



## KPMG Professional Services

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## كي بي إم جي للاستشارات المهنية

واجهة الرياض، طريق المطار  
صندوق بريد ٩٢٨٧٦  
الرياض ١١٦٦٣  
المملكة العربية السعودية  
سجل تجاري رقم ١٠١٠٤٢٥٤٩٤

المركز الرئيسي في الرياض

# Independent Limited Assurance Report to Saudi Arabian Oil Company on the Production Figures and Upstream Carbon Intensity

## To the Management of the Saudi Arabian Oil Company

We were engaged by the Management of Saudi Arabian Oil Company (the "Company") to report on the production figures and Upstream Carbon Intensity report of Saudi Arabian Oil Company for the year ended 31 December 2021 ("Subject Matter") as detailed below. The review is aimed at obtaining a limited level of assurance that based on our work performed and evidence obtained, nothing has come to our attention that causes us to believe that the Subject Matter is not properly prepared, in all material respects, based on the applicable criteria ("Applicable Criteria") below.

### Subject Matter

The Subject Matter for our limited assurance engagement is related to the production figures and Upstream Carbon Intensity report of Saudi Arabian Oil Company for the year ended 31 December 2021 as prepared by the Company. The Subject Matter information consists of the following:

- Saudi Aramco gaseous products from the upstream facilities.
- Saudi Aramco liquid products from the upstream facilities.
- Saudi Aramco Upstream Carbon Intensity of their upstream operations.

The Subject Matter information data is disclosed in the *Annex A & Annex B* of this report.

### Applicable Criteria

The review needs to be read and understood together with the applicable criteria. The Company is solely responsible for selecting and applying these applicable criteria, taking into account applicable law, regulations, and standards related to Upstream Carbon Intensity reporting.

The Company reports its production figures and Upstream Carbon Intensity data on an operational control basis for its Kingdom wholly owned operated assets from the upstream business unit, as per *Annex A & Annex B*. The applicable criteria is based on the World Resources Institute (WRI) and World Business Council for Sustainable Development (WBCSD) GHG Protocol guidelines, as well as the American Petroleum Institute (API) guidelines and compendium. All applicable criteria are further defined in Saudi Aramco's GHG Basis of Reporting as well as Upstream Carbon Intensity.

Based on our professional judgement, we determined materiality levels for each of the production figures sources and for the Upstream Carbon Intensity as a whole. When evaluating our materiality levels, we take into account quantitative and qualitative considerations as well as the relevance of information for both stakeholders and Saudi Aramco.

We agreed with management that misstatements which are identified during the review and which in our view must be reported on quantitative or qualitative grounds would be reported to them.

### Saudi Arabian Oil Company's Responsibility

The management of the Company is responsible for preparing and presenting the Subject Matter information that is free from material misstatement in accordance with the applicable criteria and for the information contained therein.

This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and presentation of the Subject Matter that information is free from material misstatement, whether due to fraud or error. It also includes selecting the applicable criteria and ensuring that the Company complies with the applicable requirements;

designing, implementing and effectively operating controls to achieve the stated control objectives; selecting and applying policies; making judgments and estimates that are reasonable in the circumstances; and maintaining adequate records in relation to the Subject Matter information.

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كي بي إم جي للاستشارات المهنية شركة مهنية مساهمة متفصلة، مسجلة في المملكة العربية السعودية، رأس مالها (٢٥,٠٠٠,٠٠٠) ريال سعودي مدفوع بالكامل، المسماة سابقاً "الشركة كي بي إم جي الفوزان وشركاه محاسبون ومراجعون قانونيون". وهي عضو غير شريك في الشبكة العالمية للشركات كي بي إم جي المستقلة والتابعة لـ كي بي إم جي العالمية المحدودة، شركة انجليزية محدودة بضمان. جميع الحقوق محفوظة.



The management of the Company is also responsible for preventing and detecting fraud and for identifying and ensuring that the Company complies with laws and regulations applicable to its activities. The management of the Company is responsible for ensuring that staff involved with the preparation of the Subject Matter information are properly trained, systems are properly updated and that any changes in reporting encompass all significant business units.

## Our Responsibility

Our responsibility is to examine the Subject Matter information prepared by the Company and to report thereon in the form of an independent limited assurance conclusion based on the evidence obtained. We conducted our engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000, "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" endorsed in the Kingdom of Saudi Arabia and the terms and conditions for this engagement as agreed with the Company's management. That standard requires that we plan and perform our procedures to obtain a meaningful level of assurance about whether the Subject Matter information is properly prepared, in all material respects, as the basis for our limited assurance conclusion.

The firm applies International Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We are independent of the Company in accordance with professional code of conduct and ethics that are endorsed in the Kingdom of Saudi Arabia that are relevant to our assurance engagement and we have fulfilled our other ethical responsibilities in accordance with these requirements.

The procedures selected depend on our understanding of the Subject Matter and other engagement circumstances, and our consideration of areas where material misstatements are likely to arise.

In obtaining an understanding of the Subject Matter and other engagement circumstances, we have considered the process used to prepare the Subject Matter information in order to design assurance procedures that are appropriate in the circumstances, but not for the purposes of expressing a conclusion as to the effectiveness of the Company's process or internal control over the preparation and presentation of the Subject Matter information.

Our engagement also included: assessing the appropriateness of the Subject Matter, the suitability of the applicable criteria used by the Company in preparing the Subject Matter information in the circumstances of the engagement, evaluating the appropriateness of the procedures used in the preparation of the Subject Matter information and the reasonableness of estimates made by the Company.

As part of this engagement, we have not performed any procedures by way of audit, review or verification of the Subject Matter information nor of the underlying records or other sources from which the Subject Matter information was extracted.

## Procedures Performed

Saudi Aramco is the parent company of a group of entities. The production figures and Upstream Carbon Intensity incorporate the consolidated figures of this group of entities to the extent as specified in the section 'applicale criteria' section of our report.

By performing our review procedures at site level, together with additional review procedures at corporate level, we have been able to obtain sufficient and appropriate assurance evidence about the group's production figures and Upstream Carbon Intensity to provide a conclusion about the Upstream Carbon Intensity.

Our review procedures performed are as follows:

- Performing an analysis of the external environment and obtaining an understanding of production figures and Upstream carbon intensity at company level.
  
- Obtaining an understanding of the reporting processes for Saudi Aramco, including obtaining a general understanding of internal controls relevant to our review; identifying areas within the reporting where a material misstatement, whether due to fraud or error, is most likely to occur, as well as designing and performing assurance procedures responsive to these areas; and obtaining assurance information that is sufficient and appropriate to provide a basis for our conclusion.
- Interviewing management and relevant staff at corporate level responsible for data collection, management, and analysis as it pertains to production figures and Upstream Carbon Intensity.
- Interviewing relevant staff responsible for providing the requisite information, carrying out internal control procedures, and consolidating data.
- Reviewing management documentation and company data reporting tools (such as OSPAS), including related guidance materials.
- Review the availability and sufficiency of the data management protocols..

— Considering whether information in the report as a whole, including the disclosures, reflects the purpose of the applicable criteria used.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement, and consequently the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained has a reasonable assurance engagement been performed.

## Conclusion

Our conclusion has been formed on the basis of, and is subject to, the matters outlined in this report.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the Subject Matter information is not prepared, in all material respects, in accordance with the applicable criteria.

In accordance with the terms of our engagement, this independent limited assurance report on the Production Figures and Upstream Carbon Intensity has been prepared so that we might report to the Company and for no other purpose or in any other context.

## Restriction of Use of Our Report

Our report should not be regarded as suitable to be used or relied on by any party wishing to acquire rights against us other than the Company, for any purpose or in any context. Any party other than the Company who obtains access to our report or a copy thereof and chooses to rely on our report (or any part thereof) will do so at its own risk. To the fullest extent permitted by law, we accept or assume no responsibility and deny any liability to any party other than the Company for our work, for this independent limited assurance report, or for the conclusions we have reached.

Our report is released to the Company on the basis that it shall not be copied, referred to or disclosed, in whole (save for the Company's own internal purposes) or in part, without our prior written consent.

## KPMG Professional Services

**Fahad Aldossari**

License No: 469

25 April 2022 M

Corresponding to: 24 Ramadan 1443 H

