

Doing Business With Saudi Aramco Materials Supply

Whether your firm is large, medium, or small; whether your relationship with Saudi Aramco is new or long-standing, we want to share business success with you in the future.

أرامكو السعودية
Saudi Aramco





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		"Activities like local economic development, the creation of new employment and professional opportunities, and strengthening local communities are no longer 'nice-to-dos,' but instead have become 'must-haves' for successful and sustainable petroleum enterprises," Saudi Aramco President and CEO Khalid A. Al-Falih

INTRODUCTION

MATERIALS SUPPLY MISSION

"PROVIDER OF SERVICES AND MATERIALS TO SAUDI ARAMCO AT THE LOWEST OVERALL COST WHILE PROMOTING LOCAL CONTENT"

Saudi Aramco's operations encompass the entire energy industry and span the globe. The world leader in crude oil production, Saudi Aramco also owns and operates an extensive network of refining and distribution facilities, and is responsible for the gas processing and transportation installations that fuel Saudi Arabia's industrial sector. An array of international subsidiaries and joint ventures, including one of the world's largest and newest fleet of supertankers, deliver crude oil and refined products to customers worldwide.

The Corporate policy tasks Materials Supply with the responsibility for procurement in support of Saudi Aramco's operations and capital program. Hence, Materials Supply must manage a lean and efficient supply chain. This booklet is intended to be a resource to help build strong relationships between Saudi Aramco, vendors, manufacturers, and contractors and to encourage the implementation of supply chain management (SCM) best practices. Also, the booklet provides an overview of Saudi Aramco efforts in supporting Saudi economy through local content initiatives, and new business development. Finally, the booklet guides potential vendors, manufacturers, and contractors on how to join the Saudi Aramco supply chain.

CORE STRATEGIES OF MATERIALS SUPPLY

1. Maximize value added to stakeholders
2. Promote and expand value of local content
3. Continuously develop innovative supply chain methodologies

4. Develop and retain professional and effective workforce



SUPPLIER CODE OF CONDUCT

Saudi Aramco is committed to conducting its business in an ethical manner. Saudi Aramco requires its Suppliers and Contractors to share these commitments and, therefore, has established the Supplier Code of Conduct. All registered vendors, manufacturers, contractors, and sub-contractors with which Saudi Aramco conducts business are required to acknowledge, and agree to abide by, the policies and principles set forth in the Code of Conduct document in order to continue doing business with Saudi Aramco. This is also applicable to all new potential vendors, manufacturers, contractors, and sub-contractors. We also expect our Suppliers and Contractors to share the Supplier Code of Conduct with all persons within their organizations who are involved in conducting business with Saudi Aramco.

Saudi Aramco Materials Supply has “Zero Tolerance” for Bribery, Kickback, and Illegal Gratuities: payments, payments in kind, gifts, bribes, extensions of credit or benefits extended to or received by, employees or other parties that are unlawful, improper, or designed to influence business decisions or procurement processes. Such activities will negatively impact your business opportunities with Saudi Aramco. Our business relationships are founded on trust and we understand that it is essential that all parties involved in supply chain procurement activities feel confident in the fairness and transparency of the related process.

SAUDI ARAMCO'S SAFETY CULTURE

Saudi Aramco has a long and proud heritage of promoting safety as a value and way of life. Materials Supply encourages our suppliers, contractors and manufacturers to join in embracing the conviction that “All Incidents are Preventable.” Materials Supply encourages all supplier and contractor employees to establish safety as a personal priority while in the workplace, on the highway or at home. We all must work together to create and maintain a safety-oriented culture with zero tolerance for unsafe actions or behavior.

A WORLD OF OPPORTUNITY: SAUDI ARAMCO MATERIALS SUPPLY

To maintain the Company's production at optimal levels as well as support the robust capital program, Saudi Aramco Materials Supply procures and manages a full range of material commodities and services. We strive to deliver world-class procurement and supply chain excellence to Saudi Aramco. An organization with a global presence, Materials Supply

pursues business relationships based on cooperation, trust, reliability and communication. Materials and services are procured through manufacturers, suppliers and contractors that meet high quality standards, exceptional levels of service, competitive pricing, solid delivery performance, Saudization goals, effective after-sales support, and efficient supply chain management programs.

Saudi Aramco values transparency and long-term cooperation and stands ready to collaborate with manufacturers, contractors and suppliers in addressing challenging safety and environmental issues. Saudi Aramco continues to promote long-term efforts to stimulate and support development of the local economy of Saudi Arabia. We will now outline the policies used by Materials Supply to manage our global supply chain.

If your company is interested in service related opportunities with Saudi Aramco please thoroughly review the following section, “Contracting Policies and Registration Procedures.” Information related to opportunities for suppliers can be found in the section titled “Purchasing Policies and Registration Procedures.”

CONTRACTING POLICIES AND REGISTRATION PROCEDURES

Contracted services activities have been structured into 7 primary service groups covering 18 service types. The strategic services are highlighted in red in the following chart.

Services Structure (7 Groups)



A. CONTRACTING POLICIES

The following policies are highlighted for your information:

1. Saudi Aramco policies regarding business ethics must be adhered to and a high standard of ethics and fairness shall be maintained.
2. All contracts must be in writing and shall be executed before committing work to a contractor, or a contractor starting work.
3. Lump Sum contracting is normally the preferred contract form when it can be properly used.
4. Competitive bidding will be used whenever possible to select the technically and financially qualified contractor whose bid represents the least overall cost to Saudi Aramco. Negotiated contracting shall only be used in exceptional circumstances and must be adequately justified and approved in advance by Saudi Aramco Management.
5. For work to be performed in Saudi Arabia, Saudi Aramco will normally consider a contractor's technical and financial qualifications and will award contracts to only those contractors who are properly registered or licensed to conduct business in Saudi Arabia.
6. It is Saudi Aramco's policy to encourage the continued development of a strong, broad-based local contractor community in its various areas of operations. In support of this policy, the Company distributes Saudi Aramco's contract work widely as possible among qualified Saudi Arab contractors.

B. CONTRACTOR RELATIONS

LOCAL (IN-KINGDOM) CONTRACTORS

Saudi Aramco requires current detailed information on Saudi Aramco contractors. Contractors new to Saudi Aramco may register their interest through the Saudi Aramco Contractor Registration Web site (<http://esr.aramco.com>). The registration process merely provides Saudi Aramco with current contact and other basic information about the contractor. After successful registration with Saudi Aramco, contractors will be granted online access to the Electronic Contracting Network (ECN) system. ECN is described in details in the next section.



INTERNATIONAL CONTRACTORS

Contractors who wish to do business with Saudi Aramco should communicate to the appropriate Saudi Aramco affiliate company, Aramco Services Company (ASC) or Aramco Overseas Company (AOC), located in their geographical area. See the Contact Table for information.

C. CONFIDENTIALITY

Saudi Aramco considers all aspects of any contractor screening inquiry and an Invitation for Proposal to be confidential, which includes all bid documents, attachments thereto and all drawings. A contractor must agree before responding to a screening inquiry and bidding on Saudi Aramco work to limit the disclosure of information

contained therein to only those employees who require it either to respond to an inquiry or to prepare a bid. A contractor must also agree not to disclose any information contained in a screening inquiry and an Invitation for Proposal to a third party without obtaining Saudi Aramco's prior written approval. In this regard a contractor may be required to sign a confidentiality agreement.

D. ELECTRONIC CONTRACTING NETWORK (ECN)

The Electronic Contracting Network (ECN) is a comprehensive and user-friendly Web-based system that automates almost all business functions and activities that occur during the procurement of contracts and enables Saudi Aramco and its contractors to interact with each other online. ECN is accessible through the Saudi Aramco Vendor Portal (<http://vendor.aramco.com>). In addition, ECN will provide each Saudi Aramco registered contractor with their own Contractor Profile section in which they can present their qualification type information and update such information online at anytime from anywhere. ECN has the following sections:

1. ONLINE CONTRACTOR REGISTRATION

Contractors will be able to register with Saudi Aramco online and conveniently present their legal, contact, as well as other required information. Each registration application will be reviewed and approved online by designated Saudi Aramco employees.

Upon processing each registration request, each contractor officer designated by the contractor to interact with ECN ("Designated Contact") will receive an ECN user ID and temporary password that will enable the contact to access ECN, enter information in their company's Contractor Profile, and interact with Saudi Aramco in connection with specific contract procurements.

Contractors are also required to update their information at least once annually and whenever substantive changes occur.

2. CONTRACTOR PROFILE

This section will enable contractors to present comprehensive qualification-type information, and update such information online at any time. The Contractor Profile section will enable Saudi Aramco to instantly view contractors' latest information online. Therefore, it will become in each contractor's best interest to continuously update this section and ensure that it accurately communicates the contractor's capabilities.

3. CONTRACT ROOM

The Contract Room is a virtual workplace that provides comprehensive automation to almost all activities and functions that occur during a contract procurement process. The Contract Room will be the main venue where all concerned Saudi Aramco organizations will interact with each other and where contractors will interact with Saudi Aramco. Both Saudi Aramco and Contractors will find numerous improvements and benefits resulting from interacting online via the Contract Room.

4. USER HOME PAGE

ECN will provide each user a personalized Home Page, through which the user can access any of his contract rooms, pending tasks and other useful functions and information.

All information supplied by the contractor to Saudi Aramco is kept confidential and made available only to those organizations within Saudi Aramco that require such information. Financial information is reviewed and retained only by Saudi Aramco's Treasurer's organization.

E. SAUDI ARAMCO CONTRACT PROCUREMENT PROCESS

The Saudi Aramco contract procurement process is described in next sections. It is Saudi Aramco's intention to make clear that communications during all stages of contract procurement between bidders and Saudi Aramco must be authorized and conducted by the Contracting Department.

F. BID SLATE DEVELOPMENT

Saudi Aramco uses four different methods for procuring contracts as follows:

1. Open Bidding - A notice is posted on Saudi Aramco Bulletin Boards in the ECN. This Information for Bidder Notice provides general overall description of the work, any pre-qualification requirements that must be met and the date of the Job Explanation Meeting. Any contractor may bid when this procurement method is used.
2. Open Solicitations with Selective Bidding - These open solicitations are also posted on the Saudi Aramco Bulletin Board available in the ECN to allow all contractors the equal opportunity to indicate interest in submitting a bid. After a careful analysis of the responses received for the solicitation, Saudi Aramco will select those contractors considered to be best qualified for bidding the work and directly extend to them an invitation to the Job Explanation Meeting. This is the Company's most common and preferred procurement method.
3. Restrictive Selective Bidding - Saudi Aramco reviews the record of contractors who have indicated capabilities in a particular type of Saudi Aramco work and then selects those contractors considered most capable of performing the work. Saudi Aramco uses this method when it determines that the contract requirements are so stringent that only a few contractors would qualify or the high cost of preparing a bid indicates that size of the bid slate should be limited.
4. Sole Source - Saudi Aramco does not favor this means of contract procurement, and it is used only after a careful review of the unique circumstances that may justify it. Sole Source procurement is justified, for

example, when a contractor provides a unique proprietary service, when there is an unusual urgency to the work, or when a contractor has mobilized and the limited work scope does not justify mobilizing another contractor. For a contractor's commercial bid to be considered for any contract, the contractor must be considered qualified to perform the work. Saudi Aramco reviews technical and financial qualifications and determines whether a contractor is qualified.

Preliminary contractor capabilities are determined primarily from the ECN including contractor performance reports on other contracts. Additional pre-qualification or technical proposal information unique to the specific procurement may be requested from the contractor.

Saudi Aramco's Treasurer's Organization determines the financial capabilities of contractors. Contractors with assets above \$10,000,000 who wish to be considered for contracts must also submit current audited financial statements to the Treasurer's Organization. The Treasurer's Organization maintains all financial information in a strictly confidential manner.

G. JOB EXPLANATION MEETING

A Job Explanation Meeting (JEM) is held to explain the contract, describe the scope of the work and to answer any questions concerning the contract or the procurement process. If possible, before the Job Explanation Meeting, the complete bid package is distributed to the bidders for review. This package consists of a pro forma contract, the scope of work including plans and specifications of the proposed project, general instructions to the bidders for preparing the bid, and any special instructions that the particular project may require.

In many cases, the bidders are invited to visit the proposed contract work site to familiarize themselves more fully with the work requirements. During Job Explanation Meetings and job site visits bidders are encouraged to ask questions. If answers to these questions are not readily available, both the question and the answer are communicated to all bidders in writing. Questions that arise following the Job Explanation Meeting must be submitted in writing to the Contract Representative. The Contract Representative will respond to the questions in writing and provide a written copy of the questions and answers to all bidders. The Contract Representative will also transmit to all bidders, in writing, any modifications to the bid package during the bidding period.

H. BID CLOSING DATE AND BID OPENING

The Instructions to Bidders will clearly specify a bid closing date and a time. Bids must be deposited according to the Instructions to Bidders in the Contracting Department's locked bid box. The bid boxes are located in North Park II Building 3301, Contracting Department's Reception Center Room # A162, Dhahran. It is important that bids be submitted in duplicate and that they are clearly labeled in accordance with the instructions.

In many cases bidders are requested to submit separately two proposals, a technical proposal and a commercial proposal. In

these instances, the bidder's technical proposal is evaluated first and the bidder's commercial proposal will be evaluated only if the technical proposal is determined to be sufficient for the contract requirements.

All bid openings are conducted by the Contracting Department and the Finance Organization in strict compliance with Saudi Aramco procedures designed to assure confidentiality and fairness to all bidders.

Following the bid opening there will be no information released on the progress of the bid evaluation. This information is strictly confidential.

I. NEGOTIATION OF COMPETITIVE BIDS

Bidders should be aware that Saudi Aramco does not negotiate base bids that have been solicited on a competitive basis. Exceptions to this policy are very rare and if at all considered require the approval of Saudi Aramco's Corporate Management. Saudi Aramco assumes that a bidder's first price is its best price and its last price. Accordingly, the Company does not expect contractors to include a contingency for negotiation because such negotiations with respect to the bidder's basic proposal will not take place.

Saudi Aramco may conduct clarification meetings with one or more bidders before award, to ensure that both parties have a clear understanding of the work and the terms and conditions under which it will be performed. Base bids submitted in competitive circumstances are not negotiated or changed at these clarification meetings.

J. CONTRACT AWARD

When the bid evaluation has been completed by a Saudi Aramco Bid Review Team, the recommended award is presented to Saudi Aramco Management for approval. Procurement plans and award recommendations are reviewed by Saudi Aramco Corporate Management for high value contracts.

After the contract has been signed on behalf of Saudi Aramco, two original copies are presented to the selected bidder for signature. The contract is not binding unless signed by both Saudi Aramco and the contractor. After a contract has been awarded, all unsuccessful bidders are notified by telex or facsimile or, for open bidding, by general announcement on the Saudi Aramco Bulletin Board located in Dhahran or Jeddah.

K. DEBRIEFING MEETING

An unsuccessful bidder may request in writing to the Contracting Department, that a meeting be held to determine why the contractor's bid or pre-qualification proposal was not successful. Saudi Aramco encourages such meetings because they help contractors improve subsequent proposals. Proposals from competitors are never disclosed to the contractor requesting the debriefing. A contractor will be informed why Saudi Aramco decided not to award it the contract or select it for a bid slate. Debriefing for unsuccessful pre-qualification will not be held until after the job explanation meeting. Debriefing for unsuccessful contractors will not take place until after contract award.

If a debriefing meeting is requested, it should be done within one month after the contractor is informed it was unsuccessful. This is to ensure that Saudi Aramco has retained all the relevant documentation to make the debriefing meaningful.

L. CONTRACT PERFORMANCE AND ADMINISTRATION

Day to day administration of the contract is the responsibility of the contract proponent organization. Contract changes are negotiated with the contractor as needs arise and take the form of either change orders or amendments to the base contract.

M. CLAIMS

Saudi Aramco contracts also provide for the fair and equitable resolution of disputes that may arise between Saudi Aramco and contractors. The Claims and Technical Services Unit of the Contracting Department is responsible for the resolution of claims. Claims must be filed according to the terms of each contract. Resolution occurs through Saudi Aramco's claim

process and is approved by the Saudi Aramco contract signatory. Contractors have the right to appeal that decision through the establishment of a Saudi Aramco Contract Dispute Settlement Board (Appeal Board). In addition, Saudi Aramco contracts normally contain arbitration provisions.

N. APPLICABLE LAWS AND MANPOWER

Contractors are expected to comply with all applicable governmental laws and regulations and to structure their bids accordingly.

Saudi Aramco strongly encourages its contractors to employ Saudi Arab nationals for the performance of Saudi Aramco contract work. When the contractor finds it necessary to employ foreign labor, compliance with the Saudi Arabian Government regulation and control of visas and Iqamas is the responsibility of the contractor. Saudi Aramco does not provide assistance in this regard.

O. CONTRACTOR ASSISTANCE

Questions regarding specific contract procurement should be referred to the Contract Representative in the Contracting Department responsible for that procurement. For general information or for submitting updated contractor information, contractors may contact the Contractor Relations and Document Control Unit in the Contracting Department, Dhahran or the Contracting Services Unit in Jeddah.

P. CONTRACTING SUMMARY

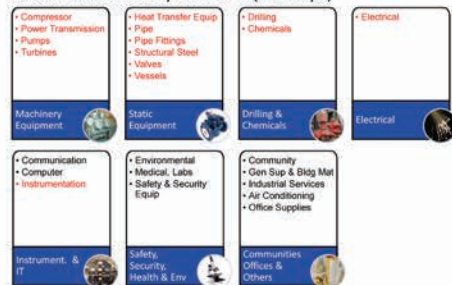
Saudi Aramco's major contracting objectives are to complete the work on time in conformance with demanding technical standards and at the least overall cost to Saudi Aramco. To meet that objective, Saudi Aramco conducts its contract procurement in a fair and equitable manner and endeavors to create and maintain a procurement environment attractive to qualified, competitive contractors.

Saudi Aramco welcomes all qualified contractors to compete for Saudi Aramco contracts.

PURCHASING POLICIES AND REGISTRATION PROCEDURES

Saudi Aramco Materials Supply has structured its materials purchasing activities into seven (7) primary commodity groups covering 24 commodities. The strategic commodities are shown in red in the below chart.

Materials Commodity Structure (7 Groups)



■ Strategic ■ Regular

A. PURCHASING POLICIES

Saudi Aramco pursues best practice solutions for developing reliable suppliers to obtain best value, quality and supply chain security. These objectives are being achieved through a variety of strategies including agreement based procurement, cost-effective long-term supply contracts, supplier managed inventory programs and innovative solutions such as Corporate Procurement Agreements (CPA) to consolidate materials, spare parts and services spend. The continued focus is to support growth of Saudi Arabia's national economy by encouraging in-Kingdom manufacturing and development of local stocking, warehousing and logistics.

B. LOCAL CONTENT FOCUS

Saudi Aramco preferentially purchases products manufactured in Saudi Arabia in accordance with various commercial considerations such as price, quality, availability, marketability and transportation, while also affording foreign-owned enterprises adequate opportunity, in conformity with customary practices, to compete for such purchases. Saudi Aramco's procurement preferences are summarized in the following chart.

PROCUREMENT PREFERENCES

HIGHEST PREFERENCE



LOWEST PREFERENCE

Materials Supply envisions local manufacturing expanding to provide a significantly greater percentage of Saudi Aramco material requirements with local stocker distributors providing the greatest portion of the balance. These close relationships will foster continued development of our national supply and service base into recognized top echelon providers within the Oil & Gas industry.

C. CAPITAL PROGRAM OPPORTUNITIES

A large percentage of all Materials and Services to support Saudi Aramco's massive capital program and various joint venture partnerships are sourced by Lump Sum Turn Key (LSTK) contractors worldwide. To obtain information on supply chain opportunities in these areas please communicate with the respective contractor directly.

D. KEY SUPPLY CHAIN STRATEGIES

To meet the challenge of promoting the development of local sources of supply while achieving Saudi Aramco's commercial requirements, Materials Supply is pursuing a number of key supply chain strategies that govern its purchasing practices:

- Competitive Bidding supports transparency and the commercial interests of both Saudi Aramco and the local manufacturer/supplier community.
- Where appropriate, total cost of ownership will be the basis for selection, rather than initial acquisition price.
- "Made in Saudi Arabia" is in the Company's commercial interest and essential to the long-term growth and economic well-being of the Kingdom and will be accomplished via promotion of Foreign Direct Investment (FDI) and support of local in-Kingdom manufacturing.

- Expanding purchase agreement coverage by utilizing cost-effective lean procurement practices.
- Increasing National Logistics and Warehousing Capabilities.
- Maximizing e-Procurement and e-Content.
- Developing Local SCM skills and expertise of Saudi Aramco Material Supply personnel, our customers, and our valued suppliers.
- Utilizing and supporting financially and technically reliable sources of supply.
- Encouraging Saudization of supplier's workforce.

E. SUPPLIER'S CONTRIBUTION

Suppliers represent an integral part of the Saudi Aramco supply chain by:

- Adding value through product quality and support, competitive pricing, on- time delivery and focusing on lean supply chain models.
- Utilizing enabling technologies that allow supply chain participants to effectively access relevant supply chain information by building a robust Information Technology Infrastructure with e-business transaction capability.
- Supporting effective Human Resource development/ training programs for their employees.
- Seeking new opportunities for local manufacturing.

F. SUPPLIER RELATIONS

The business relationship between Materials Supply, suppliers and contractors requires sustained and focused commitment to continuously improve service and efficiency. Materials Supply has implemented effective supply chain strategies and industry best practices as part of normal procurement activities. Together, suppliers and Saudi Aramco provide consistent value and service by:

- Developing value-added ethical relationships and greater levels of trust
- Supporting Saudization of the workforce
- Delivering greater End-User satisfaction
- Reducing inventory throughout the supply chain
- Conducting joint process improvement meetings
- Deploying new effective technology to remain competitive in the global economy.

- Enhancing communication and sharing accurate information
- Implementing cost reduction opportunities
- Continuously improving all SCM practices

G. DEVELOPMENT OF KINGDOM'S ECONOMY

The Local Industrial Development (LID) Unit is a key member of the Supplier Relationship Management Division. Local Content is defined as the value added or created in the Saudi economy through the utilization of in-Kingdom human and material resources in the provision of goods and/or services. LID is working in coordination with the Saudi Aramco New Business Development (NBD) organization to facilitate a major initiative to support increased local manufacturing capabilities. It should be noted that OOK investors that open manufacturing facilities in the Kingdom will be treated as a local manufacturer thus encouraging Foreign Direct Investment (FDI) in the Saudi economy and creating additional job opportunities for the Saudi workforce.

Saudi Aramco has also established the New Business Development (NBD) organization. The primary mission of NBD is to enhance the company's potential to increase revenue through all means permitted under the Saudi Aramco articles of incorporation and to support the kingdom's goals of maximizing economic and social benefits from its natural resources. NBD is responsible for identifying, receiving, evaluating, shaping and closing new business deals which will create value for Saudi Aramco and will foster the development of the Kingdom (economic growth, increased private sector participation, and job creation).

H. REGISTRATION PROCESS

To conduct business with Saudi Aramco, potential suppliers and manufacturers must register with Materials Supply to obtain a vendor identification number. The registration steps for manufacturers and suppliers are summarized below.

1. REGISTRATION AS A LOCAL MANUFACTURER

Supplier Relations Management Division acts as the single point-of-contact for local manufacturer registration with Saudi Aramco. To commence the registration process, the manufacturing plant must be fully operational and meet

either International Organization for Standardization (ISO) or Saudi Arabian Standards Organization (SASO) technical qualifications.

To register a local manufacturing facility, the local manufacturer registration form must be completed as per the form instructions, signed by the applicant and submitted to the Supplier Relations Management Division attention Supplier Registration Unit. The application form can be found in the following link: www.saudiaramco.com → e-services → purchasing

APPROVAL PROCESS

The submitted documents including financial statements, the plant's technical qualification/certifications, and its Quality Management System (QMS) manual will be thoroughly reviewed to ensure completeness and accuracy. A factory visit will be scheduled after conducting a preliminary screening evaluation with the factory management personnel to ensure their readiness for the inspection. An official plant visit and technical survey will be scheduled with the plant management. The survey findings will be communicated noting any deficiencies requiring corrective action. However, if results of the plant survey are acceptable, notification in the form of an approval letter will be sent to the plant's management indicating approval for specific products and providing a unique vendor identification number. It is important to note that registration as an approved manufacturer with Saudi Aramco is not a guarantee of future business.

2. REGISTRATION AS A VENDOR

Supplier Relations Management Division acts as the single point-of-contact for local vendors with Saudi Aramco. To register a local agent/vendor, the vendor registration form must be completed as per the form instructions, signed by the applicant and submitted to the Supplier Relations Management Division attention Suppliers Registration Unit. The application form can be found in the following link: www.saudiaramco.com → e-services → purchasing

I. INTERNATIONAL MANUFACTURERS

Prior to doing business with Saudi Aramco the international manufacturer must first register with Saudi Aramco's out-of-Kingdom affiliate. Manufacturers located in North or South America should register with Aramco Services Company

(ASC). Manufacturers located in other geographical regions should register with Aramco Overseas Company B.V. (AOC) – see Contact Information Table.

When an International Manufacturer appoints a Saudi vendor as its representative in Saudi Arabia, the international manufacturer must notify Saudi Aramco's Supplier Relations Management Division (See Contact Information Table) either directly or through its Saudi vendor, providing details of the products offered and the type of agency provided to the local vendor. Any change to exclusive agency agreements with the Saudi vendor (including termination) should be immediately communicated to Saudi Aramco. International manufacturers are expected to fulfill all existing purchase order obligations with their former Saudi vendors regardless of changes in agency agreements and associations.

J. DISCLOSURE

Any changes in company ownership, commercial activities, and contact information by registered suppliers, whether they are vendors or manufacturers, should be communicated immediately to Saudi Aramco Materials Supply's Supplier Relationship Management Division.

Requests for changes in company names and ownership related to the death of an owner must include a Commercial Registration (CR) cancellation certificate obtained from the Ministry of Commerce before registration under a new CR can be processed. Saudi Aramco should be informed of the owner's death within sixty (60) days or risk indefinite suspension.

Every supplier (international or local) must disclose to Saudi Aramco any and all ownership or commercial relationships which supplier's company or establishment and its owners and immediate family members have with any Saudi Aramco employee, his/her immediate family members and any business enterprise owned or controlled by any of them. Such disclosure shall include, but not be limited to, information on ownership stakes and/or positions held by such immediate family members in the supplier's business and the nature of their employment, if any. Every supplier must immediately disclose to Saudi Aramco any employee end of service case for those who have been granted access to Saudi Aramco's vendor portal. All changes in this information are to be promptly reported to allow Saudi Aramco to determine if any potential conflicts of interest exist.

K. AUTHENTICITY OF DOCUMENTATION

All suppliers (international and in-Kingdom) must attest to the accuracy and completeness of all documentation and submissions to insure information provided is correct, up-to-date, and accurate.

Noncompliance will delay the registration process and submission of fraudulent or forged information will be grounds for indefinite suspension.

L. SUPPLIER PERFORMANCE

“SUPPLY CHAIN MANAGEMENT IS A KEY SUCCESS FACTOR FOR SAUDI ARAMCO”

The newly created Supplier Performance Unit is tasked to implement a Suppliers Performance Management system that will cover the following attributes;

- Supplier On-Time Delivery
- Technology Capabilities
- End-User Feedback
- Quality & Claims
- Saudization
- RFQ Participation

The Supplier Performance Unit's goal is to maximize integration and enhance communications with our suppliers by investing our time and resources to help our suppliers to better understand our business & understand how to become top-tier suppliers. We must work together; both suppliers and Saudi Aramco to accurately measure performance and assist efforts to eliminate the causes of late material deliveries and overall performance problems. Going forward Saudization is a critical element of Saudi Aramco's Performance Management program.

M. SAUDI ARAMCO SUPPLIER PORTAL

Saudi Aramco is progressively using e-Procurement as a means to conduct transactions and real-time tracking of key procurement information. The Supplier Portal is the main electronic communication tool between Saudi Aramco and its suppliers and serves to speed the flow and improve the accuracy of key supply chain information between stakeholders. All registered Saudi Aramco Suppliers should maintain a high-speed Internet connection to facilitate access to the Saudi Aramco Supplier Portal and possess the capability to

provide and manage Web-based catalogs. Portal Technical problems direct inquiry to (send with snapshot of the problem): supplier-portal@aramco.com. For New Portal Registration/Reactivation of User ID Accounts: Contact: Portal-Registration@aramco.com, and for Resetting Password: Contact the IT Help Desk @ 966-03-876-7825 or email: ITHelpDesk@aramco.com.

Suppliers are responsible for notifying Supplier Registration Unit of any employee's end of service who had been granted access to the Saudi Aramco Vendor Portal.

Saudi Aramco and our supply chain partners understand that business dynamics are changing globally and the allocation of adequate material resources, employee development and robust Information Technology infrastructures are keys to efficiently managing the complex supply chain.

N. SAUDI ARAMCO AUCTIONS & MATERIALS SURPLUS

Saudi Aramco Materials Logistics Department (MLD) Sales Unit periodically conducts auctions to sale surplus materials and equipment other than oil and petroleum related products. One can find used and like new materials, fixed assets, and equipment, Examples include but are not limited to pipes, valves, drilling materials, marine vessels, and trucks. Goods are sold "AS IS, WHERE IS" without any warranty or guarantee as to merchantability or fitness for any purposes. Buyers are allowed to inspect the goods to satisfy themselves of the description and quantity. The goods are sold through many sales methods such as public auction and public sealed bid sales. For further information see the MLD Sales Unit details in the Contact Table.

CONCLUSION

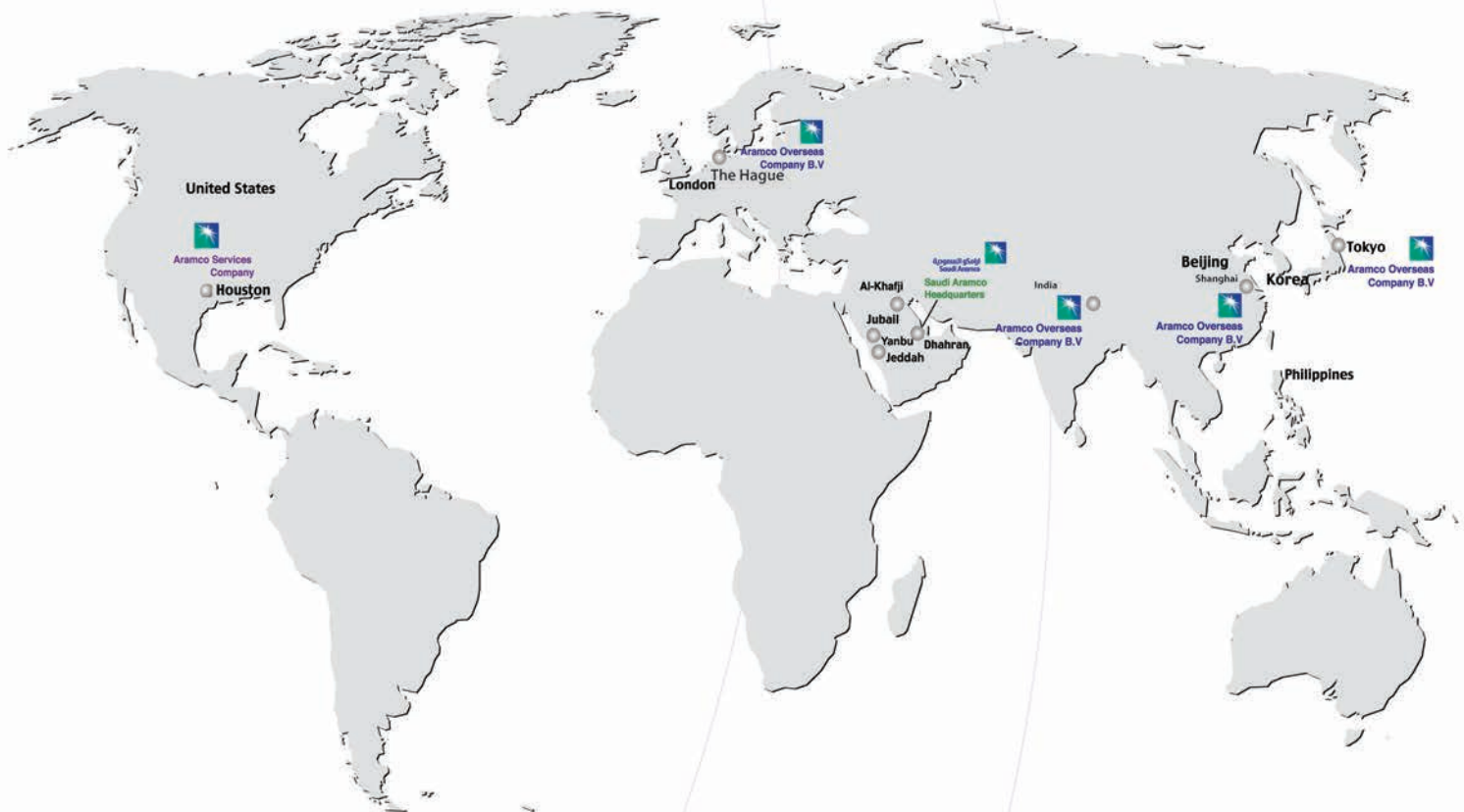
In closing, we thank you for taking time to read this guide and for your interest in joining the Saudi Aramco Supply Chain team. We look forward to working with you in the future to build strong relationships and efficiently manage our global supply chain. We look forward to your questions and encourage suggestions on improving our booklet.

Contact Assistance

Function	Address & Phone/Fax Numbers	Area of Responsibility
Materials Logistics Department/ Auctions Surplus Sales Unit	Materials Logistics Department Surplus Sales Unit Room B-120, North Park 2 Dhahran 31311, Kingdom of Saudi Arabia Tel: +966-3-874-1477 or 874-1091 Fax: +966-3-874-1669 Email: MLDSalesAgent@exchange.aramco.com.sa Website: www.saudiaramco.com	Saudi Arabia
Local Industrial Development Unit	Local Industrial Development Unit Room C-202, Saudi Aramco Box 77-X - North Park 1 Dhahran 31311, Kingdom of Saudi Arabia Tel: +966-3-874-1000 – General Line: +966-3-874-0563 Fax: +966-3-874-0568 Email: Local-content@aramco.com	Saudi Arabia
New Business Development	New Business Development New Business Evaluation Department Local Enterprise Development Division (LEDD) R-222, Floor 2, A Wing, North Park 2 (Bldg 3301) Dhahran 31311, Kingdom of Saudi Arabia Fax: +966-3-874-1734 E-mail: NBD-LEDD@aramco.com	Saudi Arabia
Materials Manufacturers Registration	Suppliers Registration Unit)/ Supplier Relationship Management Division Room A-119, Saudi Aramco Box 87 - North Park 1 Dhahran 31311, Kingdom of Saudi Arabia Tel: +966-3-874-0321 – General Line: +966-3-874-0958 Fax: +966-3-874-0015 Email: Manufacturer-registration@aramco.com	Saudi Arabia, other GCC countries, and the Middle East, Egypt, Kenya, Somalia and Sudan
Materials Suppliers Registration	Suppliers Registration Unit/ Supplier Relationship Management Division Room A-119, Saudi Aramco Box 87 - North Park 1 Dhahran 31311, Kingdom of Saudi Arabia Tel: +966-3-874-0799, Fax: +966-3-874-0015/0335 Email: Vendor-registration@aramco.com	Saudi Arabia

Function	Address & Phone/Fax Numbers	Area of Responsibility
Manufacturers & Suppliers Registration	Aramco Services Company (ASC) MS 549, 9009 West Loop South, Houston Texas 77096, USA Tel: +1 (713) 432-5555, Fax: +1 (713) 432-4716 Strategic Sourcing Email: stratsourcing@aramcoservices.com Website: www.ascstrategicsourcing.com Supplier Relations Group Email: Beatrice.garza@aramcoservices.com	The Americas (Western Hemisphere)
Manufacturers & Suppliers Registration	Aramco Overseas Company B.V. (AOC) The Hague Office –Strategic Sourcing Scheveningseweg 62 - 66,2517 KX The Hague, The Netherlands Tel:+31 (0) 88 262-2000 Fax:+31(0) 88 262-3000 Email:aocsupplierrelations@aramco.nl www.aramcooverseas.com	Europe and South Africa
Manufacturers & Suppliers Registration	Aramco Overseas Company B.V. (AOC) Tokyo Office Ark Mori Bldg, P.O. Box 529 – 1-12-32 Akasaka, Minato-Ku Tokyo 107-6016, Japan – Tel: +81 (3) 5563-0583 Fax: +81 (3) 5563-0544, Email: akiko.inoue@aramco.com Website: www.aramcooverseas.com	Australia, New Zealand, Japan, The Republic of Korea
Manufacturers & Suppliers Registration	Aramco Overseas Company B.V. India Branch Office Unit 610, Level-6, Time Tower Building MG Road, Gurgaon,-122002, Haryana., India Tel: +91 (0) 1244983900, Fax: +91 (0)124 498 3909 Email: AOC-India_registration@aramco.nl Website: www.aramcooverseas.com	India and Malaysia, Singapore, Indonesia, Thailand, Vietnam, Cambodia, & The Philippines
Manufacturers & Suppliers Registration	Aramco Overseas Company B.V. (AOC) Shanghai Office 27-023 HSBC Building, No. 1000 – Lujiazu Ring Rd, Pudong New Area – Shanghai, China 200120 Tel: +86 (0) 216-841-3088, Fax: +86 (0) 216-841-3288	China (Includes-Taiwan & Hong Kong)

Function	Address & Phone/Fax Numbers	Area of Responsibility
Procurement & Sourcing/ Administration Office	Asia Pacific Procurement & Sourcing Division Rm. 032, 27 Floor, HSBC Tower Building 1000 Lujiazui Ring Road, Pudong New Area –Shanghai, China 200120 Tel:+86 (0) 21 6841-3088 Fax:+86(0) 21 6841 – 3288 Email: aoc-shanghai@aramco.com	Asia Pacific Area (AOC Tokyo, AOC-Shanghai & AOC- India)
Service Contractors Registration	Contractor Relations Counter (R-162) North Park 2, Dhahran 31311 Tel:+ 966-3- 874-2287/2457 Fax:+966-3-874-2260 Electronic Contracting Network IK Registration: http://esr.aramco.com OOK Registration and general inquiries: Contractor-registration@aramco.com	Saudi Arabia
Service Contractors Registration	9009 WEST LOOP HOUSTON, TEXAS 77096 USA Aramco Services Company (ASC) Tel: +1 (713) 432-4000 Email: contractor-registration@aramcoservices.com Website: www.aramcoservices.com	North America
Service Contractors Registration	Aramco Overseas Company B.V. (AOC) The Hague Office AOC Contracting Administration Unit Scheveningseweg 62-66, 2517 KX The Hague, The Netherlands Tel:+31 (0) 88 262 2364 Fax: +31 (0) 88 262 3000 Email: AOCcontractorregistration@aramco.nl www. Aramcooverseas.com	All countries outside of Saudi Arabia & USA/Canada



***" TO TAKE OPTIMUM ADVANTAGE OF SOURCING OPPORTUNITIES IN ASIA, SAUDI ARAMCO HAS POSITIONED NEW GROUPS IN CHINA AND INDIA. "**