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INDEPENDENT ASSURANCE STATEMENT TO THE MANAGEMENT OF SAUDI ARABIAN OIL COMPANY

1/4

We have performed a limited assurance engagement on the 2019 greenhouse gas (GHG) emissions data reported by Saudi Arabian Oil Company (“Saudi Aramco”) as outlined in TABLE 1 ‘2019 greenhouse gas (GHG) emissions data reported by Saudi Arabian Oil Company’.

Respective responsibilities

Saudi Aramco’s management are responsible for the collection and presentation of the GHG data. Management are also responsible for the design, implementation and maintenance of internal controls relevant to the preparation of the GHG emissions data, so that it is free from material misstatement, whether due to fraud or error.

Our responsibility, in accordance with our engagement terms with Saudi Aramco’s Management, is to carry out a ‘limited level’ assurance engagement on the selected GHG emissions data (collectively the “2019 GHG data”) outlined in TABLE 1.

Saudi Aramco has chosen to report greenhouse gas emissions data on an operational control basis for its wholly owned and operated assets within the Kingdom of Saudi Arabia and the three operationally controlled entities as set out in the Saudi Aramco Greenhouse Gas Emissions Basis of Reporting (2019). Saudi Aramco’s Management are responsible for development of this Basis of Reporting, which has been used as the criteria to assess the 2019 GHG data (the ‘Criteria’).

We do not accept or assume any responsibility for any other purpose or to any other person or organisation. Any reliance by any such third party may place on the report is entirely at its own risk.

Our assurance engagement has been planned and performed in accordance with the International Standard for Assurance Engagements (ISAE) 3000 Revised, Assurance Engagements Other Than Audits or Reviews of Historical Financial Information.

We evaluate the 2019 GHG data against management’s application of the Criteria. This evaluation included the following considerations:

Completeness

- ▶ Whether all material data sources and activities have been included and that boundary definitions have been appropriately interpreted and applied.

Consistency

- ▶ Whether the Saudi Aramco scope and definitions, as outlined in the Saudi Aramco Greenhouse Gas Emissions Basis of Reporting, have been consistently applied to the 2019 GHG data.

Accuracy

- ▶ Whether facility, department and entity level data have been accurately collated by Saudi Aramco.

Transparency

- ▶ Whether there is supporting evidence for the data reported and assumptions made by Saudi Aramco.

INDEPENDENT ASSURANCE STATEMENT TO THE MANAGEMENT OF SAUDI ARABIAN OIL COMPANY

2/4

Summary of work performed

The procedures we performed were based on our professional judgement and included the steps outlined below:

1. **Interviewed a selection of management and staff responsible for data collection at the Company, business line, admin area and entity levels** to understand the management of GHG data within the organisation.
2. **Reviewed a selection of management documentation and reporting tools** including guidance documents.
3. **Performed a review of Saudi Aramco's GHG inventory**, including testing outputs and selected conversions made within the Inventory.
4. **Conducted remote site visits with 10 facilities** (8 wholly owned and operated operational sites in the Kingdom of Saudi Arabia, and 2 operationally controlled entities), to understand the processes and controls relating to the calculation and reporting of the 2019 GHG data; and reviewed underlying documentation for a sample of facility-level data points.
5. **Reviewed and challenged the validation and collation processes** undertaken by Saudi Aramco in relation to the 2019 GHG data.

The limitations of our review

Our evidence gathering procedures were designed to obtain a 'limited level' of assurance (as set out in ISAE3000 Revised) on which to base our conclusions. The extent of evidence gathering procedures performed is less than that of a reasonable assurance engagement (such as a financial audit) and therefore a lower level of assurance is provided.

Our work did not include physical visits to any of Saudi Aramco's operating assets.

Completion of our testing activities has involved placing reliance on the Saudi Aramco controls for managing and reporting 2019 GHG data, with the degree of reliance informed by the results of our understanding of the effectiveness of these controls. Our procedures did not include testing controls or performing procedures relating to IT systems, which would have been performed under a reasonable assurance engagement.

The scope of our engagement was limited to the reporting period, and therefore 2019 performance only. We do not provide conclusions on any other data from prior years.

The responsibility for the prevention and detection of fraud, error and non-compliance with laws or regulations rests with Saudi Aramco management. Our work should not be relied upon to disclose all such material misstatements, frauds, errors or instances of non-compliance that may exist.

Conclusions

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the 2019 GHG data were not prepared, in all material respects, in accordance with the Criteria.



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**INDEPENDENT ASSURANCE STATEMENT TO THE MANAGEMENT
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3/4

Our independence

We have implemented measures to comply with the applicable independence and professional competence rules as articulated by the IFAC Code of Ethics for Professional Accountants and Parts A and B of the IESBA Code, and the International Standard on Quality Control 1 (ISQC1). Our assurance team has been drawn from our Climate Change and Sustainability Services team, which undertakes engagements similar to this with a number of significant international businesses.

For Ernst & Young & Co (Public Accountants)

Waleed G. Tawfiq
Certified Public Accountant
Registration No. 437

9 Dhu'l-Qi'dah 1441 AH
30 June 2020



**INDEPENDENT ASSURANCE STATEMENT TO THE MANAGEMENT
OF SAUDI ARABIAN OIL COMPANY**

4/4

TABLE 1: 2019 greenhouse gas (GHG) emissions data reported by Saudi Arabian Oil Company

Type	CO ₂	CH ₄	CO ₂ e (CH ₄)	N ₂ O	CO ₂ e (N ₂ O)	Total CO ₂ e
Units	million tonnes	thousand tonnes	million tonnes	thousand tonnes	million tonnes	million tonnes
A: GHG Emissions for wholly owned and operated assets within the Kingdom of Saudi Arabia						
Scope 1	42.91	44.66	1.12	0.73	0.22	44.25
Scope 2	16.83	0.38	0.01	0.27	0.08	16.92
Total	59.74	45.05	1.13	1.00	0.30	61.17
B: GHG Emissions for the three operationally controlled entities						
Scope 1	7.65	1.82	0.05	0.08	0.02	7.73
Scope 2	2.07	0.27	0.01	0.01	0.00	2.08
Total	9.73	2.09	0.05	0.09	0.03	9.81
GHG Emissions of all the assets in the operational boundary of Saudi Aramco (A+B)						
Scope 1	50.57	46.49	1.16	0.81	0.24	51.97
Scope 2	18.90	0.65	0.02	0.28	0.08	19.01
Grand Total	69.47	47.14	1.18	1.09	0.32	70.98

For 2019 GHG emissions accounting purposes, Saudi Aramco reports its Greenhouse Gas (GHG) emissions on an operational control basis for its wholly owned and operated assets within the Kingdom of Saudi Arabia and the three operationally controlled entities as set out in the Saudi Aramco Greenhouse Gas Emissions Basis of Reporting (2019).

Saudi Aramco reports direct (Scope 1) and indirect (Scope 2) emission sources from its operations. Other indirect emissions (Scope 3) associated with raw materials and product lifecycle are not being estimated in this inventory.

The approach Saudi Aramco have used for gathering and preparing the information, including reporting boundaries, definitions, basis of calculations and process flow can be found in Saudi Aramco Greenhouse Gas Emissions Basis of Reporting (2019).