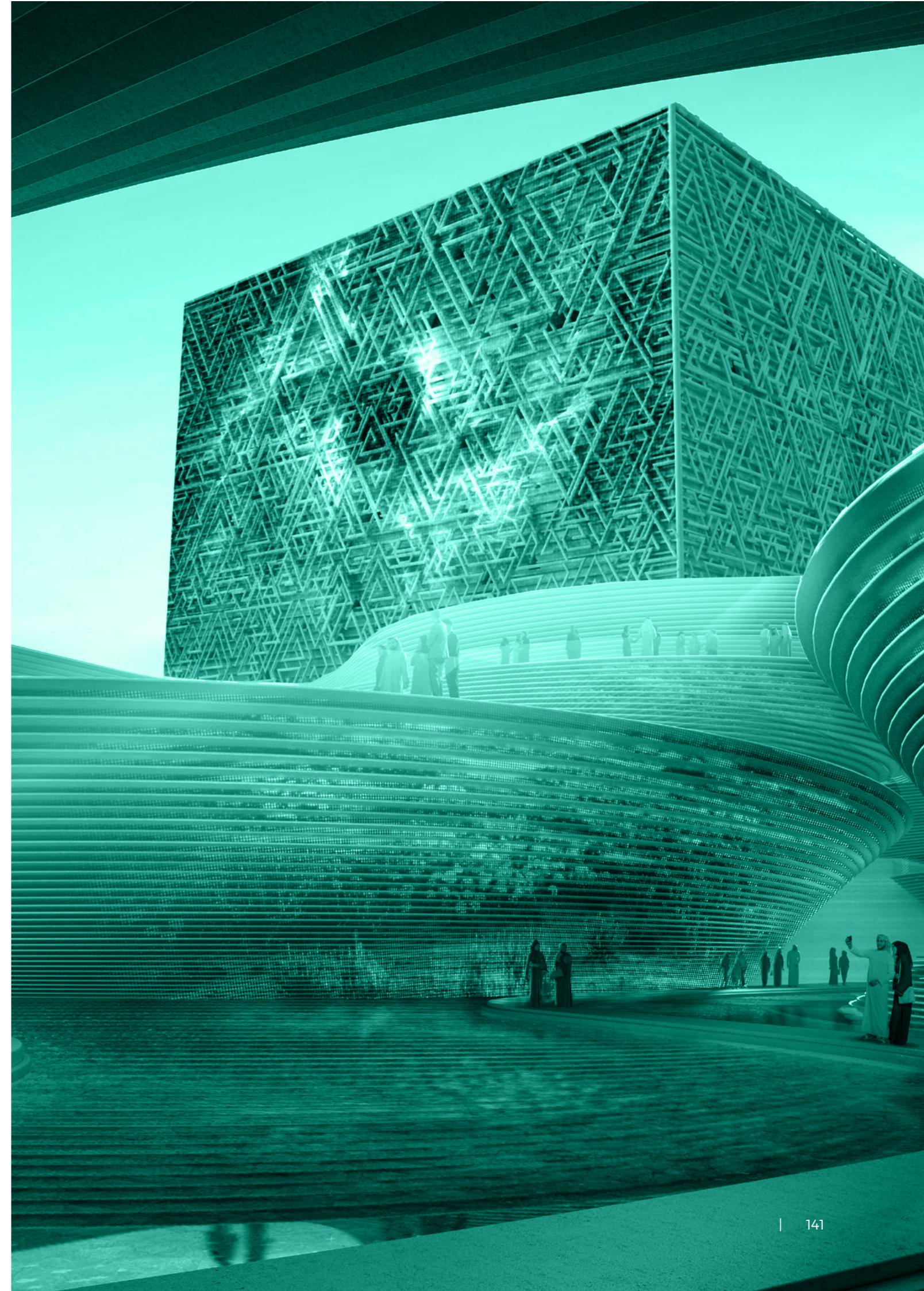
DR. KHALID BIN DAWOOD AL-FADDAGH

MEMBER OF THE RISK COMMITTEE

Dr. Al-Faddagh is currently a member of various boards and committees, including the Risk Committee of the Public Investment Fund Board. He serves as a board member and chairman of the Audit and Risk Committee of the Vision Invest Company.

He is also an independent member of the Audit Committee for SPIMACO and Rou'a Al-Haram. Additionally, he is the Chairman of the Audit Committee for Luberef, as well as a member of the audit committee of Banque Saudi Fransi, and a member of the risk committee of the General Organization for Social Insurance (GOSI). In over 30 years of experience at Saudi Aramco, he held the position of auditor general and secretary of the Internal Audit Committee of the Board of Directors.

He was CEO of Petron, a joint company between Aramco and the Philippines. He served as a member of the Advisory Board of the Eastern Health Cluster Chairman of the Audit Committee, Chairman of the Risk Committee of the Board of Directors of Bupa Arabia, Chairman of the Risk and Compliance Committee of the Board of Directors of ACWA Power Company, Member of the Audit Committee of the Board of Directors of SABIC, an independent member of the Audit Committee of the Saudi Telecom Company (STC), and Vice Chairman of the Audit Review Committee of King Fahd University of Petroleum and Minerals. He holds a doctorate in mechanical engineering from Imperial College London and a master's degree from the Manchester Institute of Science and Technology. He has also completed the Executive Directors Program for Leadership and Business Strategy at Harvard University and received the "Distinguished Lifetime Achievement" Award from the UAE Internal Audit Association in 2015.



MANAGING PIF'S INVESTMENTS

GOVERNANCE

Robust investment policies are in place to provide more detailed instructions about the management of PIF investment portfolios and to ensure that the best global investment practices are followed by identifying the objective of each investment portfolio, providing details on the allowed asset categories, and allocating targets, performance standards and risk tolerance. The governance model in the Board of Directors falls under the executive management level with five committees that review strategic and operational activities and evaluate investment and non-investment proposals before filing them to the Board and its committees to take the proper resolutions.

BOARD OF DIRECTORS



GOVERNOR



DEPUTY GOVERNORS



MANAGEMENT COMMITTEE

Monitors the strategy, business plan execution and annual operation budget from an institutional perspective. The Management Committee makes the necessary decisions within its framework of authority and review non-investment related proposals that will be issued to the Board of Directors and its sub-committee.

MANAGEMENT INVESTMENT COMMITTEE

The committee is chaired by His Excellency the Governor, and delegated to the Deputy Governor, The head of international Investments Division, with limited authority. The committee reviews all investment proposals before submission to the Board and its sub-committees, in addition to utilizing the investment powers granted to the Executive Management through delegation of authority by the Board.

PORTFOLIO COMPANIES NOMINATION COMMITTEE

Proposes candidates to represent PIF in its portfolio companies, reviews the representatives' performance and ensures proper governance practices are in place to maintain integrity and control.

MANAGEMENT RISK COMMITTEE

The committee is chaired by the Deputy Governor, the head of MENA Investment Division. The Committee Monitors risks and PIF compliance with its risk policies, proposes mitigating actions to potential risks and updates the internal guiding documents that match best practices. This committee also identifies business continuity plans to ensure business resilience.

MANAGEMENT LIQUIDITY COMMITTEE

The committee is chaired by the Deputy Governor, the head of International Investments Division. The Committee reviews and recommends PIF financing strategy and lending activities to portfolio companies, monitors PIF's liquidity, develops the capital structure within the desired state and maintains the pace of its activities as desired. This committee also ensures that funding plans are in place and within aspired targets.

REPORTING

To further ensure a strong governance model, PIF issues periodic reports in various formats that cover all activities conducted through the delegated authority, whether investment or non-investment related. These reports are issued weekly, quarterly or annually to the Board and Board Committees.

The purpose of such reports is to ensure transparency in decision-making and highlight challenges faced during execution. Key PIF reports are as follows:

HRH CHAIRMAN OF THE BOARD OF DIRECTORS REPORT

This report is issued bi-weekly to HRH the Chairman of the Board of Directors. It provides key updates on investment activities relevant to PIF's projects and deals, portfolio company performance and governance, and liquidity and progress made on the investment program's KPIs. The report covers the period under PIF review during the year.

PUBLIC INVESTMENT FUND BOARD OF DIRECTORS QUARTERLY REPORT

This quarterly report keeps the Board of Directors informed of PIF's latest activities, performance and achievements in both investment and non-investment matters, liquidity, and status of the Board of Directors' resolutions and directives.

THE VISION REALIZATION PROGRAM REPORT

This quarterly report shares with the Strategic Management Committee (SMC) PIF's progress on a range of developments and initiatives and its most prominent achievements against assigned KPIs. During the year under review, four such reports were issued and submitted to the SMC.

PUBLIC INVESTMENT FUND ANNUAL REPORT

The Public Investment Fund Annual Report is a mandatory document that is submitted to CEDA. The Report at a minimum should contain the following topics as per PIF by-laws:

- The audited Annual Financial Statements relating to the preceding financial year.
- A statement of the assets and investments of PIF detailing the performance of such assets and investments during the preceding financial year.
- A statement detailing all compensation received by members of the Board.
- Any other information or statements requested by the Council of Economic and Development Affairs.

EXECUTIVE MANAGEMENT



TURQI A. AL-NOWAISER

Deputy Governor, Head of International Investments Division



YAZEED A. AL-HUMIED

Deputy Governor, Head of MENA Investments Division



AIMAN M. AL-MUDAIFER

Head of Local Real Estate Investments Division



YASIR A. AL-SALMAN

Head of Finance Division



BANDER A. MOGREN

Head of Shared Services Division



FAHAD AL-SAIF

Head of Global Capital Finance Division



RANIA NASHAR

Head of Compliance and Governance Division



SAAD AL-KROUD

Chief of Staff and Secretary General to the Board



KEVIN FOSTER

Head of Corporate Affairs Division



JERRY TODD

Head of National Development Division



MIKE CHENG

Head of Internal Audit Division



FETA ZABELI

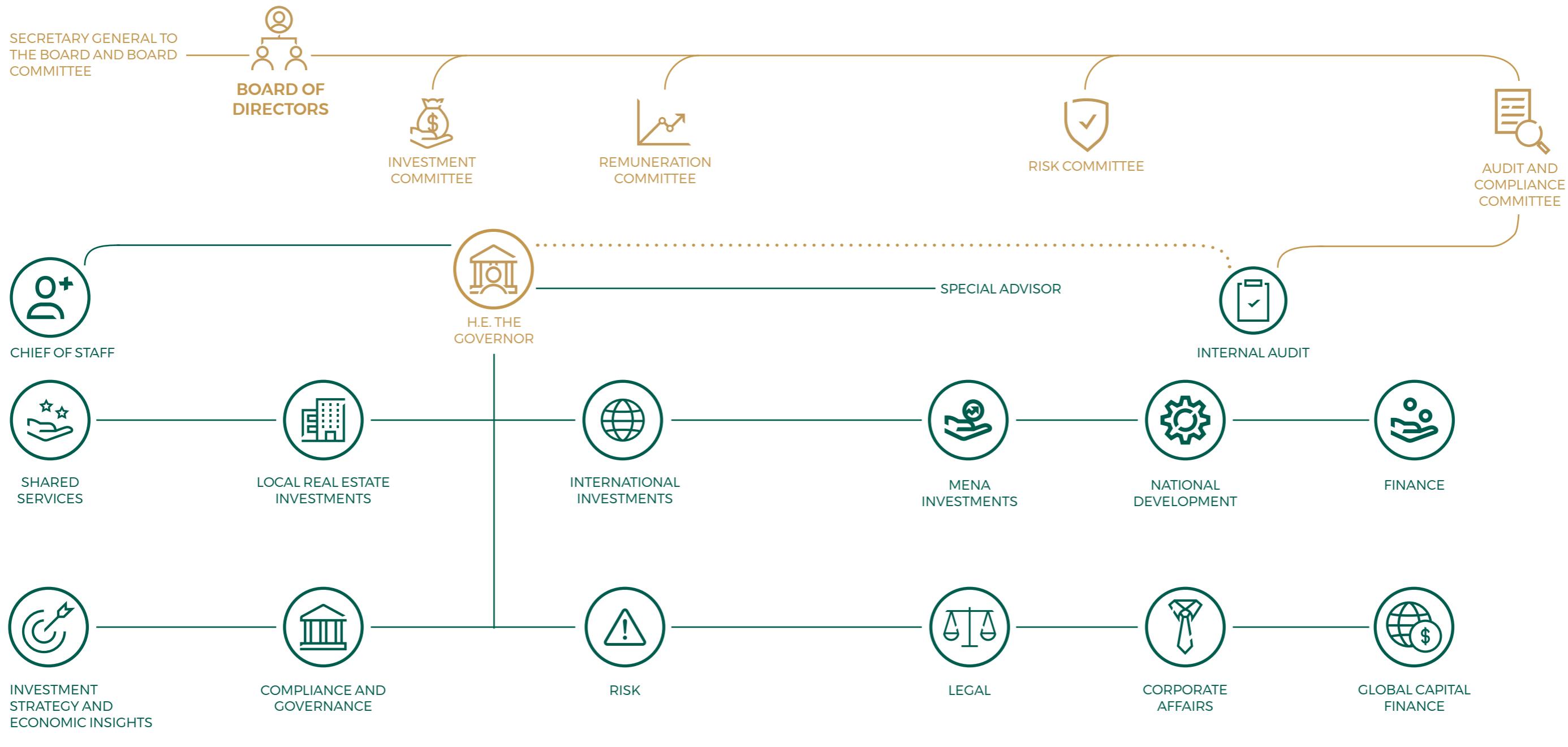
Head of Risk Division



BRIAN GILLESPIE

Head of Legal Division & General Counsel

ORGANIZATIONAL STRUCTURE



■ COMMITTEES ■ DIVISIONS

ORGANIZATIONAL STRUCTURE

INTERNATIONAL INVESTMENTS

Manages all activities related to international investment portfolios, which include listed securities, international real estate and infrastructure investment portfolios, direct investments; including investments with influential ownership in listed or private companies, and international private equity and credit investment portfolios.

MENA INVESTMENTS

Manages all activities related to local investment portfolios as well as investments in the MENA, including investments in private and listed companies and funds. Also manages the establishment of new companies in the sectors included in the Fund's program and enhances the operational performance of the Fund's portfolio companies.

LOCAL REAL ESTATE INVESTMENTS

Oversees all activities related to real estate investment portfolios and local infrastructure projects, including establishing and launching new companies and monitoring them through asset management services, providing support and technical recommendations, developing strategies and managing projects.

GLOBAL CAPITAL FINANCE

Prepares a comprehensive financing strategy for the Fund to meet and ensure long-term investment and liquidity needs, supporting the Fund's subsidiaries in designing and implementing a financing strategy and managing investor and financial institutions relations.

CHIEF OF STAFF

Provides support to H.E. the Governor and the Fund's different departments in developing strategies and business plans, managing institutional projects, establishing new companies and overseeing the affairs of the Fund's portfolio companies, stakeholders, committees, and related reporting activities.

INTERNAL AUDIT

Provides independent assurance to the board and executive management to ensure the effectiveness of operations, controls, and risk management activities related to domestic and international investments, information technology, information security, operational and financial support services, and other related operations.

COMPLIANCE AND GOVERNANCE

Strengthening PIF's adherence to laws, regulations, and internal policies by advising on compliance risks and assessing and monitoring risks of financial crime, regulatory compliance, and business conduct through a comprehensive compliance program. Building a robust and efficient governance structure to empower informed decision-making by setting high standards for PIF and its portfolio companies. Continuously monitoring global developments and adopting best practices.

SHARED SERVICES

Manages all administrative and operational activities related to investment operations, human capital management, contracts and procurement, information technology, administrative affairs, and the information preservation and archiving center. Also provides operational and logistical support for new companies, as well as services to the Fund's portfolio companies and new projects.

NATIONAL DEVELOPMENT

Cooperates with all investment divisions to implement development plans and studies to achieve the required economic and social value to the local economy by providing guidance regarding structuring, evaluating, and analyzing investment decisions, as well as raising recommendations to decision-makers.

INVESTMENT STRATEGY AND ECONOMIC INSIGHTS

Determines the strategy of long-term portfolios, balances the allocation of different assets of all kinds, develops vision and strategies, and identifies opportunities between portfolios for different sectors. Also, follows up on and evaluates the macroeconomic trends for the development of the Fund's economic database and the extent of the trends' effects on the Fund's investment strategy.

RISK

Analyzes and covers investment and operational risks, advises on credit risks, provides decision support to investment holders, and supervises work related to information security to ensure the protection of the Fund's assets and information systems.

CORPORATE AFFAIRS

Manages media relations across all platforms, following up on media coverage and preparing related reports, managing marketing activities, representing the corporate brand identity, managing and leading internal corporate communication, as well as promoting and nurturing the Fund's corporate culture internally and enhancing the Fund's position through social responsibility.

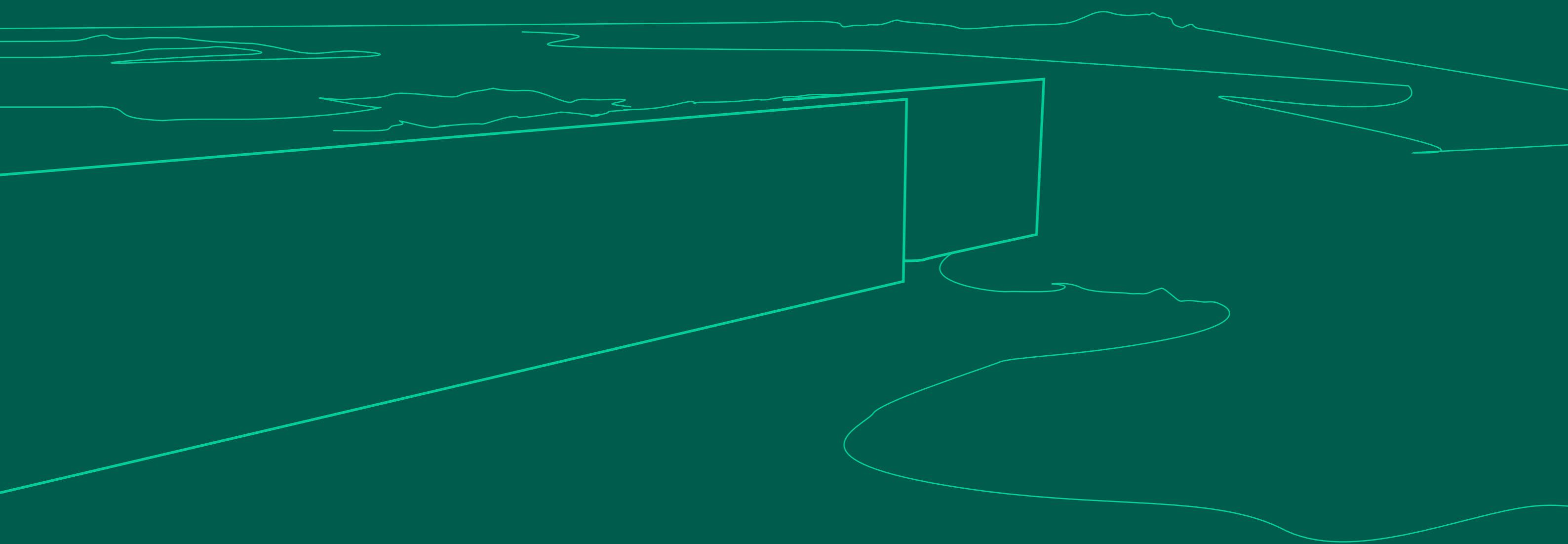
LEGAL

Manages all legal affairs and activities, including providing recommendations, advice, and legal services concerning legislation, deals and partnerships for all investment and financial activities in the Fund. Additionally, manages disputes and claims, cases, and investigations at the Fund's institutional level.

FINANCE

Manages treasury investments and fixed-income assets, ensuring that the targeted returns are achieved as specified in the Fund's investment policy. Manages the performance evaluation of investment portfolios, and supervises the work of accounting, financial control, taxes, financial evaluation, consolidation of financial statements and accounting consultancy.

CONSOLIDATED FINANCIAL STATEMENTS



**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
(BALANCE SHEET)**
(AMOUNTS IN MILLION SAR)

	2023	2022	CHANGE	% CHANGE
Assets				
Fixed assets	508,637	359,010	149,627	42%
Investment securities and derivatives	1,754,315	1,266,369	487,946	39%
Investment in associates and joint ventures	165,049	147,315	17,734	12%
Financial assets and Other assets	576,888	551,592	25,296	5%
Financing and advances	658,759	592,244	66,515	11%
Total Assets	3,663,648	2,916,530	747,118	26%
Liabilities and Equity				
Liabilities				
Loans and borrowings	466,039	321,773	144,266	45%
Customer deposits	685,397	607,002	78,395	13%
Trade and other liabilities	299,377	219,152	80,225	37%
Total Liabilities	1,450,813	1,147,927	302,886	26%
Equity				
Total Equity	2,212,835	1,768,603	444,232	25%
Total Liabilities and Equity	3,663,648	2,916,530	747,118	26%

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
(AMOUNTS IN MILLION SAR)

	2023	2022	CHANGE	% CHANGE
Income/(Loss) from investment activities				
	93,785	(41,550)	135,335	326%
Revenue from non-investment activities	237,575	206,602	30,973	15%
Total Revenue	331,360	165,052	166,308	101%
Cost of revenue	(152,598)	(117,983)	(34,615)	29%
Administrative and selling expenses	(118,023)	(70,775)	(47,248)	67%
Share of profit of associates and joint ventures, net	9,201	8,913	288	3%
Operating profit/(loss)	69,940	(14,793)	84,733	573%
Finance income, net	1,105	3,689	(2,584)	(70%)
Profit/(Loss) before zakat and income tax	71,045	(11,104)	82,149	740%
Zakat and income tax expense	(6,613)	(5,652)	(961)	17%
Profit/(Loss) before zakat and income tax	64,432	(16,756)	81,188	485%
Profit from discontinued operations, net of zakat and income tax	-	2,034	(2,034)	(100%)
Profit/(Loss) for the year	64,432	(14,722)	79,154	538%
Other Comprehensive Income/(loss)				
Total other comprehensive profit/(loss) for the year	73,646	(43,823)	117,469	268%
Total comprehensive income/(loss) for the year	138,078	(58,545)	196,623	336%

CONSOLIDATED STATEMENT OF CASH FLOWS

(AMOUNTS IN MILLION SAR)

	2023	2022	CHANGE	% CHANGE
Net cash generated from / (used in) operating activities	98,170	(63,464)	161,634	255%
Net cash used in investing activities	(111,163)	(30,434)	(80,729)	265%
Net cash generated from financing activities	70,747	65,749	4,998	8%
Net increase / (decrease) in cash and cash equivalents	57,754	(28,149)	85,903	305%
Net foreign exchange differences	(975)	(479)	(496)	104%
Cash and cash equivalents at the beginning of the year	186,657	215,285	(28,628)	(13%)
Cash and cash equivalents at the end of the year	243,436	186,657	56,779	30%



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