

EXECUTING

TRANSFORMATION

AND INVESTING IN GROWTH

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As part of the vision 2030, NIDL aims at developing decisively the Industrial landscape of the Kingdom...

رؤية
VISION 2030
المملكة العربية السعودية
KINGDOM OF SAUDI ARABIA

 Enriching The Hajj and Umrah Experience

 PIF Program

 Financial Sector Development Program

 National Companies Promotion Program

 The Housing Program

 Saudi Character Enrichment Program

 Human Capital Development Program

 Fiscal Balance Program

 Privatization Program

 Strategic Partnerships Program

 Lifestyle Improvement Program

 National Industrial Development And Logistics Program

 National Transformation Program

Our NIDLP strategy relies on 4 pillars...

Improve competitiveness



I

Provide competitive enabling environment to priority sectors

Establish an **enabling ecosystem** (financing, logistics, infrastructure, regulations, standards, etc.) to '**level the playing field**' and support **private sector** growth for KSA companies to effectively compete on a regional and global scale



II

Accelerate innovation to sustain existing and create new advantages

Support/incentivize **technological innovation** and the proliferation of Industry 4.0 to **improve productivity and sustain the competitiveness** of KSA industries

Establish / develop selected industries



III

Leverage our natural endowments with maximum socio-economic return

Maximize value extracted from the **Kingdom's resources** (**hydrocarbon molecules**, minerals, solar power, etc.) through the accelerated **development of these sectors**



IV

Leverage demand and position to seed strategic competitive advantages

Localize industrial clusters with **significant local/regional demand** and a sustainable competitive advantage, through **local content** policies and targeted enablers

The program will be driven through 24 components and more than 300 initiatives

Industry

- 1** Machinery & equipment
- 2** Desalination
- 3** Renewables manufacturing
- 4** Pharma
- 5** Medical supplies
- 6** Automotive
- 7** Aerospace
- 8** Chemicals²
- 9** Food processing
- 10** Aquaculture
- 11** Military industries
- Metals¹**
- Building materials¹**

Mining

- 12** Mining

Energy

- 13a** Power sector transformation
- 13b** Energy pricing and support
- Gas supply development³**

Logistics

- 14** Logistics

Local content

- 15** Local content

Enablers⁴

- 16** Financial enablement
- 17** Productivity and Industry 4.0
- 18** Research & innovation
- 19** Special economic zones (SEZs)
- 20** Export enablement
- 21** Human capital enablement
- 22** Policies, regulations and standards
- 23** SME and cluster development support
- 24** Governance

¹ Incorporated in the mining strategy
³ Handled by Saudi Aramco

² Oil and Gas adjacencies, Including chemicals, plastics and packaging
⁴ Includes initiatives from the mining and NIS strategies

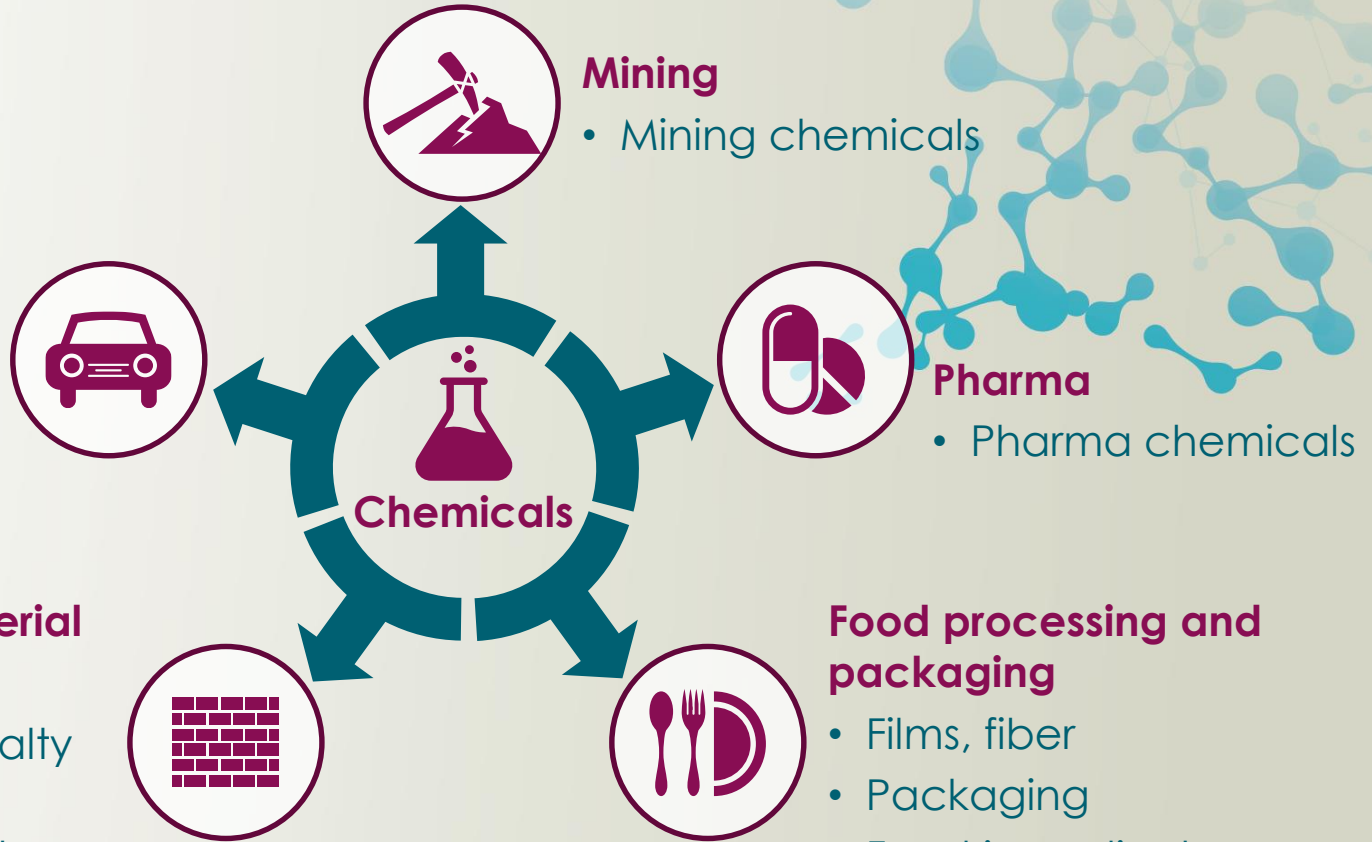
Chemicals are an important stepping stone for the KSA industry diversification

Automotive and aviation

- Carbon fiber
- Plastic components (e.g. bumpers)

Construction material

- Plastic pipes
- Paint and specialty coatings
- Flame retardants



Our chemicals cluster strategy in numbers

Strategic targets



3.5% Y-o-Y
Petchem growth
rate **maintaining**
global market
share



18 specialty
chemical groups
and 8 conversion
segments
developed in
the kingdom



Focus on
innovation,
operational and
commercial
excellence across
the full value chain

Chemicals cluster strategy overview

4 strategic pillars to build the sector



Pursue feedstock

competitiveness options and landed **cost competitiveness**



Develop specialty chemicals **local capability** and **infrastructure**



Protect and further **solidify competitiveness** in plastics sector



Drive for further **innovations** / high value products



Multiple sub-clusters to focus



KSA as a hub for High volume semi-finished plastic products: films, fibers, packaging



Construction: localize plastic **pipes and fittings**



Automotive: develop a local player for automotive **plastics components**



18 specialty chemical groups identified as priority for development and further capacity expansion



For **basic and intermediate chemicals**, opportunities for **downstream integration:** Polyacrylamide; Acrylamide; Carbon Fiber

Value Parks are the main catalysts for the Chemicals clusters development, integrating KSA's full value proposition for chemical investors

World Class infrastructure

Managed and serviced parks with specialized infrastructure targeting chemicals players

Competitive access to feedstock and other inputs

Proximity to feed-stock supply, offered at advantageous prices; and on site / competitive availability of ecosystem of suppliers



Zone-specific incentives

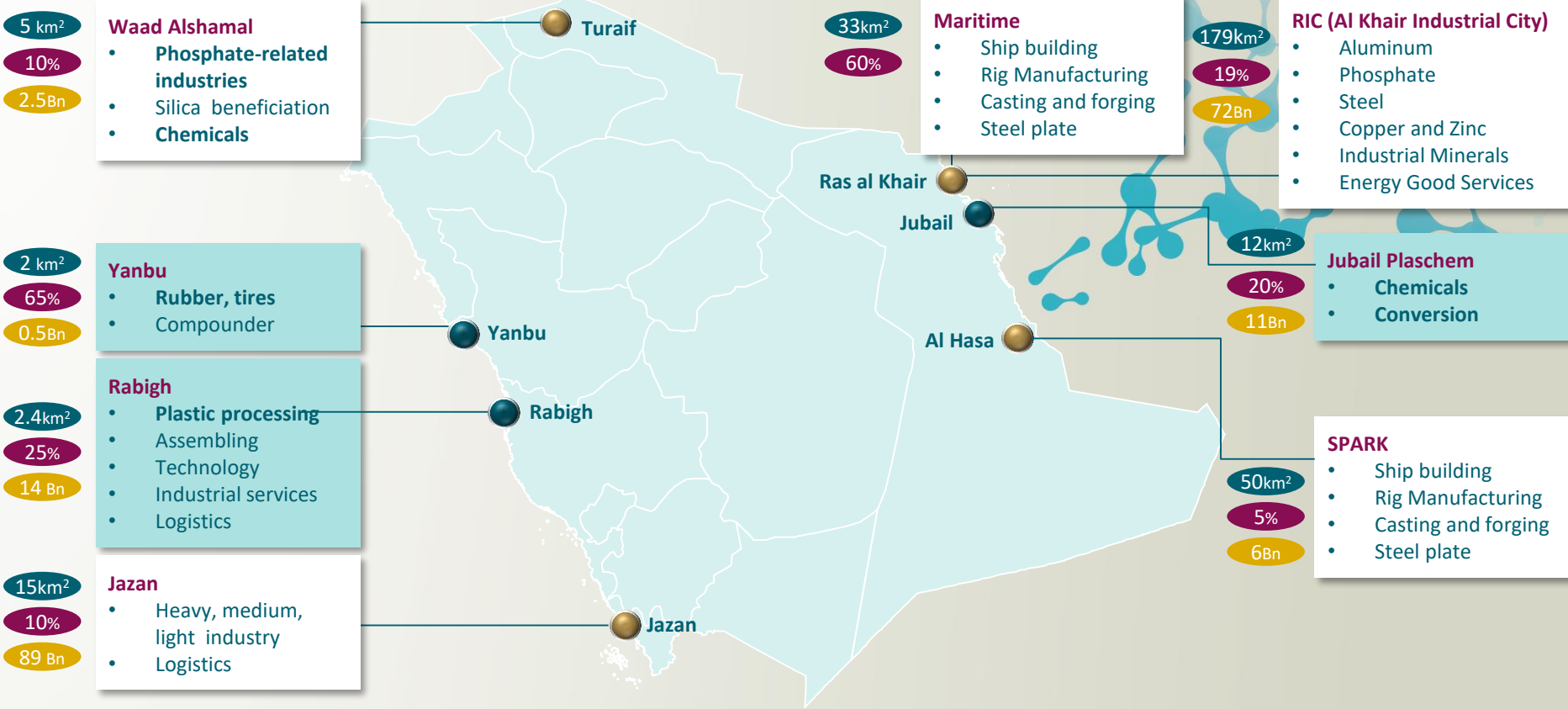
Access to an additional set of zone specific advantages and financial incentives

Supporting enablers

Access and eligibility to NIDL's full range of enablers and investment support

3 parks operational and 6 more under development

■ Area (Sq km)
■ Current utilization (%)
■ Current investments (SAR Bn)



“Value Parks” specific value proposition

World Class infrastructure



One-stop-shop for each park with dedicated management



Dedicated infrastructure and shared facilities and services (e.g. utilities)



Bonded area set-up for custom

Competitive access raw material and other inputs



Preferential electricity tariffs for 10 years in select value parks



Discounted price for feedstock

Zone-specific incentives



Targeted status of Special Economic Zone for select zones, with special tax regime



Additional advantages for anchor investors / pioneers

Supporting enablers



Access to SIDF loans up to 75% with 30 month grace period



Industry 4.0 equipment financing



Priority given to locally produced products through local content programs

Thank you



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