




invest
PUERTO RICO

Annual Report - Fiscal Year 2023



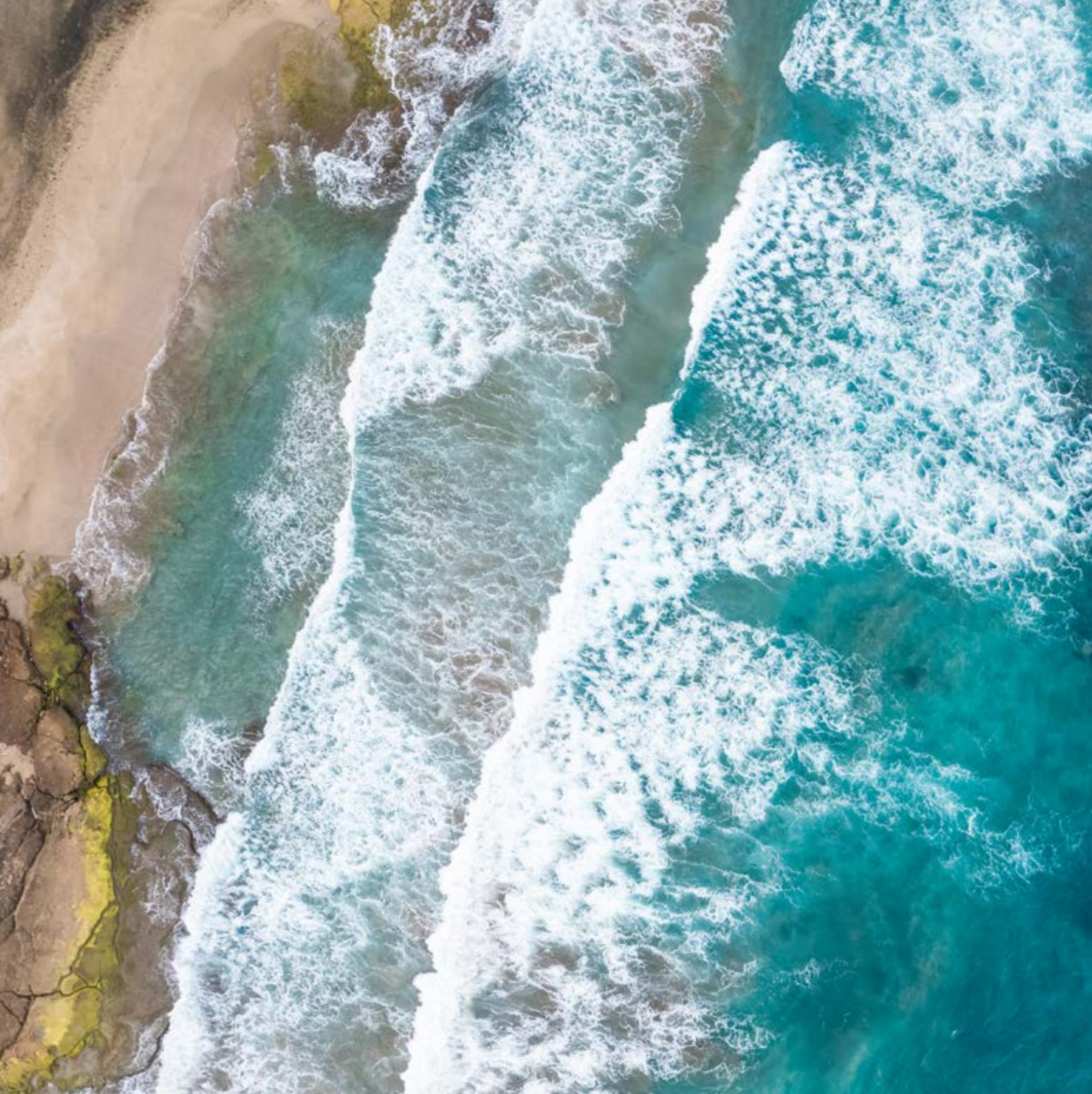


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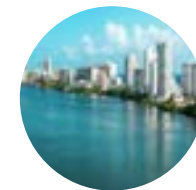
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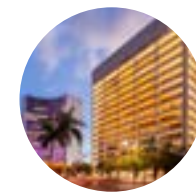
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Message from CEO.



Greetings, friends, colleagues, and partners.

On behalf of everyone at Invest Puerto Rico (InvestPR), I am pleased to present you with our organization's Annual Report for Fiscal Year 2023. This year marks the organization's 5th anniversary since its inception, and I could not be more excited at the progress and results InvestPR has achieved throughout its journey. We continue to elevate Puerto Rico's profile as an ideal location for business and investment via multiple marketing, lead generation, competitiveness, and stakeholder engagement efforts, thereby garnering increased interest from company prospects around the globe as well as further credibility from stakeholders on- and off-island.

During Fiscal Year 2023, our efforts resulted in commitments by companies of nearly 6,000 jobs and over \$415M in capital investment on the Island, unprecedented numbers to date. For perspective, since InvestPR's establishment, the organization has achieved commitments of nearly 20K jobs and over \$1B in capital investment. These results reflect the combined efforts of not only InvestPR but of all our partners, including the Department of Economic Development and Commerce (DEDC), with whom we collectively showcased Puerto Rico's value proposition and helped facilitate the arrival of companies to the Island.

Our marketing and communications efforts were elevated this past Fiscal Year with enhanced brand presence at marquee industry events, increased coverage in key media publications and a robust website with additional content to showcase the Island as a world-class business destination. These efforts were complemented by the strong relationships the business development team forged with site selectors and lead generation firms that helped strengthen the quality of our business pipeline.

Fiscal Year 2023 also saw important competitiveness initiatives come to fruition. You will read about our efforts to incorporate Puerto Rico into the IMD World Competitiveness rankings, as well as InvestPR's partnership with Newlab, a tech incubation center based in New York, to develop an innovation studio in the

burgeoning circular economy. These are just examples that showcase some of Puerto Rico's endeavors to enhance competitiveness on the Island.

InvestPR continues to recognize the value of the innovation and entrepreneurship ecosystem on the Island as part of Puerto Rico's value proposition. Our investment matchmaking platform and the only one of its kind on the Island, Impeller, has helped businesses and entrepreneurs gain access to capital leveraging technology. In fact, this particular initiative garnered industry recognition for excellence in economic development. I am excited to share that InvestPR received two Gold awards for the Impeller initiative from the International Economic Development Council (IEDC), the world's preeminent organization of economic developers. This acknowledgment serves to further cement the credibility of our organization and of Puerto Rico as a business destination that undertakes innovative programs to facilitate economic development.

To close, I want to extend a special thank you to the InvestPR team. Their hard work and dedication towards our mission inspires me every day as I lead the organization during my first official year as Chief Executive Officer. Our team is also grateful to all the stakeholders that helped us along the way, as collaboration is crucial to enable our mission. Finally, I would also like to express my gratitude to InvestPR's Board of Directors for their support and commitment to our initiatives throughout the past Fiscal Year. Trust that I remain enthusiastic about delivering the mission of this organization with determination and a deep commitment towards effecting economic transformation on the Island.

¡Pa' lante!

Ella Woger-Nieves
Chief Executive Officer
Invest Puerto Rico



About Invest Puerto Rico.



Mission

Promote Puerto Rico as a competitive investment jurisdiction to attract new business and capital investment to the Island.

Vision

Serve as a transformational and results-oriented accelerator of economic development in Puerto Rico.

Governance.



Board of Directors

InvestPR operates under the guidance of a Board of Directors, consisting of eleven members appointed by the Governor of Puerto Rico. The composition of the Board ensures a balance between public and private perspectives, including three representatives from the public sector and eight from the private sector.

Equipped with profound leadership skills, valuable business acumen, and expansive professional networks, the Board of Directors at InvestPR plays a pivotal role in shaping the organization's mission and strategy. Leveraging their influence and connections at both the national and local levels, they endeavor to enhance Puerto Rico's reputation as a premier hub for investment. Through their guidance, InvestPR aims to continually attract businesses and capital to the Island, fostering a robust and diverse economy.

PUBLIC SECTOR REPRESENTATIVES

Hon. Manuel Cidre Miranda
Secretary, Department of Economic Development & Commerce
Chair of the Board

Hon. Omar Marrero Díaz
Secretary of State

Humberto Mercader
Deputy Secretary for Strategic Initiatives,
Department of Economic Development & Commerce

PRIVATE SECTOR REPRESENTATIVES

Christian González
Co-Founder and CEO, Wovenware
Vice-chair

James Robert Collins
Chair and CEO, Mercantile Global Holdings
Treasurer

Brenda Marrero
Founder and President, BMA Group
Secretary

Jennifer Storipan
Vice-President, Lot Sixteen
Member-at-large

Lisa Nadal
Principal, Credits and Incentives Corp.

Kathryn Wylde
President and CEO, Partnership for New York City

Alberto Toro
Managing Director, Bluhaus Capital

U.S. East Coast Business Advisory Council

Established in 2021, the U.S. East Coast Business Advisory Council was designed as a strategic ally to InvestPR, dedicated to invigorating our business development efforts and energizing our lead generation pursuits.

This dynamic group harnesses the collective wisdom and strategic insights of accomplished investment professionals, influential business personalities, and successful entrepreneurs. By tapping into their wealth of knowledge and experience, the Council greatly enhances InvestPR's capacity to attract and cultivate business growth on the Island.



Angelique Sina
President & Chair,
Friends of Puerto Rico

Arnaldo Oliveras
Chief Executive Officer,
180 Commercial Real Estate Advisors

Carlos Cortés
Executive Director,
Chocobar Cortés

Javier Rodríguez
Portfolio Manager,
Aberdeen, Inc.

José Morey, M.D.
Chief Executive Officer and Founder,
Ad Astra Media, LLC

Rogelio Carrasquillo
Managing Shareholder,
Carrasquillo Law Group P.C.

Thomas King
Managing Partner, Cross River Capital, LLC
Founding Director, Fundación Borincana

Ramphis Castro
Co-Founder,
SciencesVest

W. Brian Mailian
Founder, Chairman, and CEO,
Whitestone Global Partners, LLC

Organizational Excellence

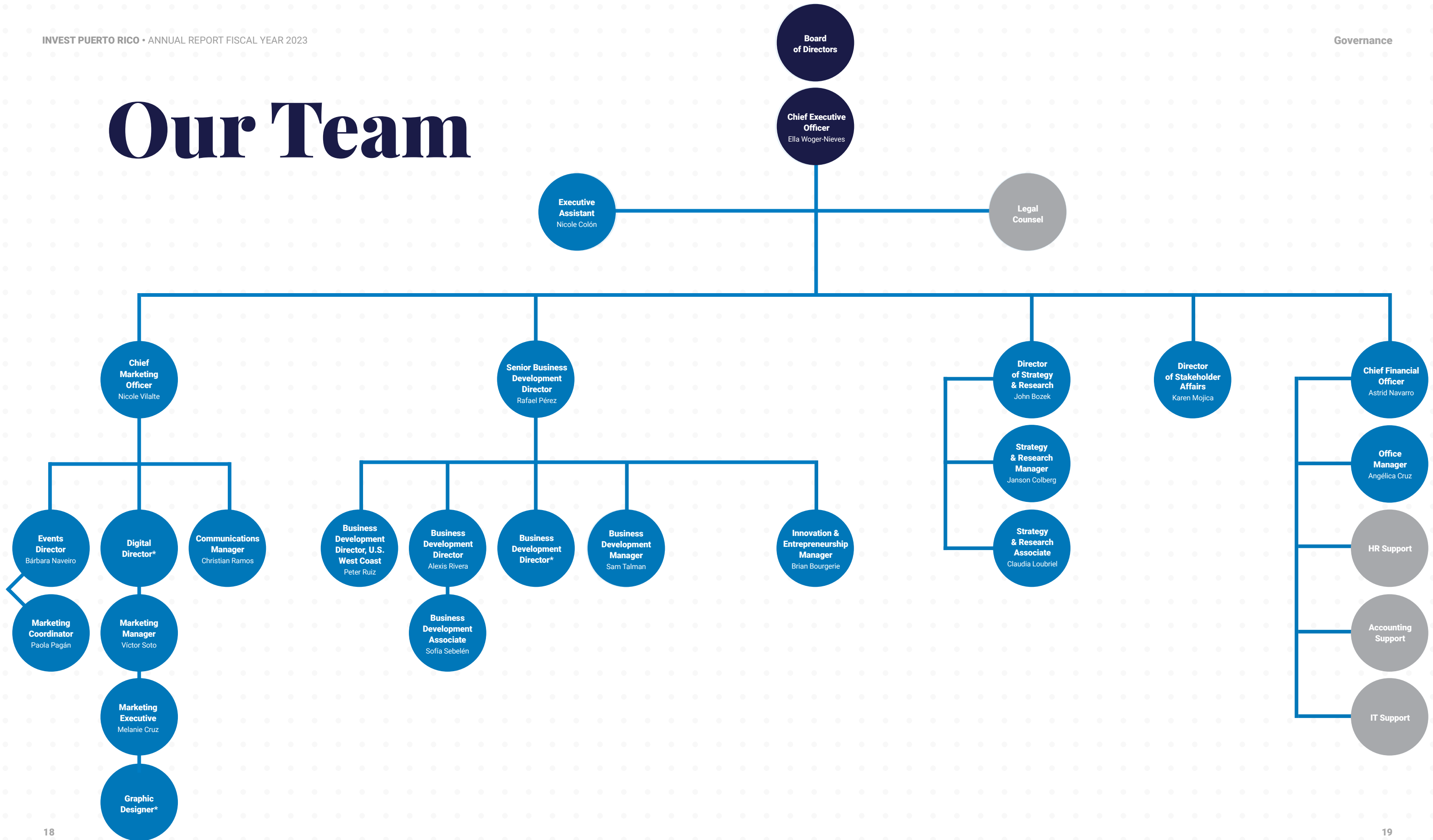
InvestPR's sustained momentum at the forefront of economic development is due in large part to the high caliber and dedication of its team. This year marked two pivotal moments that underscore our commitment to excellence. We saw the appointment of Ella Woger-Nieves, a seasoned executive with an unwavering passion for Puerto Rico's development, as our Chief Executive Officer. Furthermore, our Director of Strategy & Research, John Bozek, earned the prestigious Certified Economic Developer (CEcD) designation, further solidifying our position as leaders in the economic development arena. These milestones, among others, signify InvestPR's drive to continually elevate its capabilities and deliver unmatched value to the Island.

"Invest Puerto Rico's progress is a reflection of the unwavering commitment of our team. Armed with deep expertise, forward-thinking vision, and, more importantly, deep passion for Puerto Rico's socioeconomic well-being, these professionals work hard every day to advance the economic development agenda for the Island."

—
Ella Woger-Nieves, InvestPR's Chief Executive Officer



Our Team



* Recruitment in process

Key Achievements.

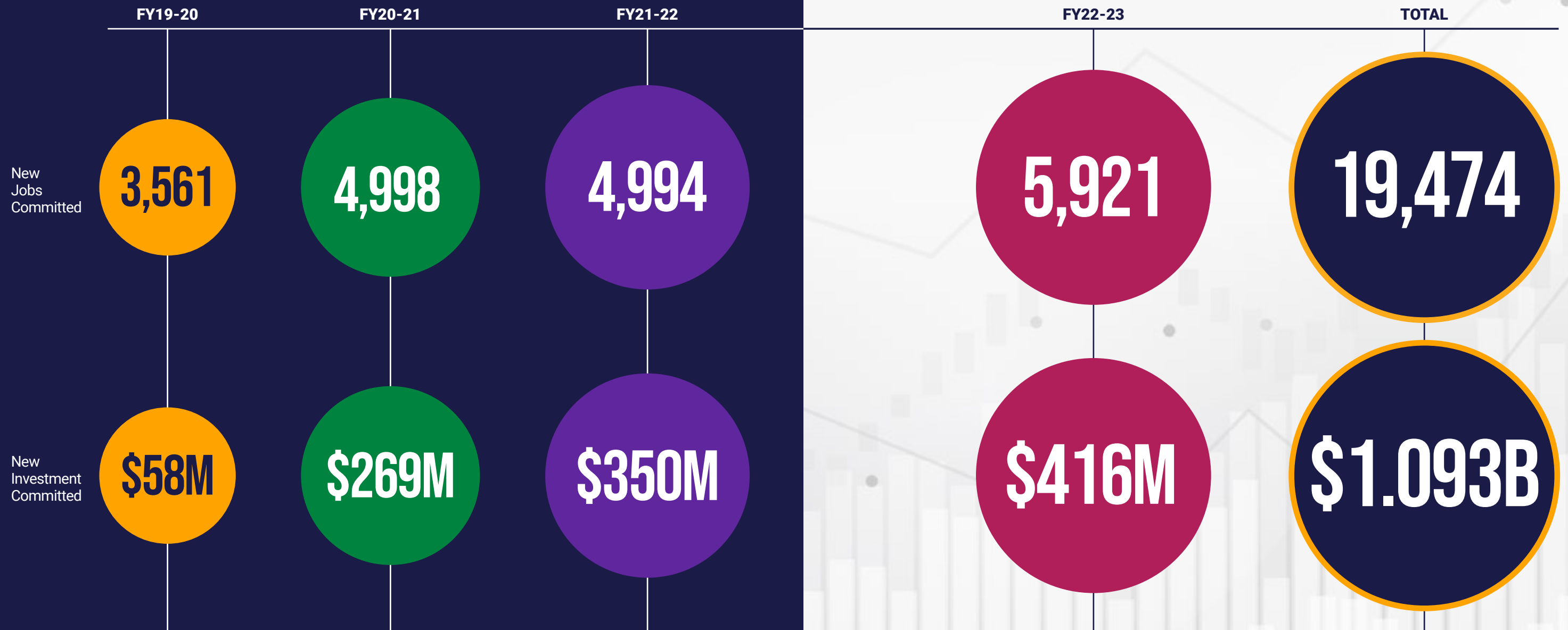
Results by the numbers.



1. Defined as actions taken by visitors on the website that align with our business goals, these include: form fills, newsletter sign-ups, file downloads, phone number clicks and tax incentives page views. 2. Includes only new businesses that did not have a prior nexus to Puerto Rico - any local companies were excluded. 3. Based on jobs projected reported by decree applicants in Single Business Portal or in the DEDC's internal databases. 4. Based on new investment committed reported by decree applicants in Single Business Portal or in the DEDC's internal databases. 5. Based on the average annual reported wage for the employees of all the applicants that report that information in their decree applications.

Historical Outcome Results

Total results from FY20 to FY23



Driving Awareness

Fiscal Year 2023 saw a reduction in marketing funds after the conclusion of the CDBG-DR program injection in Fiscal Year 21-22. A decrease in funds required InvestPR to pivot its media strategy to a fully digital program and sustained messaging. With a strong brand foundation established via our platform – “Game-Changers, welcome home.” - and laser focus tactics, InvestPR’s paid promotion efforts exceeded performance levels above the industry benchmark for both brand and sector-specific campaigns. In most cases, these efforts triplicated our target goals for key performance indicators (KPIs). Our LinkedIn profile is ranked amongst the top EDO social accounts and remains our most important social media platform.

Earned media efforts also saw a ramp-up this Fiscal Year with the addition of a new Public Relations agency of record. To help shift the narrative around the Island, we secured placements in top-tier outlets like Financial Times, Morning Joe & Bloomberg, as well as industry-leading platforms like Business Facilities, AiThority, and The Economic Times, highlighting the Island’s turnaround and the many advantages of doing business in Puerto Rico.

We stepped up our direct engagement with prospects via different brand presence levels at more than 90 events. These include our two biggest brand activations at industry-leading events, BIO International Convention and SelectUSA Investment Summit. We also hosted live webinars covering topics from microgravity manufacturing + R&D in space to gateway opportunities for Indian companies entering the U.S. market.

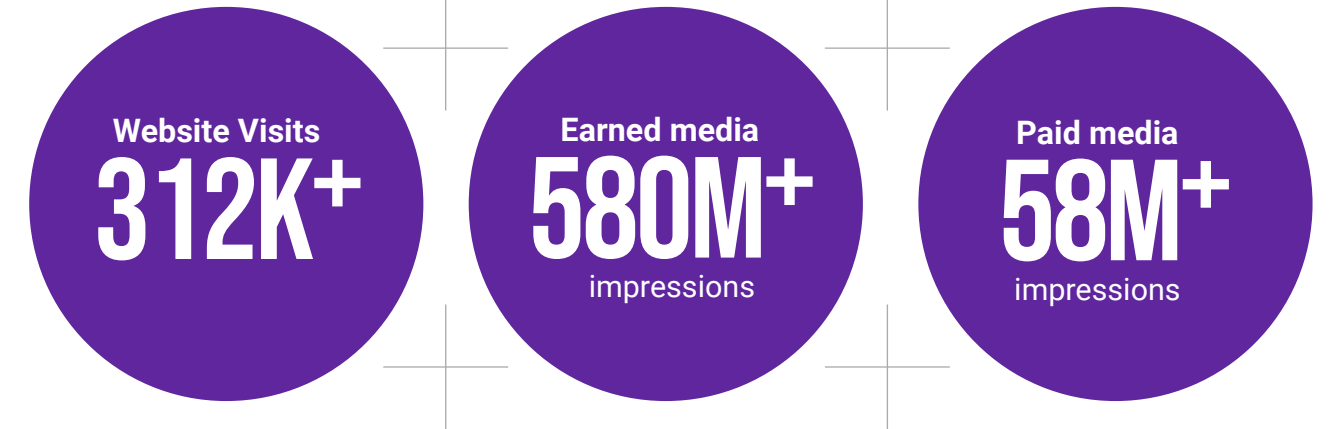
We continued strengthening our brand assets and web portal with new custom pages for topics like reshoring opportunities, new content development, a custom imagery library, and performance enhancements.

Lastly, we launched a new platform, directoriodeserviciospr.com, to further foster connections between investors and the local business ecosystem and finalized the implementation of a new email marketing platform, to better help drive consideration and conversion within our prospects as they transition down the marketing funnel.



Game-Changers, welcome home. Brand Campaign

Marketing Performance Results

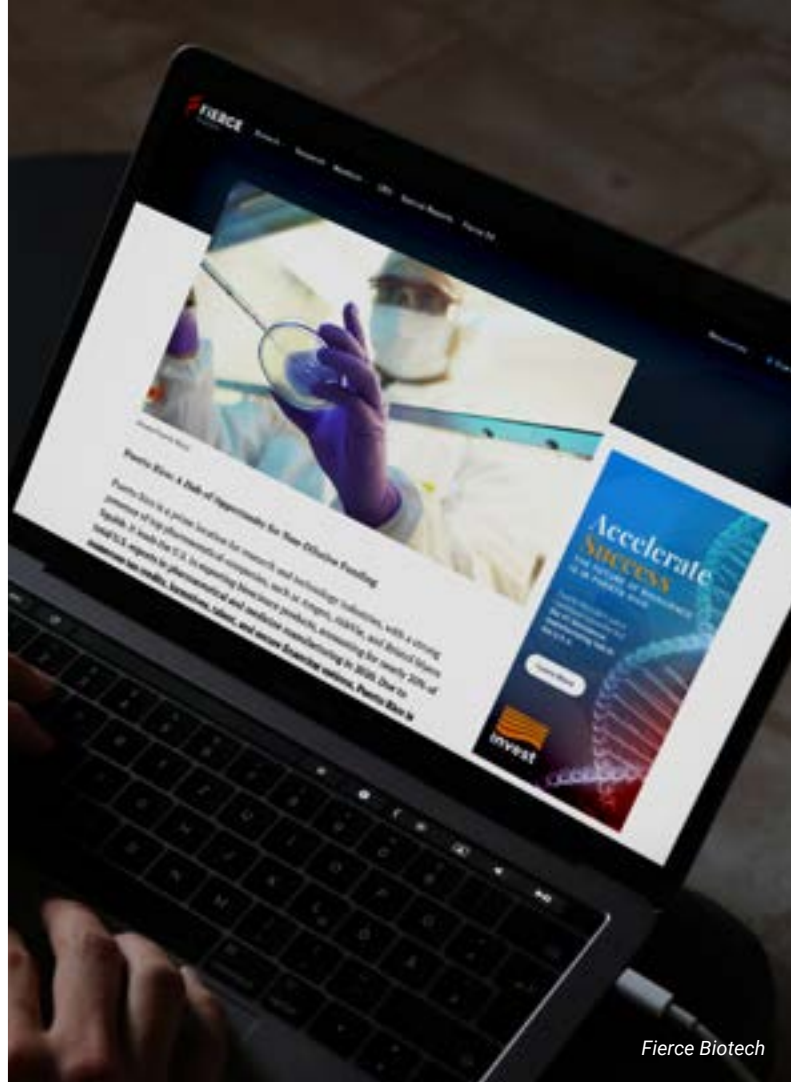




National Harbor, MD



Boston, MA



Fierce Biotech

Driving Awareness

WEBINARS



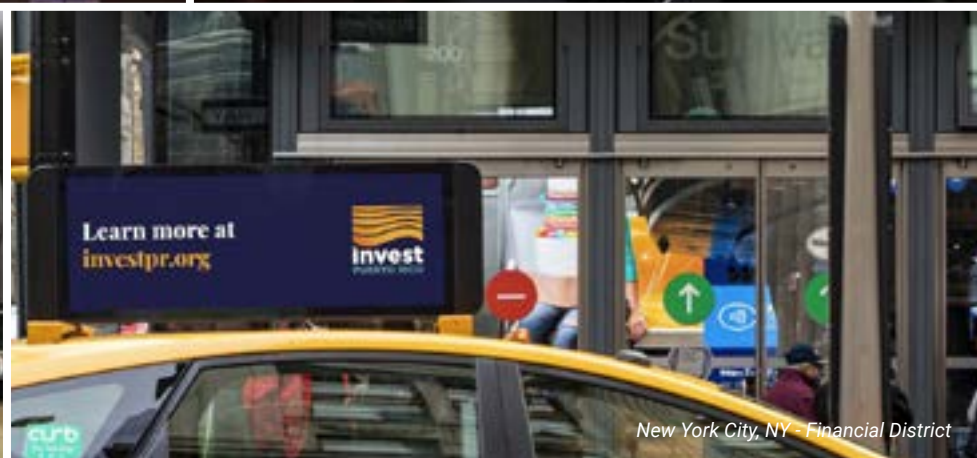
EDITORIALS



DIGITAL MEDIA



Ronald Reagan National Airport, MD



New York City, NY - Financial District

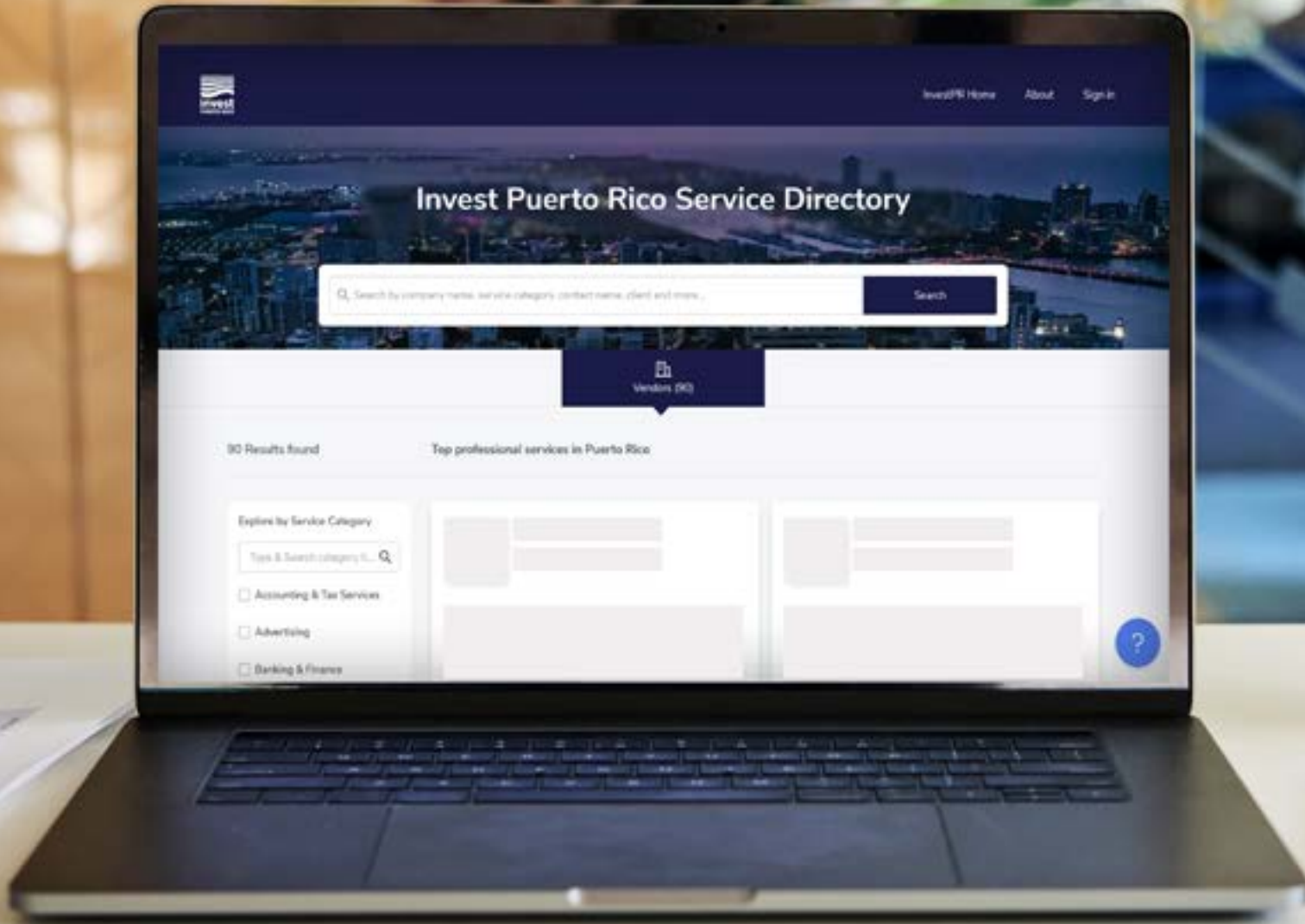


Boston, MA



New York City, NY - Financial District





INVESTPR SERVICE DIRECTORY

InvestPR proudly introduced the Service Directory in May 2022, a platform designed to foster connections between service providers in Puerto Rico and companies seeking to establish or expand their operations on the Island. By facilitating these connections, InvestPR streamlined the process of investment, simultaneously supporting local businesses and enhancing the Island's economic landscape.



Impeller.

In 2021, InvestPR unveiled Impeller, a pioneering investment matchmaking platform in Puerto Rico, designed to bridge the gap between local projects in need of capital and potential investors. Over the subsequent year, Impeller has validated its value as a potent tool for both investors and local businesses. It provides an effective conduit to forge connections, secure funding, and pinpoint opportunities that foster Puerto Rico's economic development.



IEDC Awards

InvestPR received two 2023 Excellence in Economic Development Gold Awards from the International Economic Development Council (IEDC) for the groundbreaking work with the Impeller platform in the Innovative Use of Technology and Entrepreneurship categories. For second year in a row, InvestPR repeated an outstanding performance at the awards.

Impeller, a first for Puerto Rico and the industry, is helping open the eyes of local entrepreneurs and businesses to ways of raising capital that had not been available on the Island previously. Investors worldwide are learning that Puerto Rico offers a more competitive tax structure while providing the same laws, regulations, and protections for capital raising as other U.S. states, breaking unfounded stigmas around investment and doing business in Puerto Rico by leveraging technology to provide easier access to better information and encourage dialogue.



Strengthening Lead Generation & Pipeline

The Business Development team logged significant achievements that expanded its functionality. Our team actively engaged in approximately 70 tradeshows, conferences, and events, hosted a site selector and biotech familiarization tour in addition to 20+ company visits, and undertook sales missions to New York City, Boston, Washington DC, Florida, California, Austria, and Germany.

In our pursuit of solidifying relationships, we prioritized sharing real estate and incentive data with site selectors. This included hosting a dozen representatives from both “Big 4” and boutique site selection firms on the Island and managing 10 Requests for Information (RFIs) inquiries received from these site selectors.

Our resources for lead generation were substantially expanded, and we leveraged relationships with dozens of multipliers, investors, and committees led by InvestPR. We engaged lead generation consultants, OCO Global and Research On Investment (ROI), to tap into Asian, European, and

North American markets, thereby strengthening the quality of our prospect pipeline. Finally, InvestPR established a partnership with the Transatlantic Business Investment Council (TBIC) in Europe. As part of the partnership, we established a virtual address in Berlin and had the opportunity to participate in several Foreign Direct Investment (FDI) recruitment missions in Austria, Hannover Messe and attendance at European trade shows that raised awareness for Puerto Rico as an investment destination. The companies identified represent a wide range of industries including medical devices, advanced manufacturing, and green technologies.

In collaboration with our external partner, RedAtlas, we created the first accurate and comprehensive searchable real estate database, contributing to a more efficient and effective lead generation process. This allows quick response to site selection RFIs and intelligence on Puerto Rico’s real estate asset mapping.



Highlights

Engaged nearly
4,000
leads

1,400
new prospect
opportunities

Commitments
of over
5,900
jobs

Commitments
of over
\$415M
in investment

Lead Generation Events (1-2)

Q1

- Puerto Rico Investing Mastermind/OZ Works Conference - San Juan, PR
- Deep Tech Showcase: Aerospace and Defense - Virtual
- IMN Life Science Real Estate Conference - San Diego, CA
- Office of Naval Research ESG Institute at Purdue - West Lafayette, IN
- Puerto Rico Capital Network Meeting - San Juan, PR
- Florida Delegation at Molecular Science & Research Center - San Juan, PR
- Transatlantic Business and Investment Conference (TBIC) - Atlanta, GA
- NSA | Mission Briefing to U.S. Defense Industry Base Companies - Virtual
- Area Development Site Selector Executive Summit - Phoenix, AZ
- Finnovate Fall Fintech Conference - New York City, NY
- Site Selector Mission - Phoenix, AZ
- Renewable Energy + Power Conference - Anaheim, CA
- 21st Contract Pharma Outsourcing - New Brunswick, NJ

Q2

- Cell & Gene Meeting on the Mesa - Carlsbad, CA
- Financial Services Forum - San Juan, PR
- Tech Crunch Disrupt - Virtual
- Blue Link Worldwide & Foment del Treball Spain's Webinar A USA Roadmap: The Secrets to Success - Virtual
- Commercial Mission - Spain
- MedTech Conference/Boston Mission - Boston, MA
- Red Internacional de Negocios - Puerto Rican Value Proposition - Virtual
- Southeast Regional Space Grant Conference - San Juan, PR
- Solar + Energy Storage Association (SESA) Summit - San Juan, PR
- Web Summit Conference - Lisbon, Portugal
- Tomorrow City's Smart City Expo World Congress 2022 - Barcelona, Spain
- MEDICA Tradefair International Exhibition & Conference - Dusseldorf, Germany
- ICON Business and Investment Conference - San Juan, PR
- InvestPR Webinar - A Global Master Node: Building the Future from Puerto Rico - Virtual



MedTech Conference - Boston, MA



SelectUSA Investment Summit - National Harbor, MD



SelectUSA Investment Summit - National Harbor, MD

Lead Generation Events

Q3

- Puerto Rico Investing Mastermind Annual Conference - San Juan, PR
- Aviation Week's A&DM&A Conference - Beverly Hills, CA
- StartupBlink Summit - Virtual
- Foro Sistema Energético 3E - San Juan, PR
- Transatlantic Business and Investment (TBIC) FDI Mission #1 (Advanced Manufacturing) - Austria & Germany
- MD&M West (Medical Design & Manufacturing) Trade Show - Anaheim, CA
- InvestPR Webinar - Energy Solutions in Puerto Rico - Virtual
- Cogeneration with 2G Meeting - Rincón, PR
- Site Selector Conference: Consultant Connect - Atlanta, GA
- Porzio Pharma Conference - Reshoring Pharma - San Juan, PR
- Puerto Rico Energy Week Conference - San Juan, PR
- VC3 DAO Venture Capital Conference - San Juan, PR
- Familiarization Tour: Site Selectors - San Juan, PR
- Commercial Mission - Mexico
- South by Southwest (SXSW) Conference - Austin, TX
- Site Selectors Guild Annual Conference - San Antonio, TX

Q4

- West Coast Entrepreneurial Ecosystem Networking Event - Aguadilla, PR
- TBIC & OCO Global: FDI Mission #2 (Advanced Manufacturing) - Germany
- The Space Foundation's Space Symposium - Colorado Springs, CO
- eMerge Americas Technology Conference - Miami, FL
- Sequire | Investment Summit Puerto Rico - San Juan, PR
- CPhI North America Conference - Philadelphia, PA
- InvestPR Webinar: Puerto Rico's Spaceport: Microgravity Manufacturing + R&D in Space - Virtual
- SelectUSA Investment Summit - National Harbor, MD
- GEN Webinar - Biotech Breakthroughs: How Puerto Rico's Unique Advantages Drive Innovation - Virtual
- Sales Mission - New York City, NY
- Consultant Connection: Chicago Summit & Sales Mission - Chicago, IL
- Bio International Convention - Boston, MA
- Paris Air Show - Paris, France
- InvestPR Webinar: Expand from India with Confidence, Puerto Rico: Your Gateway to the U.S. Market - Virtual
- Familiarization Tour: Biosciences - San Juan, PR
- Why Puerto Rico Panel & Networking Reception - New York City, NY



BIO International Convention - Boston, MA



SelectUSA Investment Summit - National Harbor, MD



TBIC - FDI Mission #1 (Advanced Manufacturing) - Austria & Germany



Game-changers,
welcome
home. **invest**
PUERTO RICO

SXSW Conference - Austin, TX



SelectUSA Investment Summit - National Harbor, MD



Familiarization Tour: Site Selectors



Why Puerto Rico Panel & Networking Reception - New York City, NY



Commercial Mission - Mexico



SelectUSA Investment Summit - National Harbor, MD



eMerge Americas Technology Conference - Miami, FL



BIO International Convention - Boston, MA

Case Studies.

At the heart of our mission resides an unwavering dedication to operational excellence, innovation, and talent development. These principles not only drew dynamic organizations to the Island but also fueled their growth and success across diverse sectors encompassing healthcare, financial services, and technology.

CITCO

“Our significant growth in recent years has always been with long-term sustainability in mind; this is why we have chosen Puerto Rico as our latest base due to the Island’s broad pool of talented and dedicated financial professionals. In time, we hope to make an investment into the local economy through education and employment programs, significantly growing our operations in Puerto Rico.”

-Roald Smeets, President and Chief Operations Officer of Citco

The Citco group of companies is a global network of independent companies, providing leading asset-servicing solutions to the global alternative investment industry. With over \$1.8 trillion in assets under administration and operations across 36 countries, Citco has been a trusted partner for its clients for more than four decades. Their services range from treasury and loan handling, daily Net Asset Value (NAV) calculations, investor services, corporate and legal services, regulatory and risk reporting, to tax and financial reporting services. In May 2021, Citco sought InvestPR’s help to assess the feasibility of

hosting a client support center for asset administration on the Island. After an evaluation process of over two years, Citco chose Mayagüez for their new client support center. The new center, the first of its kind on the west coast, is projected to house approximately 150 staff within the first three years in roles such as Fund Accounting, Reconciliations, and Investor Relations. The company’s choice of Puerto Rico was influenced by the availability of educated professionals in the financial sector and follows its successful expansion in 36 countries.



Prodapt

"With the latest addition in Puerto Rico, we deliver enhanced and critical services for customers in the Americas by leveraging the Island's rich technical talent from renowned universities, conducive business environment, and attractive incentives for investors."

-Sriram Natarajan, Chief Operating Officer of Prodapt

Prodapt, a part of the 128-year-old business conglomerate, The Jhaver Group, is dedicated to the Connectedness vertical, offering services to telecom operators, digital/multi-service providers, and technology and digital platform companies. With more than 5,000 employees worldwide, Prodapt builds, integrates, and operates solutions enabling next-generation technologies and innovations.

Prodapt identified a need for a Network Engineering Center to expand its engineering capacity, which led them to choose Puerto Rico for this expansion. This initiative will help cultivate a talent pipeline for the company, providing on-the-job training for local engineers and upskilling them as Network Engineers. The new Network Engineering Center in the San Juan Metropolitan Area is expected to employ up to 500 full-time engineers in roles ranging from Managed Services Implementation Managers to Test and Activation staff. The center will also conduct Research and Development activities, providing a substantial boost to the local economy.



carelonSM Global Solutions

"Puerto Rico is known for its bilingual ability, excellence in customer service, digital and IT skills. We have found exceptional talent here to expand our business."

-Rajat Puri, President of Carelon Global Solutions

-El Nuevo Día, May 16, 2023

Carelon, a fully-owned subsidiary of Elevance Health, was founded in 2017. Headquartered in Indiana, Carelon is dedicated to transforming healthcare through operational excellence, innovation, and digital transformation. With a global workforce of over 20,000 associates and growing, Carelon effectively implements global operating models and drives digital transformations aimed at reducing costs and improving service delivery for Health Insurers.

As part of their expansion strategy, Carelon chose Puerto Rico as the location for a new call center that is projected to generate over 400 jobs in the next two years. This new addition to the organization will be its first Caribbean hub, dedicated to serving U.S. health insurance clients for the processing of commercial claims and customer support. Puerto Rico's rich pool of bilingual talent and strategic location made it the preferred choice. It is worth noting that Elevance Health, formerly Anthem Inc., recently acquired MMM Holdings, the largest medical plan on the Island, symbolizing a significant commitment to improving health services not only in Puerto Rico but across the U.S.

Research & Competitiveness Levers

InvestPR's Strategy and Research team remains at the forefront of the organization's competitiveness efforts, diligently collaborating with key stakeholders and proactively driving initiatives focused on enhancing competitiveness in vital sectors. These include workforce development, real estate availability, logistics, and energy. The team offers valuable insights into economic development drivers and public policy decisions by supplying necessary data about future needs.

Research & Competitiveness Levers

"Understanding how Puerto Rico compares with other jurisdictions in terms of competitiveness metrics is indispensable for public and private sector decision-makers."

-John Bozek, Director of Strategy & Research

World Competitiveness Rankings

To provide easy access to critical data, InvestPR aided in gathering datasets to incorporate Puerto Rico into the IMD World Competitiveness rankings, the leading reference point on the competitiveness of countries around the world. For the first time IMD will feature Puerto Rico in its annual rankings, assessing numerous factors influencing competitiveness. This is a collaborative project with the Department of Economic Development and Commerce (DEDC) and academia.

Workforce Dashboard

We joined forces with Estudios Técnicos, a leading research and consulting firm on the Island, the team has crafted workforce data dashboards to populate a microsite dedicated to Puerto Rico's workforce. This information-rich platform will be embedded within the InvestPR webpage, and will offer timely, searchable, and relevant data to companies and investors interested in Puerto Rico's promising business landscape.

Puerto Rico Life Sciences Air Cargo Community

InvestPR participated in launching the Puerto Rico Life Sciences Air Cargo Community, aimed at enhancing quality and capacity to back the U.S. premier bioscience manufacturing hub. This new board will consist of pharmaceutical and medical device manufacturers, along with representatives from InvestPR, DEDC, airlines, airports, ground handlers, haulers, forwarders, and integrators. The community plans to conduct training meetings on the International Air Transport Association (IATA) Center of Excellence for Independent Validators (CEIV) certification in the upcoming months, forming a part of ongoing education programs for the workforce and the wider community.

Industry Research

At InvestPR, industry research serves as the core of our strategy and we strive to better understand how to leverage sectors that could represent economic opportunities for the Island. Puerto Rico's creative and cultural industries are recognized worldwide as one of its richest assets. They represent a sector with the potential to expand and drive economic growth. Recognizing this, InvestPR embarked on a project to map a segment of the creative industries on the Island.

This initiative creates research and data detailing the advantages of investing in Puerto Rico's music, entertainment, and cultural economies. Armed with compelling data and a well-defined action plan, InvestPR and its partners aim to enhance their global leadership in this domain, transforming the sector into a dynamic job creator and talent magnet.

Panoramica

Another pivotal partnership was the collaboration with Dealroom, a trusted source for intelligence on high-growth companies and entrepreneurship ecosystems, to develop a digital platform that will serve as an interactive map of Puerto Rico's comprehensive startup and entrepreneurship ecosystem, spanning companies, accelerators, venture capitalists, and more.

This bird's eye view of the Island's entrepreneurial community will also provide benchmark data, enabling comparisons between our innovation and entrepreneurship ecosystems and those globally.

Newlab

Lastly, innovation and entrepreneurship are key forces driving a dynamic economy. To this effect, in collaboration with Newlab, a tech entrepreneurship incubation center based in Brooklyn, New York, InvestPR is developing an innovation studio to attract high-impact global companies and investment to Puerto Rico in the burgeoning circular economy.

This project aims to convert land or marine waste and under into high-value products, serving as an innovative solution to Puerto Rico's waste crisis and potentially catalyzing a new economic sector.

Newlab + InvestPR: New Industries in the Making

Newlab was established with a mission to address pressing societal needs by amplifying and commercializing emerging technologies and businesses. Their extensive network boasts over 900 entrepreneurs, strategic collaborations with forward-thinking corporate and civic entities, and the invaluable support of domain experts – all dedicated to the widespread adoption of cutting-edge technologies.

The partnership with InvestPR for the 'Waste-to-X Studio' project is a strategic move aimed at facilitating the transformation of land and marine waste into high-value sustainable products. This endeavor seeks to position Puerto Rico as a hub for research, development, and manufacturing within the circular economy.

The initiative's primary goal is to collaboratively design and implement a series of pilot projects that serve as showcases for innovative solutions to address Puerto Rico's waste challenges. It also aims to catalyze new Waste-to-X markets in Puerto Rico, converting previously unmanaged or landfilled materials like sargassum seaweed, plastics, and tires into valuable products.

Together, Newlab and InvestPR are actively seeking out innovative companies developing technologies to facilitate the conversion of underutilized waste and resources into new products. This effort holds significant potential to stimulate economic development opportunities in Puerto Rico. It is estimated that Waste-to-X products could contribute an additional \$4.5 billion to the global economy and create approximately six million jobs worldwide by 2030.

Considerable progress on the project has been made during the Fiscal Year 2022-2023, via a scoping research phase to map Puerto Rico's waste streams, followed by a second phase focused on synthesizing research findings and strengthening stakeholder relationships and partnerships.

A crucial 'Prioritization Workshop' was convened, engaging a wide spectrum of local leaders and stakeholders in the solid waste management ecosystem, including corporations, public entities, government and regulatory agencies, institutions, NGOs, and experts. This collaborative effort culminated in the selection of three waste streams—Tires, Plastics, and Sargassum—for the 'Pilot' phase.

Newlab

Looking ahead, the collaboration between InvestPR and Newlab seeks to forge enduring partnerships with local and global stakeholders beyond waste-to-x industries. These will underpin the establishment of scalable new industries on the Island, fostering the growth and dissemination of frontier technologies.

With this initiative, our goal is to establish Puerto Rico as a blueprint for other communities world wide that are facing similar challenges.



Fostering Stakeholder Engagement

Our focus on bolstering stakeholder engagement led to participation in more than 25 significant local and national events, including the International Economic Development Council Leadership Conference, the Pharmaceutical Industry Association Annual Conference, the Puerto Rico Chamber of Commerce Financing Forum, and PRNOW, showcasing our organization's vision and impact.

To spread awareness about InvestPR and its mission, we continued with our stakeholder roadshow, forging stronger relationships with over 25 government bodies, municipalities, legislature, and key local organizations. Our outreach extended beyond local borders as we continued our national stakeholder roadshow in New York, Washington DC, and Florida. In particular, we strengthened ties with federal agencies such as the U.S. Department of Commerce, the Department of Energy, and the Economic Development Administration to gain further support for Puerto Rico's economic development efforts. All these endeavors heightened awareness of InvestPR and served to continue building alliances with Hispanic and Puerto Rican leaders.

Further strengthening our communication, we introduced "Currents," a new newsletter aimed at keeping our stakeholders informed about our latest endeavors and initiatives. This continued engagement seeks to cultivate a robust network of partners who share our commitment to Puerto Rico's economic development.



Stakeholder Engagement Events

Q1

- Governor's Roundtable at Molecular Sciences & Research Center - San Juan, PR
- Roundtable with U.S. Department of Commerce Deputy Secretary Don Graves - San Juan, PR
- AIESEC Alumni Leadership Summit - San Juan, PR
- Puerto Rico Non-Profit Summit - San Juan, PR
- Mechanical Contractors Association (MCA) Monthly Meeting - San Juan, PR
- CIO & IT Leadership Conference - San Juan, PR
- Manufacturing Week - Primex Roundtable - San Juan, PR
- InvestPR Webinar: Invest Puerto Rico Community Update - Virtual
- We Mean Business: Women's Empowerment Summit - San Juan, PR

Q2

- Creativity LACademy, Entrepreneurs Organization - San Juan, PR
- MCA - 19th Trade & Learn Mechanical Show - San Juan, PR
- UPR-Mayagüez Job Fair - Mayagüez, PR
- Business Advisory Council Annual Meeting - New York City, NY
- Woman's Economic Forum - San Juan, PR
- Puerto Rico Manufacturers Association "Metamorphosis of Women's Leadership" - San Juan, PR
- Expo Business and Trade Puerto Rico - Orlando, FL
- White House Puerto Rico Economic Dialogue - Washington, DC
- UnidosUS Workforce Development Summit - San Juan, PR

Q3

- International Economic Development Council Leadership Summit - Tucson, AZ
- 2nd Roundtable with U.S. Department of Commerce Deputy Secretary Don Graves - San Juan, PR
- Puerto Rico Chamber of Commerce Financing Forum - San Juan, PR
- Mechanical Contractor Association (MCA) - Monthly Meeting - San Juan, PR
- Inspiring Innovation 33rd Pharmaceutical Industry Association (PIA) Annual Meeting - San Juan, PR

Q4

- Puerto Rico Chamber of Commerce Innovation Expo - San Juan, PR
- Puerto Rico Manufacturers Association Annual Conference - Fajardo, PR
- PRNOW Forum - New York City, NY
- InvestPR Hosted Dinner with the Governor of Puerto Rico & Stakeholders - New York City, NY
- Newlab Workshop - San Juan, PR





Puerto Rico Chamber of Commerce Financing Forum - San Juan, PR



Inspiring Innovation 33rd PIA Annual Meeting - San Juan, PR



PRNOW Forum - New York City, NY



Roundtable with U.S. Deputy Secretary of Commerce, Don Graves - San Juan, PR



Puerto Rico Open Golf Tournament on PGA Tour - San Juan, PR

Finance & Administration.

FUNDING

InvestPR operates with a \$5M annual assignment from the Puerto Rico Department of Economic Development and Commerce. In addition to those funds, during the previous Fiscal Year, InvestPR was allocated \$10M as part of the American Rescue Plan Act funds assigned to the Island under the Promote Puerto Rico Program. The initial disbursement of \$4M, received in Fiscal Year 2023, covered activities during Fiscal Years 2022 and 2023. The remaining \$6M was received in June 2023 and will be used during Fiscal Years 2024 and 2025.

In addition to these funds, during Fiscal Year 2023, we started a series of initiatives to secure recurrent funds for the organization. These initiatives included actively seeking public and private grants, a second annual end-of-the-year funding campaign, and participation in the 2022 Giving Tuesday not-for profit campaign.

For Fiscal Year 2024, InvestPR was granted an additional \$5.4M in government funds through the Puerto Rico Office of Management and Budget. These funds will catapult Puerto Rico's awareness efforts and will allow InvestPR to engage in programs and initiatives that will continue to elevate the Island as world-class business destination.



Fiscal Year 2023 Statement of Financial Position (Unaudited)

ASSETS	TOTAL
Cash and Cash Equivalents	\$10,513,077
Accounts Receivable	\$185,704
Prepaid Expenses	\$77,162
Total Current Assets	\$10,775,943
Other Assets/Deposits	\$535,751
Property and Equipment Net	\$798,155
TOTAL ASSETS	\$12,109,849
LIABILITIES	
Accounts Payable	\$527,444
Accrued Expenses	\$378,168
Total Current Liabilities	\$905,612
Long Term Liabilities	\$616,057
Deferred Revenues	\$6,936,833
TOTAL LIABILITIES	\$8,458,502
NET ASSETS	
Restricted Assets - Board Designated Contingency Reserve Funds	\$2,100,000
Unrestricted Net Assets	\$1,551,347
TOTAL NET LIABILITIES AND ASSETS	\$12,109,849

Fiscal Year 2023 Statement of Activities (Unaudited)

REVENUES	
Local Funds, DEDC Contract	\$5,000,000
Federal Funds	\$3,020,176
Other Revenues	\$55,624
Total Revenues	\$8,075,800
EXPENSES	
Operational Expenses by Area:	
Marketing	\$3,455,427
Business Development	\$1,481,418
Strategy and Research	\$1,387,322
Community/Industry Engagement	\$345,896
Total Operational Expenses	\$6,670,063
Administrative Expenses/Depreciation	\$1,643,753
Total Expenses	\$8,313,816
INCREASE (DECREASE) IN NET ASSETS	(\$238,016)

Fiscal Year 2024 Budget

REVENUES	TOTAL
Grant from Dept. of Economic Development & Commerce	\$5,000,000
Grant from the Office Management and Budget	\$5,400,000
Other from the American Rescue Plan Act	\$5,800,426
Other Income	\$48,000
Total Revenues	\$16,248,426
EXPENSES	
Salaries and Benefits	\$3,281,677
SALES / MARKETING / PROMOTION	
Advertising / Promotion	\$7,200,164
Strategy Support	\$1,923,004
Lead Generation Support	\$1,044,800
Trade Shows / Events / Meetings	\$921,262
Community / Industry Engagement	\$505,780
Communications and Public Relations	\$364,000
OPERATIONS	
Facilities Expenses	\$251,343
Legal / Accounting / Audit	\$220,550
Human Resources / Organizational Development	\$182,900
Licenses / IT Services / Equipment	\$81,707
Insurance	\$46,427
Others	\$11,495
TOTAL EXPENSES	\$16,190,109

Looking Ahead.



Our Strategy for FY2024

A set of strategic principles will guide where InvestPR places its focus, resources, and business development and marketing efforts by industry sector in three tiers:



Strategic Approach by Target Sector

Hunt	Nurture & Grow	Capture & Monitor
<p>Puerto Rico is well-positioned to play and win:</p> <ul style="list-style-type: none"> • Bioscience (pharma, med-devices, cell & gene therapy, agbio, etc.) • Advanced Manufacturing (filling local supply chain gaps, such as 3D printing, electronics, etc.) • Aerospace (design and engineering services) 	<p>Puerto Rico can leverage existing and build additional capacity to continue strengthening its value proposition and ecosystem across these sectors:</p> <ul style="list-style-type: none"> • Technology and ICT (IT support services, software development and SaaS, blockchain, AI, cybersecurity, etc.) • Aerospace Manufacturing (small-scale components) • Energy Transformation & Solutions (utility-scale developers, financiers & tech providers) • Creative Industries (film & music pre/post-production, digital animation/gaming) 	<p>Management of organic sector growth and emerging opportunities:</p> <ul style="list-style-type: none"> • Professional Services • Finance & Insurance • Emerging Sectors (circular economy, blue economy, etc.) • Tourism Investment

Promotional Approach

Play the Funnel

Marketing and lead generation efforts will continue to see a combination of channels/tactics across the marketing funnel to generate awareness, foster and maintain consideration, and drive conversion. As the product offering is highly varied in Puerto Rico, the channel mix will depend on sector, message & objectives.

Paid Media

- We will continue to invest heavily in digital media to maximize budgets and allow for more direct targeting and attribution of dollars (ROI).

Earned Media

- Drive message amplification and positively impact the Island's narrative as a business destination via media pitches, press tours, announcements, and InvestPR-owned events.

Events

- Shift event strategy to engagement in high-touch events to drive higher-quality outreach, interactions, and follow-through. We will increase the frequency of sales missions and familiarization tours and engage in 2-3 major conferences within key target sectors.

Lead Generation

- Leverage lead generation contracts in North America and Europe/Asia to foster pipeline.
- Targeted mid-market company outreach within target sectors.
- Further target site selectors to better position Puerto Rico for RFIs.
- Leverage local industry to identify and attract supply chain prospects.

Geographic Focus



U.S. Primary Markets

Focus outreach on primary markets (NY, NJ, PA, CA, TX, FL, MA, and IL) & target sector efforts on mid-size operations in markets where there is industry sector concentration and/or Puerto Rico's value proposition makes it relevant.

Europe & Asia

Target relevant markets in sectors where companies would find an advantage in Puerto Rico. (Examples of markets where we have seen traction so far: Germany & India)



Latin America

Monitor political and economic shifts across the region to identify business attraction opportunities.

Workplan

Building Awareness

Build the Puerto Rico brand as a business destination across target markets.

Elevate the Island's competitive position across key target industry sectors.

Identify, enhance, and strengthen or debunk destination perception-driving attributes.

Position InvestPR as an enabler and active participant in fostering the local economy's future.



Lead Generation

Engage in key tradeshows, conferences, familiarization tours, and sales missions to spotlight Puerto Rico as an investment destination.

Employ lead generation contracts, site selectors, and targeted company outreach to strengthen the pipeline.

Leverage local industry to better understand supply chain needs and fill in gaps with prospects.

Maximize Impeller platform to increase investment on the Island.

Continue optimizing partnership with DEDC to better enable transactions.

Product Improvement

Develop a strategy, alongside the Puerto Rico Industrial Development Company (PRIDCO) and industry stakeholders, on how to best strengthen Puerto Rico's industrial real estate assets.

Develop talent retention/attraction initiatives in collaboration with key industry stakeholders, academia, and public and private sector partners.

Continue Newlab innovation studio incubation to support pilot initiatives around Waste-to-X.

Pursue federal programs and other key partnerships to expand Federal Department of Defense dollar spending opportunities.

Work with DEDC to create a successful proposal for the Tech Hubs program under the CHIPS and Science Act.



Stakeholder Engagement

Continue building awareness of InvestPR's mission and initiatives with on- and off-island stakeholder groups as a trusted authority on economic development.

Strengthen economic development knowledge at a municipal level to increase readiness to receive & support incoming business.

Leverage the local investor community to grow InvestPR's network and position the entity as an active enabler/facilitator for capital flow and entrepreneurship.

Organizational Excellence

Optimize organizational reporting and communication.

Ensure the organization's financial compliance and a strong environment of internal controls.

Develop and execute a funding strategy, with a particular focus on identifying and securing long-term funding sources.

Ensure InvestPR has the right resources, expertise, and organizational culture to accomplish our mission.

Continue honing InvestPR's standing among the global economic development community.



Our FY2024 KPI Targets

The following Key Performance targets for Fiscal Year 2023-2024 were approved by the Board of Directors on August 30, 2023. These targets were developed based on prior year results and taking into account global, national and local market considerations.

SALES

4,500
new leads

1,800
qualified prospects
opportunities

OUTCOMES

600
new businesses

5,000
jobs committed

\$425M
in investment
committed

\$65K
average payroll

