



Governance

The Board of Directors (Board) of the Company acts as an oversight body for Company management, including providing strategic leadership and guidance, as well as assessing opportunities, risks, and risk mitigation controls. The Board also oversees the Company's governance, risk, compliance regime and sustainability performance.

The Chairman of the Board is H.E. Yasir O. Al-Rumayyan. The current members of the Board include high-ranking Saudi Government officials and former senior executives from the international oil and gas, chemical, petroleum refining, petrochemical, and finance industries.

Material topics

Corporate governance

Relevant metrics

Board composition by average age
Board composition by average tenure
Board members' average attendance* (%)
Number of independent Board members*
Board diversity* (number of females on the Board)

Relevant UN SDGs



Ethics, anti-bribery and anti-corruption (compliance)

Number of allegations received through the 24-hour hotline
Anti-bribery and anti-corruption training



In this section, we discuss sustainability governance. Please see our 2022 Annual Report for greater details of our corporate governance.

* Metric reported for the first time externally in our Sustainability Report.

☰ For more details on relevant metrics, see page 86.



Scan here

Learn more about our [corporate governance structure](#).

Our sustainability governance

Our Board and senior executives

Our Board members and senior executives have strong oversight of the Company's financial and sustainability strategy and performance. In 2022, there was 100% attendance* at Board meetings. Five of the eleven Board members are independent.

Executive remuneration

Senior executive remuneration is linked to the Company's sustainability performance. The remuneration framework for senior executives is designed to provide a balanced remuneration package that includes fixed and variable remuneration. The variable remuneration is market-aligned and subject to the fulfillment of predefined performance goals.

Performance goals include sustainability metrics, such as GHG emissions intensity, flaring and safety.

	2022	2021	2020
Board composition by average age	63	62	61
Board composition by average tenure	6	5	5.6
Board members' average attendance* (%)	100	97	98
Number of independent Board members*	5	5	5
Board diversity* (number of females on the Board)	1	1	1

Two variable pay plans are used:

- (i) Short-Term Incentive Plan (STIP) — an annual cash-based plan designed to reward performance in four areas (financial, operational, safety, and sustainability); and
- (ii) Long-Term Incentive Plan (LTIP) — designed to reward key financial, strategic and environmental/sustainability performance over a three-year period.

Sustainability governance

Our sustainability governance model strives to align our sustainability aspirations with the corporate business strategy and goals.

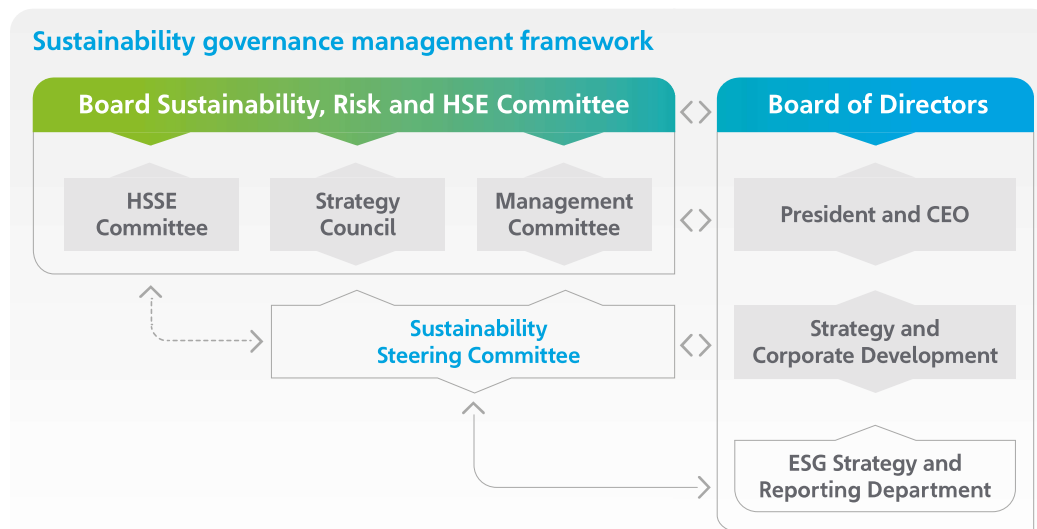
Board Sustainability, Risk and HSE Committee

The Board Sustainability, Risk and HSE (Health, Safety and Environment) Committee provides oversight and review of Company plans and performance, and advises on our sustainability, risk and HSE policies and practices to ensure that these are discussed, understood, owned and promoted at Board level. This includes advising on the Company's response to climate change. This Committee meets quarterly to review the HSE performance (including health and safety incidents).

In 2022, there was

100%

attendance at Board meetings*



* Metric reported for the first time externally in our Sustainability Report.

Corporate committees

Overall accountability for sustainability within Aramco lies with the chief executive officer, the Management Committee and the Strategy Council. They are supported by the Health, Safety, Security and Environment Committee (HSSE) and the Sustainability Steering Committee (SSC).

The Company's HSSE Committee is led by the president and CEO. It establishes the Company's health, safety, security, and environmental policies and reviews key issues. This includes Company-wide safety initiatives, environmental and safety performance, compliance and conformance reviews, major HSSE incidents, insurance survey results, and cybersecurity.

Sustainability Steering Committee

The SSC, led by the executive vice president of Strategy and Corporate Development, reports to both the Strategy Council and Management Committee. The committee is comprised of senior vice presidents representing key Business Lines and Administrative Areas in the Company.

The role of the SSC is to identify issues linked to sustainability and enable Aramco to categorize any potential impact on long-term value creation for stakeholders and the business.

The SSC has specific accountability for the review of the Company's climate strategy, decarbonization plans, and corporate risk assessments. The outcome of these reviews are then presented and endorsed by the Management Committee prior to the final review by the Board.

Ethics and compliance

Aramco maintains a zero tolerance policy for unethical behavior and conduct. Aramco expects its employees, and any party it does business with, to adhere to the principles contained in this policy. The policy includes, but is not limited to, anti-bribery, anti-corruption, and anti-fraud.

Code of Business Conduct

Aramco's Code of Business Conduct is the foundation of our compliance program, which includes specific principles regulating anti-bribery and anti-corruption. Aramco has a mandatory enterprise-wide online Code of

Conduct training program. The Code of Conduct is supported by compliance policies, implementing procedures and guidelines. Procedures have been developed to operationalize and support our anti-bribery and anti-corruption policies, which prohibits bribery and corruption in all forms. It includes, but is not limited to, procedures for third-party due diligence, gifts, meals, entertainment, and travel.

An anonymous 24-hour hotline, the General Auditor Hotline is open to employees, suppliers, and all stakeholders to report any suspected misconduct, including allegations related to bribery or corruption. Information about the hotline is available on Aramco's public webpage and enables reporting via email, telephone, facsimile, or the Company's intranet. Aramco has zero tolerance for retaliation, in any form, for good faith reporting of suspected misconduct.

As part of our continued enhancements to our compliance program, we maintain committees to review findings of misconduct committed by personnel or third parties to ensure timely implementation of appropriate and consistent remedial measures.

In 2022, there were 655 allegations (2021: 539) relating to a range of different topics, such as breach of the Aramco Code of Conduct, conflicts of interest/ethics (including alleged bribery and fraud) and misuse of IT equipment.

	2022	2021	2020
Number of allegations received through the 24-hour hotline	655	539	619

The number of allegations received from Aramco employees increased during the year, whereas allegations from anonymous sources has decreased significantly, especially when compared to prior years. We believe this indicates that employees have a growing level of awareness and trust regarding ethics matters, policy compliance expectations, and the channels for reporting and communicating concerns. The proliferation of digital technology and data analytics tools across Aramco has also been a major contributor to the increase in the number of allegations received in 2022.