



Dear Shareholders,

Aramco continued to deliver both value and growth in 2023.

Throughout the year we provided the reliable energy supplies that our global customer base has come to expect from Aramco. We also recorded another year of strong financial performance, which enabled us to deliver increased value to our shareholders through the distribution of increased base dividends and the introduction of performance-linked dividends. And we continued to deliver on our strategy by growing our existing core business as well as expanding into new geographies and working to develop new businesses such as carbon capture and storage, synthetic fuels, blue hydrogen technologies, renewables, and offsets.

Expanding our business

While global oil demand was reaching an all-time high in 2023, at Aramco we were continuing our efforts to ensure we can help supply the conventional energy that we believe the world will need for decades to come. Our crude oil development and increment projects remain on track, with the first phase of the Dammam development project expected to come onstream this year, followed by the Marjan and Berri increment projects in 2025 and the Zuluf field in 2026. Together, these projects will help us maintain our MSC at 12.0 mmbpd as directed by the Government, and they support our unique ability to rapidly respond to changes in the market.

During the year, we also made significant progress in our efforts to expand our gas production by more than 60% of the 2021 levels by 2030. This included bringing onstream our Hawiyah Gas Plant expansion and producing the first unconventional tight gas from South Ghawar. Meanwhile, work is progressing at the Jafurah unconventional gas project, which is the largest liquid-rich shale gas development in the Middle East. Our priority is to meet rising domestic gas demand in the Kingdom while adding associated liquids for potential export.

In the third quarter of 2023, we announced our first international investment in liquefied natural gas (LNG). Subject to closing conditions and regulatory approvals, our acquisition of a stake in MidOcean Energy will give us a strategic position in a commodity that we anticipate will experience strong demand-led growth as the global energy transition plays out. We view LNG as a complementary asset to our portfolio given gas is a vital fuel and feedstock for various industries.

We also expanded our Downstream business in 2023 both inside and outside the Kingdom. Engineering, procurement, and construction contracts were awarded for a significant expansion at our jointly owned SATORP refinery in Jubail. When complete, this new petrochemical complex will include one of the largest mixed-load steam crackers in the region.

In Asia, we broke ground for two large integrated refinery and petrochemical complexes, one through a joint venture in China and the other with our affiliate S-OIL in South Korea, and we acquired a 10% stake in a Chinese petrochemical company. All of these projects support our long-term goal of directing up to four million barrels per day by 2030 into liquids-to-chemicals. Through SABIC, our subsidiary, we also made a final investment decision to participate in a world-scale petrochemical complex located in China.

As well, we completed our acquisition of Valvoline's global products business and our first downstream retail investment in South America with our purchase of Chilean retailer Esmax. We also signed definitive agreements to acquire a 40% equity stake in Gas & Oil Pakistan, our first entry into the Pakistani fuels retail market.

This inaugural shipment and subsequent follow-up shipments to Asia represent another milestone in the development of a global market for blue ammonia and blue hydrogen.

During the year we progressed toward our goal of investing in 12 gigawatts of solar and wind energy capacity by 2030. Together with our consortium partners, we entered into a shareholders' agreement for the two Al Shuaibah photovoltaic solar projects, which are expected to commence commercial operation in 2025 with a combined capacity of 2.66 gigawatts.

We were also the leading bidder in the world's largest-ever carbon-credit auction, which was held by the Regional Voluntary Carbon Market Company in Kenya in the second quarter of the year. During the COP28 climate summit, Aramco also helped support a charter signed by more than 50 oil and gas producers to reduce emissions from their respective operations.

Another vital component of Aramco's strategy is further localization of our supply chain. We made advancements on this front as our joint venture nonmetallic thermoplastic pipe production facility at King Salman Energy Park commenced operations. Under our Namaat program and in line with our iktva objectives, we also signed a shareholders' agreement with Baosteel and the Public Investment Fund to establish an integrated steel plate manufacturing complex in the Kingdom.

Looking ahead with confidence

We believe Aramco is well positioned to actively participate in addressing the world's growing need for affordable and reliable energy. This belief is not solely based on the quality of our assets and the scale of our ambitions, it is also based on the capabilities of our employees. Indeed, the determination of the men and women of Aramco is why we believe we will continue to deliver.

Amin H. Nasser
President and Chief Executive Officer

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Pursuing our net-zero ambition

In addition to making multiple investments across the hydrocarbon value chain, we continue to take steps that support our 2050 net-zero ambition. This includes working on ways to further lower emissions from our operations through technological innovation and adding lower-carbon energy to our own portfolio.

On the technology side, we believe synthetic gasoline could play a key role in powering the existing global vehicle fleet. As such, we were particularly pleased with the results of tests by global automaker Stellantis on Aramco-provided prototype eFuels, which were found to be compatible with 24 existing internal combustion engine families in Europe. To further determine the viability of such fuels, we are working with partners to build two demonstration plants: one in-Kingdom to produce synthetic gasoline for light-duty passenger vehicles, and the other in Spain for synthetic diesel and jet fuel for automobiles and aircraft.

In 2023, our Yanbu' Refinery became the fourth Aramco facility to be added to the World Economic Forum Global Lighthouse Network in recognition of its deployment of cutting-edge technologies to deliver a range of operational and environmental benefits. While further decarbonizing our operations remains a priority, we are also supporting our customers' efforts to decarbonize. Work continues with our partners on construction of a large carbon capture and storage hub at Jubail. The facility is on track to begin storing up to nine million tons of CO₂ per year by 2027. Together with our affiliate SABIC Agri-Nutrients, we made the world's first shipment of accredited blue ammonia during the year.