

The Company participates in collaborations that help further its understanding of future energy, technology and potential climate change trends, including through R&D projects related to fuels, engines and new transport technologies. The Company is a founding member of the Oil and Gas Climate Initiative, a voluntary, CEO-led initiative composed of 13 global oil and gas companies committed to reducing GHG emissions through technology. Additionally, the Company is collaborating within the oil and gas industry through memberships in joint platforms such as the International Petroleum Industry Environmental Conservation Association and the Petroleum Environmental Research Forum. The Company also supports the Government's efforts to achieve the objectives set by the United Nations Framework Convention on Climate Change, the Paris Agreement, the United Nations Environment Programme, as well as other climate change mitigation and adaptation efforts.

4.13.3 *Renewable Energy and Environmental Stewardship Projects*

The Company is investing in green energy and sustainability initiatives throughout its operations both in the Kingdom and abroad with international partners. The Company is deploying renewable energy systems in office buildings and industrial facilities such as production wells and bulk plants. For example, in January 2017G, the Company installed the Kingdom's first wind turbine at Turaif Bulk Plant. Additionally, the Company has installed a carpark solar panel system covering a total area of 100,000 square metres with a power generation capacity of 10.5 MW.

In the Kingdom, the Company's operational areas include vast tracts of land and sea areas that contain important and sensitive habitats and species. This natural biodiversity is considered an important asset to the Kingdom and Saudi Aramco exerts considerable effort to document, protect and enhance the Kingdom's biodiversity. For example, the Company has established a wildlife sanctuary near its Shaybah facility to promote and preserve biodiversity.

The Company has also invested in sustainability projects, such as artificial reefs deployed in the Arabian Gulf, a fish hatchery in Abu Ali, planting of more than two million mangrove trees and reserving areas with significant biodiversity. In addition, the Company recently conducted its first industrial estimate of carbon sequestration (Blue Carbon) in the marine and coastal environment. Furthermore, in 2018G, the Company commenced a programme to plant one million native trees in strategic locations throughout the Kingdom, helping to combat desertification, enhance native biodiversity and create shaded areas.

Saudi Aramco has developed an environmental stewardship programme where staff and communities are encouraged to participate in protecting the environment. The stewardship programme also extends outside the Kingdom where the Company operates with its international joint venture partners, and through collaboration with leading international conservation entities whom the Company is assisting in the protection of biodiversity globally. Saudi Aramco is working closely with the Smithsonian Institute tracking the movement of endangered animals, and with UNESCO in Asia supporting biosphere reserves and encouraging the clean-up of plastic waste along coastlines and in estuaries.

4.13.4 *Flaring*

One of the Company's long-standing initiatives is to efficiently and sustainably use associated gas. Since the 1970Gs, the Company has acted to mitigate the negative environmental impacts of systematic flaring of associated gas by utilising gas for power generation and petrochemicals production, which also has positive economic benefits to the Company. Additionally, Saudi Aramco has grown the MGS which supplies gas for use in the electric power facilities located in the Kingdom and in the Kingdom's rapidly growing petrochemical sector. The development of the MGS reduced Saudi Aramco's environmental impact and GHG emissions arising from flaring, in addition to supporting national economic growth. In order to further improve its environmental performance, the Company established a flaring minimisation plan in 2006G.

With an aim to further improve its environmental performance, in August 2019G, the Company formally endorsed and signed the World Bank's initiative of "Zero Routine Flaring by 2030" with the objective of sharing best practices and knowledge in flaring minimisation, report progress and demonstrate its efforts in reaching zero routine flaring. In the first half of 2019G, the Company had less than 1% flaring of its raw gas production.