

Investing in growth



When we talk about sustainability at Aramco, we understand that it is about balancing the economic benefits to our owners, the social value and utility that our activities and products generate for customers and consumers, and minimizing any negative environmental and social impacts, to build something that will last: a company that will still be standing strong, generations from now.

At Aramco, we recognize the challenge of sustaining our business and supporting the world's climate ambitions. As we set out in this report, all plausible pathways to global net zero show that ample supplies of conventional energy will still be needed in 2050 and beyond. With one of the lowest upstream carbon intensities per barrel of oil equivalent and an ambition for near zero routine flaring, Aramco is ideally placed to help meet that demand. Demand continues to rise, though not always reliably matched by global supply.

2022 provided an unwelcome reminder that high and volatile energy prices are deeply damaging to the global economy. This could also impede the energy transition itself by raising the costs related to energy policies as well as the cost of material inputs needed for a lower carbon energy system. At a time of great geopolitical stress and underinvestment across our industry, we view our commitment to invest in new upstream production as a responsible course.

However, ensuring security of supply is not where Aramco's responsibilities end. We also have a responsibility to the environment and to the communities in which we are privileged to operate.

In 2022, we took further action to reduce Aramco's emissions impact, by enhancing our energy efficiency, participating in the Kingdom's inaugural carbon credit auction, and unlocking the Kingdom's first large-scale carbon sequestration opportunity. All of these activities are designed to ensure that as long as oil is needed, a barrel of Aramco crude will be among the least carbon intensive on the market.

We are also continuing to support a global orderly energy transition towards a lower carbon emissions future, as we seek to develop blue hydrogen, advanced fuel combustion systems and lower carbon synthetic fuels.

While the climate challenge remains central, for Aramco, sustainability also means having a robust local supply chain, operating in resilient local communities, and being part of a vibrant Saudi economy that excels in many other fields besides crude oil. As you will see in this report, we continue to make progress in all these areas. The Company's recent achievements in supply chain localization — including the first ever "made in Saudi Arabia" drilling rigs — are a personal highlight for me.



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As ever, our gratitude goes out to The Custodian of the Two Holy Mosques King Salman bin Abdulaziz Al Saud, and His Royal Highness Prince Mohammed bin Salman Al-Saud, Crown Prince and Prime Minister of the Kingdom of Saudi Arabia. Guided by their vision, Aramco is a global energy and chemicals powerhouse — securing our future as the world's indispensable energy supplier.

H.E. Yasir O. Al-Rumayyan
Chairman of the Board of Directors