

1. Aramco overview and strategy

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▲ Hawiyah Gas Plant,
Saudi Arabia

Diversifying the energy mix

Aramco progressed multiple gas projects in 2022.

Commissioning activities for the gas compression projects at the Haradh and Hawiyah fields began, as did the Hawiyah Gas Plant expansion. Construction at the Hawiyah Unayzah Gas Reservoir Storage is in an advanced stage and injection activities have commenced. Work also continues at the Tanajib Gas Plant, which is expected to be onstream by 2025.

These projects support Aramco's strategy to invest in additional infrastructure to meet the large and growing domestic demand for low-cost, cleaner energy.

aramco

We hold nearly 90 years of global energy leadership



1933-1944

The birth of Arabian oil

- 1933 Crude oil Concession agreement signed with Standard Oil of California which created the California Arabian Standard Oil Company (CASOC) to manage the Concession.
- 1938 Oil discovered at Dammam Well No. 7.
- 1939 Oil exports began.
- 1944 CASOC renamed the Arabian American Oil Company.

1945-1965

Expansion

- 1948 Standard Oil Company of New Jersey, later Exxon, purchased 30% of Arabian American Oil Company, and Socony-Vacuum Oil Company, later Mobil, purchased 10% to help provide market outlets.
- 1949 Oil production hit 500 mbpd.
- 1952 Headquarters moved from New York City to Dhahran.
- 1958 Oil production exceeded 1 mbpd.
- 1965 Oil production exceeded 2 mbpd.

1966-1988

Making a name for itself

- 1971 Oil production averaged 4.5 mbpd.
- 1973 The Saudi Government acquired an initial 25% participating interest in the Concession, which increased to 60% the following year.
- 1975 Decision made to build the Master Gas System, enabling one of the world's largest gas markets, transforming the national energy mix toward natural gas and building the cornerstone for the economy's industrialization.
- 1976 Became the world's leading oil producer in terms of volume produced in a single year.
- 1980 The Saudi Government increased its participation interest in the crude oil Concession rights, production, and facilities to 100%.
- 1988 Saudi Arabian Oil Company officially established.

2018-2022

Transformation and energy security

1989-2017

A global company

- 1989 First international downstream joint venture established in the U.S.
- 1991 First Asian downstream joint venture established in South Korea.
- 1993 Aramco assumed the assets and operations of Saudi Arabian Marketing and Refining Company, a Government-owned in-Kingdom refining and international product marketing organization.
- 2009 Petro Rabigh, Aramco's first petrochemical plant, began production.
- 2011 Sadara Chemical Company formed.
- 2014 SATORP and YASREF refineries came online.
- 2017 Aramco acquired full ownership of Motiva.

- 2018 Commercial production of unconventional resources commenced in north Arabia.
- 2019 \$12.0 billion of Senior Unsecured Notes issued and listed on the London Stock Exchange.
Aramco became a public company with shares listed on the Saudi Exchange.
- 2020 Highest single-day crude oil production of 12.1 mmbpd.
Historic acquisition of a 70% stake in SABIC transformed Aramco into a major global petrochemicals producer.

- 2021 49% of Aramco Oil Pipelines Company sold to a consortium of local and international investors.
Announced ambition to achieve net-zero Scope 1 and Scope 2 greenhouse gas emissions across wholly-owned operated assets by 2050.
- 2022 49% of Aramco Gas Pipelines Company sold to a consortium of investors.
Established a \$1.5 billion Sustainability Fund.
Successfully completed three landmark transactions with Polish refiner and fuel retailer PKN ORLEN, supporting expansion of Aramco's global downstream presence.
Highest single-day natural gas production record of 11.3 bscfd.



▲ Offshore drilling rig and gas-oil separation plant, Arabian Gulf (Photo taken 1956)

In 1951, after two years of exploration in the shallow Gulf waters, Aramco discovered the world's largest offshore oil field, Safaniyah, and commenced offshore production in 1957.

Today, Aramco is undertaking the largest capital expenditure program in its history, and intends to gradually increase the Company's Maximum Sustainable Capacity from 12.0 to 13.0 mmbpd.

Achieving record-setting performance and positioning ourselves for the future



“The future will most certainly favor the lowest-cost, least carbon-intensive producers, and Aramco is exceptionally well-placed in this respect.”

Dear Shareholders,

2022 brought a strong recovery in crude oil prices, but also ongoing uncertainty in the global economy. Within this context Aramco remained steadfast in its purpose: to provide energy security to our customers while also doing our part to support a more practical, stable and inclusive energy transition.

I am immensely proud to report that in 2022 Aramco achieved a record-setting financial performance as a listed company. Our net income for the year was SAR 604.0 billion (\$161.1 billion). This result allowed the Company to strengthen its balance sheet as we embarked on our largest ever capital spending program. Following this financial performance, the Board of Directors has declared a cash dividend of SAR 73.2 billion (\$19.5 billion) for the fourth quarter of 2022, which raises the quarterly dividend by 4.0% compared to the previous quarter. This aligns with our dividend policy aiming to deliver a sustainable and progressive dividend. The Board has also recommended granting eligible shareholders one new additional bonus share for every 10 shares they hold.

These results are a testament to the character and dedication of our people, who have consistently shown they can generate value through changing market conditions. Increasing our cash dividend and recommending to grant bonus shares to eligible shareholders demonstrates our commitment to deliver value to our investors.

Strength, stability, solutions

We recognize that our results in 2022 were due in part to higher oil prices that were driven by a number of factors including global demand, geopolitical events, and long-term underinvestment in our industry.

This reality supports our Upstream strategy to focus on large-scale investment in new production, including growing our gas business and raising our crude oil Maximum Sustainable Capacity from 12.0 to 13.0 mmbpd. With energy demand expected to keep rising and planned industry investments failing to offset natural oil field depletion rates, we believe that extra capacity will be important to the global energy mix in the years ahead.

At the same time, we are continuing to build our Downstream business into a world-class operation. In 2022 we progressed with refining and chemicals projects in Saudi Arabia and Asia, while also expanding our presence in Europe.

Aramco’s Downstream strategy reflects our belief that a significant share of future oil demand will come from petrochemicals, not least from products which are essential inputs for the energy transition. We estimate, for example, that eight to 11 tons of chemical products are required to produce one megawatt of renewable energy, on average. Aramco, for its part, is preparing for this future by expanding the integration of our refining and chemicals facilities, and investing in large-scale liquids-to-chemicals projects.

Investing in the Kingdom’s economic development

In 2022 we continued to scale our investments in the Kingdom’s industrial economy, which each year grows more diversified and dynamic. The Company is targeting five strategic domains — sustainability, digital, industrial, manufacturing, and social innovation — all of which complement Aramco’s supply chain. Today we offer support to companies at every stage of the growth cycle, from start-ups to small- and medium-enterprises to companies with the potential to become Saudi national champions. In March 2023, we signed a framework agreement with the Kingdom’s Private Sector Partnership Reinforcement Program — known as Shareek — as we seek to foster new businesses and contribute to the Kingdom’s economic development.

This strategy enhances Aramco’s supply chain resilience, helping to ensure that more of the products and services we rely on can be provided right on our doorstep. It is also creating jobs for our fellow citizens.

The future favors Aramco

The global energy transition is both a long-term challenge and opportunity to leverage Aramco’s strengths and capabilities to deliver increasingly sustainable energy solutions. This past year has also highlighted the scale and complexity of what is required to meet the energy security challenges of the future.

No single solution will address the challenge ahead. No single technology will provide the energy necessary to support a \$100 trillion global economy. Leveraging our unique scale and resources, we are exploring multiple pathways to support our aspirations for a lower-carbon future for Aramco, including energy efficiency, carbon capture, utilization, and storage, carbon offsetting, and renewables.

Ultimately, we believe the world will continue to need oil and gas for the foreseeable future. Indeed, the future will most certainly favor the lowest-cost, least carbon-intensive producers, and Aramco is exceptionally well-placed in this respect.

Supporting our customers, our partners and the nation to decarbonize

It makes sense for the Company to focus first on the greenhouse gas emissions we can directly influence — our Scope 1 and 2 GHG emissions from wholly-owned operated assets — while also supporting our customers’ efforts to decarbonize.

This is why we continue to work closely with the automotive industry to develop lower-carbon synthetic fuels and high efficiency engines, and with the materials industry to develop solutions to complement steel and cement. For industries with hard-to-abate emissions, we plan to be a significant exporter of lower-carbon hydrogen which has the potential to assist with renewable energy storage. 2022 saw further work to develop this vital new market.

We remain committed supporters of the Saudi Green Initiative (SGI) — a massive program of reforestation and clean energy deployment in the Kingdom of Saudi Arabia — as well as the SGI’s regional counterpart, the Middle East Green Initiative. We strongly back the Kingdom’s aim to reach net-zero emissions by 2060 through the circular carbon economy approach, which is supported by our ambition to achieve net-zero Scope 1 and Scope 2 greenhouse gas emissions by 2050 across wholly-owned operated assets.

The foundation for Aramco’s success

I want to take this opportunity to pay tribute to the 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 and Prime Minister of the Kingdom of Saudi Arabia. Their vision for the future of the Kingdom is an inspiration and a guide to everyone at Aramco. I also want to thank the Kingdom’s Ministry of Energy for their continued support of Aramco.

Our success in 2022 would also not have been possible without our people — a brilliant team of skilled professionals who are deeply dedicated to their work and mission.

Finally, my thanks go out to you, our shareholders, for continuing to place your trust in our great Company.

H.E. Yasir O. Al-Rumayyan

Chairman of the Board of Directors

Creating value and delivering our strategy



“We are strategically positioning Aramco to be a key player in a practical, stable and inclusive global energy transition.”

Dear Shareholders,

For Aramco, 2022 was a year with notable achievements on a number of significant fronts.

Financially, the Company recorded its highest annual profits as a listed company as global crude oil prices strengthened compared to the previous year. Operationally, we embarked on the largest capital expenditure program in Aramco's history, driven by our growth strategy and net-zero ambition.

Geographically, we continued to broaden our Downstream portfolio with strategic investments, including in Asia and Europe. Meanwhile, locally we expanded our efforts to further strengthen our supply chain while simultaneously helping drive in-Kingdom economic growth.

Preserving upstream preeminence

While there are some who maintain that anyone still expanding their hydrocarbon production capacity is going to end up on the wrong side of history, we firmly believe we are on the right side of reality. The simple fact is that the world is expected to continue to need oil and gas for the foreseeable future — as a source of energy and also as foundational building blocks for countless everyday products. At the same time, we are aiming to significantly reduce oil and gas emissions.

Accordingly, in 2022 we continued to strengthen our crude oil production capabilities. This included ongoing work to raise our crude oil Maximum Sustainable Capacity by an additional one million barrels per day by 2027. We expect the Marjan and Berri offshore increments to come onstream in 2025.

Development of the Jafurah unconventional gas field continues, with initial production expected to commence in 2025, gradually increasing to 2.0 bscfd by 2030. Meanwhile, the Hawiyah Unayzah Gas Reservoir Storage, the first underground natural gas storage project in the Kingdom, has commenced injection activities.

The project aims to enable surplus natural gas to be reinjected into the reservoir during off-peak periods and reintroduced into the Master Gas System as demand increases.

During the year, our exploration activities resulted in the discovery of two unconventional gas fields in the Kingdom’s eastern region.

Expanding downstream integration

In 2022 we also made a number of important strides to enhance our global Downstream business in target geographies and markets.

In Asia, Aramco and our S-OIL affiliate made a final investment decision to develop one of the world’s largest refinery-integrated petrochemical steam crackers in South Korea, which aligns with our strategy to maximize the crude-to-chemicals value chain. The project represents the first large-scale commercialization of our thermal crude-to-chemicals technology. We also announced our decision to participate in the development of a liquids-to-chemicals complex in northeast China.

In Europe, we closed transactions to acquire a 30% stake in a refinery in Poland, sole ownership of an associated wholesale business, and a 50% stake in a jet fuel marketing joint venture. Through these transactions we expanded our downstream European presence and increased our integrated refining and petrochemicals capacity.

In August 2022, we signed an equity purchase agreement for Valvoline’s global products business. This acquisition transaction, which is expected to complement Aramco’s own line of premium-branded lubricant products, closed in March 2023.

Here in the Kingdom, we have made a final investment decision with our partner, TotalEnergies, to construct a petrochemical complex in Jubail that seeks to convert internally produced refinery off-gases and naphtha into higher value chemicals.

Aramco’s integration of SABIC continues to progress ahead of plan with synergies being realized in multiple areas. Our goal is to leverage the significant potential of our products to meet rising global demand for petrochemicals, which we believe will be critical to the materials transition required to support a lower-carbon future.

Advancing our net-zero ambition

We see the world’s shift towards a lower-carbon energy future as not only an obligation, but also an opportunity. Indeed, as one of the more reliable suppliers, lower-cost and lower carbon-intensive producers of crude oil in the world, Aramco has a number of competitive advantages.

As part of our journey towards net-zero, Aramco announced the creation of a SAR 5.6 billion (\$1.5 billion) sustainability-focused venture capital fund that will be among the largest of its kind globally. In partnership with the Ministry of Energy, we signed a Joint Development Agreement to begin building one of the biggest carbon capture and storage hubs in the world.

In collaboration with SABIC Agri-Nutrients, we also delivered the world’s first accredited commercial shipment of lower-carbon blue ammonia. And we were one of the first ever purchasers of carbon credits in the regional Voluntary Carbon Market’s inaugural auction.

Localizing our supply chain

We continue to encourage the development of materials and manufacturing capabilities within the Kingdom as part of our ongoing efforts to improve the resiliency of Aramco’s supply chain and support national economic development.

In 2022 this included building on our iktva program as we entered into over 90 agreements to build long-term collaborative relationships with strategic local suppliers. In January 2023, we signed over 100 agreements and Memoranda of Understanding at the 7th edition of the iktva Forum and Exhibition to help advance a diverse, sustainable, and globally competitive industrial ecosystem. We embarked on a major expansion of our Namaat industrial investment program, as well as launching Taleed, a new program dedicated to accelerating the growth of small- and medium-enterprises in the Kingdom. We have also signed a framework agreement with the Kingdom’s Shareek program that will support our efforts to both localize our supply chain and expand domestic economic growth.

Additionally, to build local artificial intelligence (AI) technology capacity, Aramco and a private sector partner announced the establishment of a Global AI Corridor. Designed to develop and commercialize complex AI solutions, the Corridor will also train Saudi talent, support start-ups, and build a local AI ecosystem.

Continuing to create value

In 2022, Aramco delivered an exceptional performance. The greatest reason for this success is the dedication and commitment of the men and women of Aramco. Each day they come to work united by the knowledge they are creating value for our shareholders and our customers, as well as contributing to the prosperity and progress of countries and communities around the world.

Looking ahead, we remain well-placed to adapt as required and respond as necessary to changing market conditions. As the actions and activities outlined in this Report suggest, we are strategically positioning Aramco to be a key player in a practical, stable and inclusive global energy transition.

Amin H. Nasser

President and Chief Executive Officer

Year of achievements

Aramco Gas Pipelines Company

Aramco completed its energy infrastructure deal resulting in a consortium of investors acquiring a 49% stake in Aramco Gas Pipelines Company (AGPC), for SAR 58.1 billion (\$15.5 billion).

Inaugural Sustainability Report

Aramco's 2021 Sustainability Report was published.



Compression projects

The compression projects at the Haradh and Hawiyah fields commenced commissioning activities. Full capacity is expected to be reached in 2023.

Formula One partnership

Announced a partnership with the Aston Martin Cognizant Formula One™ Team.



Ghawar-1 supercomputer

The Ghawar-1 supercomputer, the second fastest supercomputer in the MENA region after Aramco's Dammam-7, was successfully deployed.



January

February

March

April

May

June

July

Liquids-to-chemicals complex

Aramco announced its final investment decision to participate in the development of a major integrated refinery and petrochemical complex in northeast China.

Hawiyah Gas Plant expansion

The Hawiyah Gas Plant expansion, part of the Haradh gas increment program, began commissioning activities and is expected to be onstream in 2023.



International Sustainability & Carbon Certification Plus (ISCC+)

Aramco and SATORP obtained the ISCC+ credential for their joint waste plastic recycling initiative.

MENA regional Voluntary Carbon Market

Aramco signed a Memorandum of Understanding (MoU) to become one of five inaugural partners of the first MENA regional Voluntary Carbon Market.

\$1.5 billion Sustainability Fund

Aramco established a SAR 5.6 billion (\$1.5 billion) Sustainability Fund to invest in technology needed to support a stable and inclusive energy transition.



Reinforced supply chain

Through its in-Kingdom Total Value Add (iktva) program, Aramco entered into over 90 agreements with an estimated value of SAR 64.9 billion (\$17.3 billion) with strategic local suppliers. The local component of the Company's overall expenditure across its supply chain now stands at 63.0%.

Marafiq initial public offering

The Power and Water Utility Company for Jubail and Yanbu, known as Marafiq, successfully executed its IPO of 29.2% of its shares and the listing of its shares on the Saudi Exchange.

Expanded presence in Europe

Three successful transactions with Polish refiner and fuel retailer PKN ORLEN were completed, expanding Aramco's presence in the European downstream sector.

August

September

October

November

December

Valvoline Global Products agreement

Aramco signed an equity purchase agreement to acquire Valvoline Inc.'s global products business. The transaction closed in March 2023.

Lower-carbon fuels

An MoU was signed with Formula Motorsport Limited to introduce the use of alternative, lower-carbon fuels in the Formula 2 and Formula 3 racing championships beginning in 2023.

Maximizing crude-to-chemicals value chain

Aramco agreed to develop one of the world's largest refinery-integrated petrochemical steam crackers in South Korea through its S-OIL affiliate, which will convert crude oil into petrochemical feedstock.

In-Kingdom petrochemical complex

Aramco and TotalEnergies made a final investment decision to construct a large petrochemical complex in Saudi Arabia.



Carbon capture and storage hub

A joint development agreement between Aramco and the Ministry of Energy was signed to construct one of the largest planned carbon capture and storage hubs in the world in Jubail, Saudi Arabia.

Luberef initial public offering

Saudi Aramco Base Oil Company (Luberef) successfully executed its IPO of 29.7% of its shares and the listing of its shares on the Saudi Exchange.

First commercial blue ammonia shipment

Aramco and SABIC Agri-Nutrients collaborated on the world's first commercial shipment of certified blue ammonia to South Korea.

Capturing value across the hydrocarbon chain

Inputs

Operations

Total hydrocarbon reserves¹
(billion boe)

258.8

Net refining capacity
(mmbpd)

4.1

Net chemicals production capacity²
(million tons per year)

56.3

Maximum Sustainable Capacity
(mmbpd)

12.0

Human

Company employees³
70,496

Relationships

Stakeholders:

- Customers
- Suppliers

- Partners
- Governments

Countries of operations
50+

Domestic and foreign subsidiaries, joint arrangements, and associates
300+

Financial

Capital expenditures
(billion)

SAR 141 \$38

Net debt⁴
(billion)

SAR (123) \$(33)

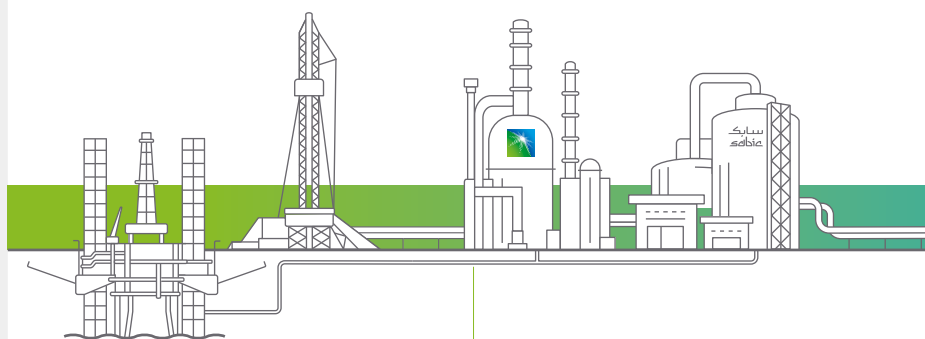
Average capital employed⁴
(billion)

SAR 1,925 \$514

1. Hydrocarbon reserves of Saudi Arabian Oil Company (the Company) as at December 31, 2022, under the Concession agreement.
2. Excludes SABIC Agri-Nutrients and Metals (Hadeed) businesses.
3. Refer to Section 3: Sustainability for further information.
4. For definition of average capital employed and net debt, refer to "Non-IFRS measures reconciliations and definitions."
5. Total liquids is comprised of crude oil, NGL and condensate.
6. Applies to Saudi Arabian Oil Company (the Company).
7. Includes income taxes, royalties, and dividends.

Capturing value

Integrated upstream and downstream operations



Low cost, lower carbon-intensive upstream production

Unique operational flexibility and opportunities to rapidly increase crude oil production

Total hydrocarbon production
(mmbpd)
13.6

Total liquids production⁵
(mmbpd)
11.5

Major integrated refiner and petrochemical producer with a global network of reliable assets in key regional markets and hubs

Upstream production monetized through a high quality external customer base and captive downstream system

Innovation

Decarbonizing operations and developing lower-carbon solutions and noncombustible uses for products



Carbon capture, utilization, and storage



Blue ammonia

Underpinned by core values

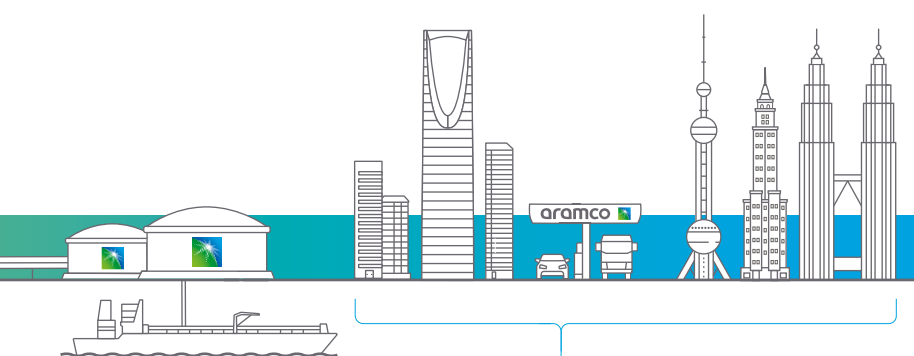


Safety



Citizenship

Marketing and distribution



Integrated trading business enables optimization of product supplies to maximize returns

Reliable supplier of crude oil, refined products, gas, NGL, and chemicals

Exclusive access to the Kingdom's large and growing gas market

World-class partners and customer base provide access to high-growth markets and material demand centers



Crude-to-chemicals



Renewables



Synthetic fuels



Nonmetallics



Integrity



Accountability



Excellence

Outcomes and impacts

Operations

Products produced:

- Crude oil
- Gas
- Refined products
- Chemicals
- Base oils and lubricants
- Electricity
- Lower-carbon energy solutions

Upstream carbon intensity³
(kg of CO₂e/boe)

10.3

Scope 1 emissions³
(million metric tons of CO₂e)

55.7

Power supplied to the national grid
(gigawatts)

1.3

Reliability⁶
(%)

99.9

Scope 2 emissions³
(million metric tons of CO₂e)

16.1

Freshwater consumption³
(million cubic meters)

93.60

Human

Lost time injuries/illnesses rate³
(per 200,000 work hours)

0.014

Tier 1 process safety events³

11

Total recordable case frequency³
(per 200,000 work hours)

0.050

Fatalities³

5

Relationships

In-Kingdom Total Value Add (iktva)³
(%)

63.0

Payments to the Government⁷
(billion)

SAR 847 \$226

Financial

Net income
(billion)

SAR 604 \$161

Dividends paid
(billion)

SAR 281 \$75

Free cash flow^{*}
(billion)

SAR 557 \$149

Return on Average Capital Employed (ROACE)^{*}
(%)

31.6

* Non-IFRS measure: refer to "Non-IFRS measures reconciliations and definitions" for further information.

Global operations



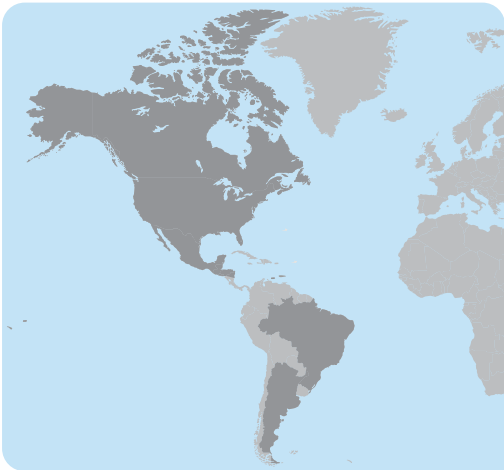
Middle East and Africa

Bahrain	●
Egypt, Jordan, Kenya, Lebanon, Liberia, Mauritania, Tunisia	○
Morocco, South Africa	○ ●
United Arab Emirates	○ ● ●
Saudi Arabia	○ ● ● ● ● ● ●



Asia and Australia

Australia, Indonesia, Pakistan	○
Malaysia, Singapore, Thailand, Vietnam	○ ● ● ●
India	○ ● ● ● ●
China, Japan, South Korea	○ ● ● ● ● ●



Americas

Argentina, Brazil, Canada, Mexico	○ ● ● ●
United States of America	○ ● ● ● ● ●
British Virgin Islands, Bermuda, Curaçao, The Independent State of Samoa	○



Europe

Czech Republic, Finland, Guernsey, Hungary, Luxembourg, Switzerland,	○
Estonia	●
Austria	○ ● ●
Russia	○ ● ●
Denmark, Greece, Sweden, Turkey	○ ● ●
Belgium, Germany, Italy, Poland	○ ● ● ●
France	○ ● ● ● ●
Netherlands, Spain, United Kingdom	○ ● ● ● ● ●



- Countries of operations — as at December 31, 2022
- Subsidiary* offices
- Crude oil and natural gas production facilities
- Refining, petrochemical and manufacturing facilities
- Terminals and distribution hubs
- Aramco retail fuels network
- Technology and innovation centers

* Subsidiaries are separate legal entities from the Company.

One of the world's largest integrated energy and chemicals companies

Overview

Aramco is one of the world's largest integrated energy and chemicals companies. Aramco's operating segments are Upstream and Downstream, which are supported by corporate activities. Aramco's Upstream operations are primarily based in Saudi Arabia, while the Downstream business is global.

In 2022, Aramco's average hydrocarbon production was 13.6 mmbpd, including total liquids of 11.5 mmbpd. As at December 31, 2022, based on the initial 40-year period and 20-year extension of the Concession, Aramco's reserves stood at 258.8 billion boe, including 200.8 billion barrels of crude oil and condensate, 25.2 billion barrels of NGL, and 201.9 tscf of natural gas. In addition, as at December 31, 2022, Aramco had a gross refining capacity of 7.1 mmbpd and net chemicals production capacity of 56.3¹ million tons per year.

Upstream

The Upstream segment's activities consist of exploring for, developing, and producing crude oil, condensate, natural gas and NGL. The Government determines the Kingdom's maximum level of crude oil production in the exercise of its sovereign prerogative and requires Aramco to maintain Maximum Sustainable Capacity (MSC). As at December 31, 2022, Aramco's MSC was maintained at 12.0 mmbpd of crude oil. Aramco's principal fields are located in close proximity to each other within the Central

and Eastern Provinces of the Kingdom.

An extensive pipeline network connects Aramco's fields, processing plants, and other facilities. The produced crude oil, condensate, natural gas and NGL travel through Aramco's pipelines to multiple facilities for processing into refined and petrochemical products, or to domestic customers or export terminals.

Aramco is the exclusive supplier of natural gas in the Kingdom and its gas portfolio is rich in liquids, demonstrated by the production of both NGL and unblended condensate. Aramco owns and operates the Master Gas System (MGS), which is an extensive network of pipelines that connects its key gas production and processing sites throughout the Kingdom.

Aramco seeks to further expand its oil and gas reserves through new field discoveries, new reservoir additions in existing fields, and delineation and reassessment of existing reservoirs and fields.

Downstream

Aramco has a large and growing, strategically integrated global downstream business that provides opportunities to secure and de-risk liquids demand and capture incremental value from the hydrocarbon supply chain by selling to its dedicated system of domestic and international refineries and petrochemical plants. The Downstream segment's activities consist of refining and petrochemicals, base oils and

1. Excludes SABIC Agri-Nutrients and Metals (Hadeed) businesses.

Unrivaled reserves

258.8 B boe

Aramco's hydrocarbon reserves under the Concession agreement

(December 31, 2022)

200.8 B bbl

of crude oil and condensate

25.2 B bbl

of NGL

▲ Ju'aymah, Saudi Arabia

lubricants, retail operations, distribution, supply and trading, and power generation. Together, these support the Upstream and Downstream businesses by enabling optimization of crude oil sales and product placement through Aramco's significant infrastructure network of pipelines and terminals, and to access shipping and logistics resources.

Aramco's downstream investments diversify its revenue and integrate its oil and gas operations to optimize value across the hydrocarbon chain, supporting crude oil and gas demand and facilitating the placement of its crude oil. Aramco also has an integrated petrochemicals business within its Downstream segment that produces basic chemicals, such as aromatics, olefins and polyolefins, as well as more complex products, such as polyols, isocyanates and synthetic rubber.

Corporate

Aramco's Upstream and Downstream segments, as well as the overall business, are supported by corporate activities. These include technical services essential to the success of Aramco's core business, as well as human resources, finance, legal, corporate affairs and IT. The integrated corporate development organization optimizes Aramco's asset portfolio by assessing and monetizing certain existing assets, as well as evaluating investments related to the Kingdom's economic development and improving access to services and parts to enhance operational efficiency. Aramco's corporate development activities also seek to build a world-class local supply chain to serve the needs of the Company and its partners. For more information, see Section 2: Results and performance.

Aramco's corporate activities are underpinned by its commitment to good governance and leadership, which includes sustainability practices (Section 3: Sustainability), risk management (Section 4: Risk), and corporate governance (Section 5: Corporate governance).

201.9 tscf

of natural gas

Our values



Safety

Safety is an integral part of Aramco's culture. We are committed to providing a safe and respectful working environment for all with the appropriate safety procedures and policies in place on-site and within the community.



Citizenship

No matter where in the world we are conducting business, it is important to be known as a good corporate citizen and to be a positive influence within communities. As a global company in Saudi Arabia, we take this role seriously.



Integrity

The integrity of business at Aramco is based on the ethical standards of our employees in our everyday operations. Integrity is a precious asset, it is our reputation. The foundation of corporate integrity is personal integrity.



Accountability

Accountability means all employees at Aramco take responsibility for their actions in meeting corporate objectives. Accountability for achieving Aramco's overarching business objectives starts with the goals and objectives outlined by the President and CEO, for its business lines, and pervades through Aramco.



Excellence

At Aramco, excellence translates into all aspects of our workplace. It is our personal and group commitment to doing what we do well. We drive for best results and are agile in addressing new challenges.

Continued energy demand growth

Global

Despite geopolitical tensions, high inflation and sharply rising interest rates that formed strong economic headwinds, the global economy expanded by an estimated 3.1% in 2022, compared to 6.1% in 2021. Global GDP growth is expected to slow to a meager 1.5% in 2023 as these headwinds are expected to continue into 2023.¹

In 2022 worldwide oil demand is estimated to have increased by 2.5 mmbpd to 99.8 mmbpd, while global oil supply is estimated to have averaged 100.8 mmbpd.² Despite this oversupplied position, the ICE Brent crude oil price averaged \$99 per barrel in 2022, approximately 39.8% higher than the average of \$71 per barrel in 2021, as market conditions in the first half of the year drove prices to a peak of \$128 per barrel.

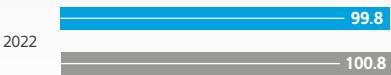
Domestic

The Kingdom's GDP is estimated to have grown by 8.7% in 2022 compared to 3.9% growth in 2021, driven by the continued economic recovery from the COVID-19 pandemic which fueled a 15.4% growth in oil activities. Non-oil activities rose 5.4%, including Government services activities which grew 2.6%.³

In line with robust economic performance, domestic energy demand grew by an estimated 6.3% in 2022. Demand growth was particularly strong for the transportation sector, which witnessed a rise of about 9.2% largely on the back of continued recovery in international air travel.

Oil demand and supply

(mmbpd)

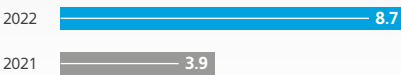


— Oil demand

— Oil supply

Kingdom GDP growth

(%)



1. Oxford Economics.
2. IHS Markit Global Crude Oil Markets Outlook.
3. General Authority for Statistics, Kingdom of Saudi Arabia.

Positioning Aramco for the future

Aramco's strategy is driven by its belief that reliable and affordable energy supplies, including oil and gas, will be required to meet the world's growing energy demand, and that new lower-carbon energy supplies will gradually complement conventional sources. Aramco continues to work to achieve further reductions in its carbon footprint, enabled by technology and greater efficiency of energy use by all stakeholders. The world's demand for affordable, reliable and more sustainable energy will continue to grow, and we believe it can best be met by a broad mix of energy solutions.

Within this context, Aramco's vision is to be the world's preeminent integrated energy and chemicals company, operating in a safe, sustainable and reliable manner.

Aramco strives to provide reliable, affordable, and more sustainable energy to communities around the world, and to deliver value to its shareholders through business cycles by maintaining its preeminence in oil and gas production and its leading position in chemicals, aiming to capture value across the energy value chain and profitably growing its portfolio.

Our strategic themes



Upstream preeminence

As the principal engine of value generation, the Company intends to maintain its position as the world's largest crude oil company by production volume and one of the lowest-cost producers. The Company's vast reserves base, spare capacity, and unique operational flexibility allow it to effectively respond to changes in demand.



Downstream integration

The Company has a dedicated system of domestic and internationally wholly-owned and affiliated refineries that are critical to monetizing its upstream production. Through continued strategic integration, the Company captures additional value across the hydrocarbon chain.



Lower-carbon initiatives

The Company aims to lower the net carbon emissions of its operations and to support the global energy transition through development of lower-carbon products and solutions across the energy, chemicals, and materials sectors.



Localization and the promotion of national champions

The Company facilitates the development of a diverse, more sustainable and globally competitive in-Kingdom energy ecosystem to underpin the Company's competitiveness and support the Kingdom's economic development.

Our key enablers

Aramco's strategy requires a number of enablers to be successful, including:

People

Aramco recognizes the need to prepare its workforce of the future, thereby ensuring its capabilities match the requirements of its strategies, by (i) advancing technical and professional skills, developing commercial and leadership competencies and supporting the progress of localization, and (ii) focusing on diversity and inclusion.

Technology

Aramco's technology program aims to develop new solutions for its Upstream and Downstream businesses, and to help in diversifying its product portfolio, grow its business sustainably and achieve its net-zero ambition.

Portfolio optimization

Aramco seeks to unlock value, enhance its capital structure and reallocate capital to higher growth and return investments. Aramco has a comprehensive and disciplined internal approval process for capital expenditures, new projects and debt issuance.

How we deliver value

Aramco seeks to deliver value across four dimensions:

Profitability

By reinforcing its competitive positions across its upstream and downstream activities.

Resilience

Both operational and financial, enabling the Company to declare dividends on a regular basis with a view to building long-term shareholder value and providing sustainable dividend growth through crude oil price cycles and to maintain a high investment-grade credit rating.

Growth

Both in its traditional oil and gas activities and new businesses.

Sustainability

As a core element of Aramco's operational philosophy.



Upstream preeminence

Oil

Aramco intends to maintain its position as the world's largest crude oil company by production volume. Its reserves, operational capabilities and spare capacity allow it to increase production in response to demand.

Notwithstanding the energy transition, global demand for crude oil is expected to continue to increase for many years to come. To meet this demand, new oil discoveries and developments will be needed to offset the natural decline in production from currently producing fields. Aramco believes there has been significant industry-wide underinvestment in crude oil exploration and production by other companies which could result in a supply gap in the mid- to long-term. Aramco intends to continue to invest in crude oil exploration and production through oil price cycles in order to meet this expected continued global demand growth, and believes that its low lifting costs, low capital intensity and lower upstream carbon intensity uniquely position it to benefit from these investments. Aramco believes that it produces crude oil with one of the lowest upstream carbon intensities, which positions it to benefit from continued pressure on the oil and gas industry to reduce the environmental impact of the industry's operations. Through reliable and lower carbon intensity production, Aramco aims to support energy access and security through the energy transition.

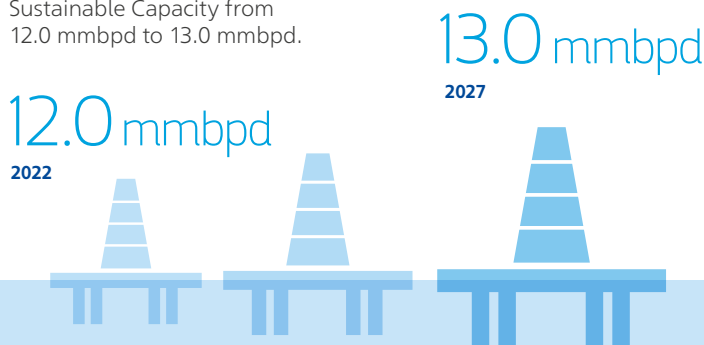
The Company maintains its level of crude oil production by balancing production between maturing areas and newer production sources, tapping into new reservoirs when required to optimize the depletion rate of its fields. It also maintains its low-cost position due to the unique nature of the Kingdom's geological formations, favorable onshore and shallow water offshore environments in which Aramco's reservoirs are located, synergies from Aramco's use of its large infrastructure and logistics networks, its low depletion rate operational model, and its scaled application of technology.

Aramco seeks to maintain its position as one of the world's most reliable crude oil suppliers. The Government determines the Kingdom's maximum level of crude oil production in the exercise of its sovereign prerogative and requires Aramco to maintain an MSC in excess of its current production in accordance with the Hydrocarbons Law.

In line with the Government's mandate to increase crude oil MSC to 13.0 mmbpd, Aramco is proceeding with plans to gradually reach

Strategy in action

Aramco intends to gradually increase crude oil Maximum Sustainable Capacity from 12.0 mmbpd to 13.0 mmbpd.



the mandated MSC. The spare capacity afforded by maintaining an MSC provides operational flexibility to increase its production. While Aramco has a robust field maintenance philosophy that emphasizes the reliability of its upstream operations, the MSC provides an alternative supply option in the event of unplanned production outages.

Aramco utilizes term agreements for selling crude oil to major consumers globally. These agreements provide supply predictability to customers by standardizing price and delivery terms to major regional demand centers. Aramco continues to invest in its sophisticated and extensive crude oil distribution and dispatch system, which maintains Aramco's supply reliability.

The Company also seeks to preserve its position as one of the world's lowest upstream carbon intensive sources of crude oil production.

Gas

Aramco plans to further expand its gas business, including the development of its unconventional gas resources, increasing production and investing in additional infrastructure to meet the large and growing domestic demand for lower-cost energy. Domestic gas demand growth is driven by power generation, water desalination, petrochemical production, and other industrial consumption in the Kingdom.

An important additional benefit of Aramco's gas production is the significant NGL and condensate yields, which supplement crude oil production and provide feedstock to the refining and petrochemical industries.



Downstream integration

Aramco intends to continue the strategic integration of its Upstream and Downstream businesses to facilitate the placement of the Company's crude oil in larger offtake volumes through a dedicated system of domestic and international wholly-owned and affiliated refineries, allowing it to capture additional value across the hydrocarbon chain, expand its sources of earnings, and provide resilience to oil price volatility.

Aramco's 70% equity interest in SABIC supports the significant expansion of Aramco's downstream activities, particularly in its chemicals business, and provides additional opportunities for Aramco to supply mixed feedstock of crude oil, refinery products and gas to manufacture petrochemical products. Changing patterns of demand, including growth in chemicals demand and the long-term risk of decline in fuels demand, are driving the Company's strategy to favor investments in facilities with high liquids-to-chemicals conversion rates.

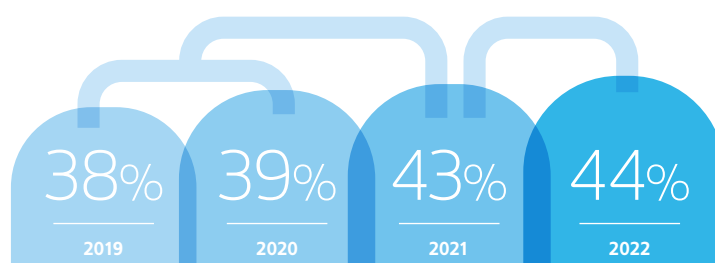
Geographically, Aramco intends to enhance both its domestic and global Downstream businesses in key high-growth geographies such as China, India and Southeast Asia, which are integral to Aramco's existing business and future expansion strategy, as well as in other attractive markets. Aramco also intends to maintain its presence in key large countries, such as the United States, and in countries that rely on imported crude oil, such as Japan and South Korea.

Aramco continues to expand global recognition of its brands. One aspect of this strategy is to introduce its brands to existing domestic and international marketing businesses, including at retail service stations, and further develop its petrochemicals, base oil and lubricants brands. As new marketing activities are added to its business portfolio, Aramco intends to use its own brands to build recognition of its position in the global energy sector.

Strategy in action

Aramco's dedicated system of domestic and international refineries provide secure demand for Upstream crude production.

Upstream crude oil production utilized by Aramco's downstream operations





Lower-carbon initiatives

Aramco's strategy for lower carbon intensity energy, which seeks to address climate-related risks and opportunities, aims to de-risk its businesses and maintain competitiveness and differentiation in carbon-constrained scenarios.

The strategy has two main dimensions: lower the net carbon emissions of the Company's operations over time with the ambition to achieve net-zero Scope 1 and Scope 2 greenhouse gas emissions across wholly-owned operated assets by 2050; and develop lower-carbon products and solutions across the energy, chemicals, and materials space.

- Lowering the Company's own net carbon emissions calls for managing, reducing, and balancing carbon emissions across operations through a raft of measures that span efficiency gains, renewable power, carbon capture, utilization, and storage, and multiple offset initiatives.
- Developing lower-carbon products and solutions aims primarily to sustain and diversify demand for oil and gas through competitive technologies and selective business initiatives. These include blue hydrogen and ammonia, lower-carbon fuels, and gas to complement renewables in the domestic energy mix and to reduce liquids-burning in power generation. These initiatives are expected to help the Company participate in the growing market for lower-carbon products and solutions. Aramco is pursuing offering carbon capture and storage as a service to third parties, and is pursuing investments in renewables that align with its other lower-carbon initiatives.

Strategy in action

Aramco
is targeting the
production of up to
11 million tons
of blue ammonia
per annum by 2030

Aramco aims to grow its business sustainably by leveraging technology and innovation to lower its climate impact. The Company intends to maintain its position amongst the leaders in upstream carbon intensity, with one of the lowest carbon footprints per unit of hydrocarbons produced.

Key enablers

People

Aramco recognizes the need to prepare its workforce of the future, thereby ensuring the Company's capabilities match the requirements of its strategy. There are two key dimensions to this enabler:

- Enabling the Company's growth ambitions by advancing technical and professional skills, developing commercial and leadership competencies, and supporting the progress of localization.
- Making the Company more sustainable, with a focus on diversity and inclusion.

Technology

Aramco's technology program aims to develop new solutions for its Upstream and Downstream businesses, and to help in diversifying its product portfolio and grow its business sustainably. An increasing share of its investment in technology and research and development addresses the sustainability objective. Such sustainability requires not only fast and large-scale deployment of existing solutions, such as renewable energy, carbon capture, utilization, and storage, and nature-based solutions, but also the creation and advancement of new lower-carbon solutions that aim to have both environmental and commercial potential.



Localization and the promotion of national champions

In addition to Aramco's core businesses, the Company is seeking to foster new businesses that will increase the long-term reliability and competitiveness of the Company's ecosystem, as well as contributing to the Kingdom's economic development. This is key to ensuring Aramco's long-term cost and productivity leadership, sustainability, and resilience. The objectives are two-fold: to localize the Company's supply chain and promote national champions.

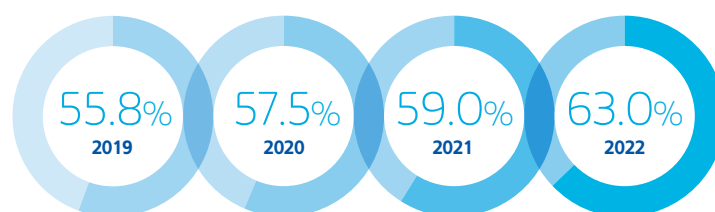
- Aramco aims to strengthen its supply chain through its localization efforts and utilizes the Kingdom's Shareek program which provides a framework to incentivize in-Kingdom investments. As part of this strategy, Aramco seeks to increase the use of in-Kingdom suppliers of goods and services to 70.0% through its in-Kingdom Total Value Add (iktva) program.
- Through its Namaat industrial investment program, Aramco intends to drive continued growth and development of a resilient and sustainable domestic supply chain to strengthen and expand the in-Kingdom private sector.
- The Company's Taleed program seeks to accelerate the growth of small- and medium-enterprises (SMEs) across multiple sectors in the sustainability, digital, manufacturing, industrial, and social innovation domains.

Strategy in action

Aramco, through its in-Kingdom Total Value Add (iktva) program, is helping to build a world-class local supply chain.

aramco
iktva

iktva



Examples of the new solutions that Aramco believes will positively impact its business sustainability, and which are being actively pursued, include:

- Directly converting liquids to chemicals;
- Producing hydrogen from hydrocarbons while capturing and storing associated emissions;
- Expanding nonmetallic applications;
- Accelerating large-scale deployment of carbon capture, utilization, and storage;
- Enabling sustainable transport through more efficient engines and lower-carbon fuels; and
- Accelerating technology-based offsetting solutions, such as direct air capture.

Portfolio optimization

Through portfolio optimization, Aramco seeks to unlock value, enhance its capital structure and reallocate capital to higher growth and return investments. Aramco has a comprehensive and disciplined internal approval process for capital expenditures, new projects and debt issuance. It analyzes future projects based on strategic, operational, commercial, and financial targets. Aramco's unique reserves and resource base, operational flexibility, field management practices, and strong cash flow generation serve as a foundation for its low gearing and flexibility to allocate capital.