

## Aramco and Baker Hughes commence construction on non-metallics joint venture in Saudi Arabia

December 8, 2020

- *Newly formed company will be called Novel Non-Metallic Solutions Manufacturing (Novel)*
- *Aramco brings the resources and perspective of a pre-eminent energy company to the JV and Baker Hughes as a world-class energy technology company and manufacturer, providing deep commercial and technical expertise*
- *Through its state-of-the-art manufacturing processes, R&D and localization focus, Novel expects to partner with customers to advance innovation in the energy sector*

DHAHRAN, Saudi Arabia--(BUSINESS WIRE)--Dec. 8, 2020-- Aramco and Baker Hughes (NYSE:BKR) have announced the formation of Novel, a 50/50 Joint Venture (JV) to develop and commercialize a broad range of non-metallic products for multiple applications in the energy sector. A ceremony was held today at the project site to commence construction, which was attended by Aramco's Senior Vice President for Technical Services Ahmad Al Sa'adi and Baker Hughes Chairman and CEO Lorenzo Simonelli.

This press release features multimedia. View the full release here: <https://www.businesswire.com/news/home/20201208005576/en/>



(Photo: Business Wire)

innovative sector in alignment with Saudi Arabia's Vision 2030.

**Aramco's Senior Vice President for Technical Services, Ahmad Al Sa'adi, said:** "Non-metallic products are reshaping the industries and products we all depend on because they are more reliable, cost effective and offer sustainability benefits. The partnership with Baker Hughes reinforces our commitment to expanding the use of innovative non-metallic materials in our operations to drive efficiency and reduce maintenance and replacement costs, while also positively impacting the Kingdom's economic development through job creation and local expertise."

**Neil Saunders, Executive Vice President, Oilfield Equipment, Baker Hughes, said:** "As an energy technology company, we are investing for growth in strategic areas like non-metallics, and our deep background in non-metallic product development will benefit a wide range of industries. Aramco's vision to expand its product development in the region aligns with our vision to support innovation and manufacturing in Saudi Arabia."

Non-metallic products are being deployed in a variety of industries, from the oil and gas sector to automotive, building and construction, packaging and renewables. In addition to being more sustainable, these advanced materials make them lighter than their conventional counterparts and resistant to corrosion.

### About Aramco:

Aramco is a global integrated energy and chemicals company. We are driven by the core belief that energy is opportunity. From producing approximately one in every eight barrels of the world's oil supply to developing new energy technologies, our global team is dedicated to creating impact in all that we do. We focus on making our resources more dependable, more sustainable and more useful. This helps promote stability and long-term growth around the world. [www.aramco.com](http://www.aramco.com)

### About Baker Hughes:

Baker Hughes (NYSE: BKR) is an energy technology company that provides solutions to energy and industrial customers worldwide. Built on a century of experience and with operations in over 120 countries, our innovative technologies and services are taking energy forward – making it safer,

The ceremony comes after both companies [signed a memorandum of understanding \(MOU\)](#) to create a non-metallics JV in July 2019. Novel's new facility is being developed at King Salman Energy Park (SPARK), in Saudi Arabia's Eastern Province. SPARK is a 50-square-kilometer energy city megaproject which will position Saudi Arabia as a global energy, industrial and technology hub. Initially, the facility will produce onshore non-metallic pipelines – including reinforced thermoplastic pipes (RTP) – from composite materials.

The JV is based on a shareholders agreement [signed in February this year](#) during Aramco's 5<sup>th</sup> In-Kingdom Total Value Add (IKTVA) Forum & Exhibition. The JV aligns with Aramco's strategy to seek new opportunities in oil-based products, which not only offer performance benefits but also aims to reduce carbon emissions. It also supports Saudi Arabia's efforts to expand its commercial ecosystem and promote domestic investment. The new facility will not only create jobs, it will also help foster growth of an emerging and

cleaner and more efficient for people and the planet. Visit us at [bakerhughes.com](http://bakerhughes.com).

## Disclaimer

The press release contains forward-looking statements. All statements other than statements relating to historical or current facts included in the press release are forward-looking statements. Forward-looking statements give the Company's current expectations and projections relating to our capital expenditures and investments, major projects, upstream performance, including relative to peers, and growth in downstream and chemicals. These statements may include, without limitation, any statements preceded by, followed by or including words such as "target," "believe," "expect," "aim," "intend," "may," "anticipate," "estimate," "plan," "project," "will," "can have," "likely," "should," "would," "could," "continue," "forward" and other words and terms of similar meaning or the negative thereof. Such forward-looking statements cannot be ascertained, as they involve known and unknown risks, uncertainties and other factors beyond the Company's control that could cause the Company's actual results, performance or achievements to be materially different from the expected results, performance, or achievements expressed or implied by such forward-looking statements, including the following factors: international crude oil supply and demand and the price at which the Company is able to sell crude oil; the impact of natural disasters and public health pandemics or epidemics (such as Coronavirus disease 2019 (COVID-19) on supply and demand for crude oil and general economic conditions; adverse economic or political developments that could impact the Company's results of operations; competitive pressures faced by the Company; any significant deviation or changes in existing economic and operating conditions that could affect the estimated quantity and value of proved reserves; operational risks and hazards; losses from risks related to insufficient insurance; the Company's ability to deliver on current and future projects; litigations that the Company is or may be subject to; the Company's ability to realize benefits from recent and future acquisitions, including with respect to SABIC; risks related to international operations, including sanctions and trade restrictions, anti-bribery and anti-corruption laws and other laws and regulations; environmental regulations; the Company's dependence on its senior management and key personnel; management's limited experience in managing a public company; the reliability and security of the Company's IT systems; climate change concerns and impacts; risks related to Government-directed projects; and other risks and uncertainties that could cause actual results to differ from the forward looking statements in this press release, as set forth in the Company's latest periodic reports filed with the Tadawul. For additional information on the potential risks and uncertainties that could cause actual results to differ from the results predicted please see the Company's latest periodic reports filed with the Tadawul. Such forward-looking statements are based on numerous assumptions regarding the Company's present and future business strategies and the environment in which it will operate in the future.

The information contained in the press release, including but not limited to forward-looking statements, applies only as of the date of this press release and is not intended to give any assurances as to future results. The Company expressly disclaims any obligation or undertaking to disseminate any updates or revisions to the press release, including any financial data or forward-looking statements, whether as a result of new information, future events or otherwise, unless required by applicable law or regulation. No person should construe the press release as financial, tax or investment advice.

Undue reliance should not be placed on the forward-looking statements, and the Company, its managers and employees shall not be liable for any direct or indirect loss or damage that any person may incur due to their reliance on the forward-looking statements.

View source version on [businesswire.com](https://www.businesswire.com/news/home/20201208005576/en/): <https://www.businesswire.com/news/home/20201208005576/en/>

## Aramco

International Media Relations: [international.media@aramco.com](mailto:international.media@aramco.com)

[Aramco](http://Aramco)

## Baker Hughes

### Media Relations:

Madonna Mekhail

+971 545816086

[Madonna.Mekhail@bakerhughes.com](mailto:Madonna.Mekhail@bakerhughes.com)

Source: Baker Hughes