



# OIA 2025

Oman Investment Authority

Pillar 1: Legal

Legal framework, objectives, and coordination with macroeconomic policies

Principle 1

1. The legal framework for the SWF should be sound and support its effective operation and the achievement of its stated objective(s).

1.1. The legal framework for the SWF should ensure legal soundness of the SWF and its transactions.

1.2. The key features of the SWF's legal basis and structure, as well as the legal relationship between the SWF and other state bodies, should be publicly disclosed.

The [Royal Decree 61/2020](#) defines OIA's legal status. This Decree gives OIA financial and administrative independence, and states that OIA is subordinate to the Council of Ministers.

OIA was formed pursuant to the Royal Decree 61/2020 and has independent legal status. OIA holds assets in its own name, and this legal status is stated clearly in the Royal Decree.

The Royal Decree 61/2020 is a public document and is publicly available.

[Royal Decree 57/2021](#) states the implementing regulations for OIA (as stated in Article III of the Royal Decree 61/2020). This provides further clarity on OIA's purpose and mandate to the public and other stakeholders.

Principle 2

2. The policy purpose of the SWF should be clearly defined and publicly disclosed.

Royal Decree 57/2021 Article 5 defines five objectives for the Authority.

These can be summarized as:

1. Managing, developing, and investing the money and assets of the Sultanate to achieve financial returns.
2. Creating financial reserves
3. Contribute to providing the revenues necessary to supplement the general budget and achieve overall financial sustainability.

4. Contribute to the implementation of government policies and strategies related to the advancement of the targeted economic sectors.
5. Enhancing the investment environment and attracting investment to the Sultanate.

### Principle 3

3. Where the SWF's activities have significant direct domestic macroeconomic implications, those activities should be closely coordinated with the domestic fiscal and monetary authorities, so as to ensure consistency with the overall macroeconomic policies.

OIA coordinates with the domestic fiscal and monetary authorities through official representation in various committees such as the liquidity, risk and financial stability, committees at the Central Bank of Oman as well as other Ministry of Finance committees such as the Debt Management committee. These committees review proposals and discuss macro and financial challenges, proposing solutions and remedies to be voted on by all members to ensure close coordination and alignment with overall objectives to achieve financial and micro stability.

### Principle 4

4. There should be clear and publicly disclosed policies, rules, procedures, or arrangements in relation to the SWF's general approach to funding, withdrawal, and spending operations.

4.1. The source of SWF funding should be publicly disclosed.

4.2. The general approach to withdrawals from the SWF and spending on behalf of the government should be publicly disclosed.

Currently, the Oman National Budget and the medium-term fiscal plan specify the government requirements in relation to funding and withdrawals. The National budget is typically issued via Royal Decree, e.g., No. 2/2025. It is written in Arabic and can be found on [Ministry of Justice and Legal Affairs](#)

Royal Decree 57/2021 specifies how the Authority will operate and defines its purpose.

Under Royal Decree 57/2021, Article 14, the source of funding for the Authority can be summarized as follows:

1. The funds allocated to OIA in the state's general budget.
2. Surplus realized at the end of any fiscal year in the state's general budget.
3. Investment returns of its investments.
4. Funds and other assets that His Majesty the Sultan allocates to the fund.

These are also published in the Official Gazette.

The withdrawals from OIA are dictated by the government and outlined in the National Budget, which is announced annually via Royal Decree and is available in the public Gazette.

### Principle 5

5. The relevant statistical data pertaining to the SWF should be reported on a timely basis to the owner, or as otherwise required, for inclusion where appropriate in macroeconomic data sets.

Royal Decree 57/2021, Article 9.16, states that the Board of Directors approves OIA Audited Financial Statements, Performance, and relevant activities. Accordingly, OIA's Management produces quarterly

reports and shares them with the Board of Directors, which is chaired by the Minister of Finance and includes the Undersecretary of Ministry of Finance. An annual performance report is also shared with the Council of Ministers.

## Pillar 2: Institutional

### Institutional Framework and Governance Structure.

#### Principle 6

6. The governance framework for the SWF should be sound and establish a clear and effective division of roles and responsibilities in order to facilitate accountability and operational independence in the management of the SWF to pursue its objectives.

Royal Decree 57/2021 sets out that OIA has a Board of Directors and an executive management team, each with distinctive roles. The Board is appointed by Royal Order. Article 9 of the Royal Decree empowers the Board to establish the new governance structure, investment strategy, operating practices, and administrative and financial regulations. The Board is also responsible for the general oversight of the fund in line with established regulations and systems, as well as drawing up the annual budget. The Board is also responsible for representing the fund at a governmental and legal level.

Under Article 11 of Royal Decree 57/2021, the executive management team has an operational function, putting the strategy approved by the Board into practice.

OIA has a Governance, Risk, and Compliance Department and its Corporate Governance Manual is periodically reviewed.

#### Principle 7

7. The owner should set the objectives of the SWF, appoint the members of its governing body(ies) in accordance with clearly defined procedures, and exercise oversight over the SWF's operations.

Royal Decree 57/2021, Article 5 defines five objectives for OIA as laid out in GAPP 2.

The directors are appointed to the OIA Board of Directors through a Royal Decree and are responsible for exercising oversight over OIA.

#### Principle 8

8. The governing body(ies) should act in the best interests of the SWF, and have a clear mandate and adequate authority and competency to carry out its functions.

Royal Decree 61/2020 appoints the Board of Directors of OIA. The membership of a Board member shall be four (4) years, renewable for a similar period or periods. The Board consists of Ministers and Undersecretaries of Oman and an independent member. The members are selected based on competencies, expertise, and relevance to the role. The Board members currently are:

- Minister of Finance
- Undersecretary of Oman's Ministry of Finance
- Minister of Energy and Minerals
- Minister of Agriculture, Fisheries and Water Resources
- Independent member from Singapore based on independence criteria and possesses relevant expertise to complement existing directors.

Royal Decree 57/2021 specifies how OIA will operate and defines its purpose. The objectives of OIA are as follows:

1. Managing, developing, and investing the money and assets of the Sultanate to achieve the greatest returns.
2. Creating financial reserves
3. Contribute to providing the revenues necessary to supplement the general budget and achieve overall financial sustainability.
4. Contribute to the implementation of government policies and strategies related to the advancement of the targeted economic sectors.
5. Enhancing the investment environment and attracting investment to the Sultanate.

The Corporate Governance Manual states the written and approved Terms of Reference (Charter) for the Board of Directors, Audit Committee, and various other Management Committees. Both the Board and the committees have independent members.

#### Principle 9

9. The operational management of the SWF should implement the SWF's strategies in an independent manner and in accordance with clearly defined responsibilities.

The management of OIA implements the strategies in an independent manner as described in Royal Decree 57/2021, Article 6, which authorizes OIA to undertake all functions necessary to achieve its objectives.

Royal Decree is available through the Ministry of Justice and Legal Affairs website and is attached for your reference. It is written in Arabic and can be found on

[Ministry of Justice and Legal Affairs](#)

#### Principle 10

10. The accountability framework for the SWF's operations should be clearly defined in the relevant legislation, charter, other constitutive documents, or management agreement.

OIA's accountability framework is outlined in OIA Code of Governance, which is reviewed and approved by the Board of Directors every two years or as needed.

The OIA Code of Governance is aligned to Royal Decree 57/2021 which grants powers to OIA Board of Directors who have the ultimate responsibility for safeguarding of OIA's interests. OIA Code of Governance is based on two levels, Board and Management Committees. The Code is underpinned by a series of governance enablers, which constitute the core to ensuring the required clarity and discipline of good corporate governance: corporate values, organization structure design, policies, and procedures, the DoA and effective internal and external communication.

#### Principle 11

11. An annual report and accompanying financial statements on the SWF's operations and performance should be prepared in a timely fashion and in accordance with recognized international or national accounting standards in a consistent manner.

OIA's annual financial statements are prepared in accordance with International Financial Reporting Standards (IFRS), reviewed on a semi-annual basis, and audited annually by one of the Big Four Audit firms such as Deloitte, EY, KPMG and PwC. As per the OIA Code of Governance, External Auditor should be appointed each year and the same auditor should not be appointed for more than four consecutive years.

#### Principle 12

12. The SWF's operations and financial statements should be audited annually in accordance with recognized international or national auditing standards in a consistent manner.

OIA's financial statements are audited by Big Four Audit Firms annually in accordance with IFRS.

OIA's financial performance is also audited by an external auditor in accordance with GIPS standards.

OIA also has an Internal Audit Department, which reports directly to the Audit and Risk Committee.

#### Principle 13

13. Professional and ethical standards should be clearly defined and made known to the members of the SWF's governing body(ies), management, and staff.

OIA's Code of Business Conduct outlines key business ethics, including Conflicts of Interest, Related Party Transactions, Personal Investment Trading, Gifts and Business Entertainment, Responsibilities under the Code, and Observation of the Code. OIA staff declare on an annual basis their understanding and compliance with the Code as well as declare any conflict(s) of interest and related party(ies) where applicable.

#### Principle 14

14. Dealing with third parties for the purpose of the SWF's operational management should be based on economic and financial grounds, and follow clear rules and procedures.

OIA has a clear process for appointing any third parties in the Procurement Policy and Procedures approved by the Board of Directors.

The objectives of this policy are to:

1. set the key principles for procurement, tendering and contracting to ensure openness, equal opportunity and fair competition in the selection of successful Bidders;
2. provide the Internal Tender Committee, Contracts & Procurement Department and staff members direction in various aspects of the Contracts & Procurement Procedures and clarify their roles and responsibilities and
3. support the local businesses and contractors through the process.

Applicable procedures include creation of purchase requisition, purchase order, tendering and obtaining quotations, technical and financial evaluation, and contract management in line with OIA's Delegation of Authority Manual.

## Principle 15

15. SWF operations and activities in host countries should be conducted in compliance with all applicable regulatory and disclosure requirements of the countries in which they operate.

Before pursuing investments in any host country, a detailed legal and regulatory due diligence process is conducted to ensure compliance with applicable laws and regulations. Post-investment, this is overseen by the respective Board or equivalent governing body of the Entity in which OIA has invested, and also highlighted as part of the periodic Risk & Compliance review.

## Principle 16

16. The governance framework and objectives, as well as the manner in which the SWF's management is operationally independent from the owner, should be publicly disclosed.

Royal Decrees 61/2020 and 57/2021 clearly set out that the Board of Directors is independent and has the ultimate authority to approve (or delegate the authority to approve) all OIA's operational matters. This is stated in Royal Decree 57/2021, Chapter 3, and can be accessed from this link:

[Royal Decree 57/2021](#)

## Principle 17

17. Relevant financial information regarding the SWF should be publicly disclosed to demonstrate its economic and financial orientation, so as to contribute to stability in international financial markets and enhance trust in recipient countries.

OIA's Annual Report detailing the asset allocation, geographical allocation, and historical returns is published on the OIA website, in various media outlets, and on social media platforms.

[OIA Website - Media Library](#)

## Pillar 3: Investment

Investment and Risk Management Framework.

## Principle 18

18. The SWF's investment policy should be clear and consistent with its defined objectives, risk tolerance, and investment strategy, as set by the owner or the governing body(ies), and be based on sound portfolio management principles.

18.1. The investment policy should guide the SWF's financial risk exposures and the possible use of leverage.

18.2. The investment policy should address the extent to which internal and/or external investment managers are used, the range of their activities and authority, and the process by which they are selected and their

performance monitored.

18.3. A description of the investment policy of the SWF should be publicly disclosed.

OIA has an investment policy that governs its investment activities, which includes risk tolerance. OIA also has an approved risk policy and risk appetite statement.

This is included in the OIA investment policy, which sets allocation thresholds and is reviewed and approved by the Board of Directors every two years.

OIA's investment policy includes the breakdown of internal versus external allocations in public and private markets. There is an explicit cap for external allocations, and Board approval is required for any changes. External allocations follow a defined selection and monitoring process. All allocations need to be in line with the asset allocation strategy and overall portfolio guidelines.

The investment policy clearly defines the framework for managing financial risk exposures within the fund's approved risk appetite. Under the first line of defense, investment management teams operate within defined mandates and limits. The second line (GRC) independently monitors adherence to policy, evaluates exposures and performance team monitors performance (both internal and external). The third line (Internal Audit) periodically assesses the effectiveness of controls, governance and oversight across all investment activities.

A high-level investment strategy is published on the OIA website.

Link to the OIA website:

[OIA Investment and Engagement Strategy](#)

## Principle 19

19. The SWF's investment decisions should aim to maximize risk-adjusted financial returns in a manner consistent with its investment policy, and based on economic and financial grounds.

19.1. If investment decisions are subject to other than economic and financial considerations, these should be clearly set out in the investment policy and be publicly disclosed.

19.2. The management of an SWF's assets should be consistent with what is generally accepted as sound asset management principles.

OIA's asset allocation framework is structured with the aim of optimizing the fund's return on a risk-adjusted basis. 'OIA's Board of Directors has approved the investment policy in accordance with Royal Decree 57/2021.

OIA's investment decisions are based on the objectives set out in the Royal Decree 57/2021 (as stated in Principle 2 above) and noted in the OIA Annual Report.

Link to the OIA Annual Report:

[OIA Annual Report](#)

The management of OIA assets is stipulated through sound asset management principles described in OIA's Investment Policy and the Investment Process Guidelines. The Board and the Investment Committee are presented with performance reports.

#### Principle 20

20. The SWF should not seek or take advantage of privileged information or inappropriate influence by the broader government in competing with private entities.

The Oman Investment Authority operates under a robust governance and risk management framework that ensures complete independence in its decision-making processes. All investment decisions are guided based on commercial principles, with a strong commitment to transparency, fairness and market integrity. The Authority's activities are strictly aligned with these standards, ensuring that operations remain distinct from government interest or undue influence.

Divestment Strategy for OIA Entities further emphasizes this independence, stating that in alignment with Oman's 2040 vision, the government aims to empower the private sector's role to drive economic growth and enhance its role in the national economy, while limiting government involvement to a regulatory function. This ensures that the OIA operates solely on commercial terms, free from interference, and adheres to the principle of non-preferential treatment in its investment decisions. Through this framework, OIA upholds a fair and transparent approach, ensuring its operations remain distinct from broader government influence.

#### Principle 21

21. SWFs view shareholder ownership rights as a fundamental element of their equity investments' value. If an SWF chooses to exercise its ownership rights, it should do so in a manner that is consistent with its investment policy and protects the financial value of its investments. The SWF should publicly disclose its general approach to voting securities of listed entities, including the key factors guiding its exercise of ownership rights.

OIA does not hold a significant stake (greater than 2% of issued share capital) in the majority of its publicly listed investments. Therefore, OIA prefers to be a passive investor.

For the National Companies listed in Oman where OIA has significant ownership, we use proxy voting after following internal processes to obtain approval as per the Delegation of Authority and based on feedback from the OIA nominated board members and OIA's asset managers. The general approach to appointing board members is stated in the OIA Code of Governance, and OIA has established a platform for OIA's Companies' board membership, "Thiqat", which can be accessed through this link [www.thiqat.oia.gov.om](http://www.thiqat.oia.gov.om).

Overall, OIA will vote in its best economic interest and in line with best corporate governance practices.

#### Principle 22

22. The SWF should have a framework that identifies, assesses, and manages the risks of its operations.

22.1. The risk management framework should include reliable information and timely reporting systems, which should enable the adequate monitoring and management of relevant risks within acceptable parameters

and levels, control and incentive mechanisms, codes of conduct, business continuity planning, and an independent audit function.

22.2. The general approach to the SWF's risk management framework should be publicly disclosed.

OIA has a risk and compliance policy. OIA follows the COSO Enterprise Risk Management Framework across the entire organization and ISO 31000 for its processes.

In 2025, OIA renewed ISO 31000:2018 – Risk Management Guidelines.

The governance, risk, and compliance team produce a quarterly risk report to the audit and risk committee. Internally, similar reports are produced weekly and monthly and circulated to the concerned departments for further discussion. OIA also has a code of business conduct in place and an independent internal audit department. OIA has a well-documented business continuity management plan and crisis management framework. The Board has approved OIA's business continuity management charter and policy. The Business Continuity Management Committee is operational and meets four times a year. The general approach to OIA's Risk Management Framework is included in the Investment Process Manual available to all staff of OIA.

The OIA website provides a brief note regarding risk management.

### [OIA Risk Management Framework](#)

#### Principle 23

23. The assets and investment performance (absolute and relative to benchmarks, if any) of the SWF should be measured and reported to the owner according to clearly defined principles or standards.

We use GIPS (Global Investment Performance Standards), which include reports on absolute and relative benchmarks for investment asset classes. These reports are shared with the owners as per clearly defined processes and timelines.

#### Principle 24

24. A process of regular review of the implementation of the GAPP should be engaged in by or on behalf of the SWF.

The Governance, Risk, and Compliance department undertakes regular reviews at least on a yearly basis to ensure the Santiago Principles are implemented.