



SUSTAINABILITY COMMITTEE OF THE BOARD OF DIRECTORS OF REPSOL, S.A.

2021 Activities Report

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1. BACKGROUND

In its meeting of May 27, 2015, in the framework of the assessment of its organisation and functioning conducted with external advice, the Board of Directors resolved to create the Sustainability Committee of the Board of Directors of Repsol, S.A., replacing the former Strategy, Investments and Corporate Social Responsibility Committee.

The establishment of this type of specialist Committee within the Board of Directors is envisaged in Recommendation 52 of the Spanish National Securities Market Commission's Good Governance Code for Listed Companies and in article 37 of Repsol's Articles of Association.

In this regard, pursuant to article 32 of the Board Regulations, this body can create specialist committees within it, with oversight, reporting, advisory and proposal functions, as well as the others that the law, the Articles of Association or those Regulations attribute it in the scope of its competences to facilitate decision-making by means of prior studies and to strengthen the objectivity and reflection guarantees with which the Board must address certain issues.

The structure, functioning and scope of activity of the Sustainability Committee of Repsol, S.A. is established in article 37 of the Board Regulations.

The Committee's main functions are the knowledge, focus, analysis and reporting on the strategies, policies, objectives and guidelines of the Repsol Group in the environmental, safety and sustainability area — assessing their degree of fulfilment — as well as the expectations of and relations with the Company's different stakeholders, the review and diversity information.

Between its creation and December 31, 2021, the Sustainability Committee met on twenty-five occasions (the last —within that period — on December 15, 2021), reporting the same number of times about the Committee's activities to the Board of Directors.

2. COMPOSITION

The Board Regulations establish that the Sustainability Committee shall be composed exclusively of Non-Executive Directors, the majority of whom shall be Independent, with a minimum of three, appointed by the Board of Directors, taking into account their knowledge, skills and experience and the duties of the Committee.

The Committee shall appoint its Chairman from among its members and the Secretary of the Board of Directors will act as its Secretary.

The members of the Sustainability Committee exercise the position for four years from their appointment and can be re-elected once that period has elapsed. Notwithstanding re-election on one or more occasions, the Committee members will step down upon expiry of the stated



period, when they do so in their capacity as Directors, or when the Board so resolves after a report from the Nomination Committee.

During the 2021 fiscal year, the composition of the Sustainability Committee was as follows:

| Position | Members | Nature | First date of appointment as Director |
|----------|---|---------------------------|---------------------------------------|
| Chair | Mr. Mariano Marzo Carpio | Independent External | 19/05/2017 |
| Member | Ms. Arantza Estefanía Larrañaga | Independent External | 31/05/2019 |
| Member | Mr. José Manuel Loureda Mantiñán ⁽¹⁾ | Proprietary Non-Executive | 31/01/2007 |
| Member | Mr. Emiliano López Achurra ⁽²⁾ | Other Non-Executive | 24/11/2021 |
| Member | Ms. Isabel Torremocha Ferrezuelo | Independent External | 19/05/2017 |

(1) Mr. Loureda resigned as a Director of Repsol, S.A. and, consequently, as a member of the Sustainability Committee prior to the meeting of 27 October 2021.

(2) Mr. López Achurra accepted his appointment as Director after the meeting of 24 November.

In 2021, all the members of the Sustainability Committee held the status of "Independent Non-Executive Directors" with the exception of Mr. Loureda, who has held the status of "Proprietary Non-Executive" —in accordance with the requirements set out in the Board Regulations— and Mr. López Achurra, who holds the status of "Non-executive Director". Furthermore, all members were appointed in view of their recognised personal and professional prestige, as well as their experience and expertise for the exercise of their duties.

The professional profiles of the current members of the Committee are as follows:



MARIANO MARZO CARPIO

Lead Independent Director

Mr. Marzo was appointed Director of Repsol by the General Shareholders Meeting of 19 May 2017 and re-elected by the General Shareholders Meeting on 26 March 2021.

Education: Bachelor's degree in Geology from the Universidad de Barcelona; PhD in Geological Sciences from the Universidad de Barcelona.

Experience: Mr. Marzo has worked in Europe, the United States, South America, the Middle East and North Africa and is a member of the American Association of Petroleum Geologists and the European Association of Petroleum Geoscientists & Engineers.

Furthermore, Mr. Marzo has participated in several advisory boards on energy matters of the central and autonomous community administrations, as well as other institutions, and he has maintained a continuous connection with the oil and gas industry, through the research applied to the exploration sector and the sedimentological characterization of fields.

Mr. Marzo has also formed part of the editorial boards of journals of great international

prestige in the field of geology, such as Basin Research, Geology and Sedimentology, and he has published numerous works and worked vastly as a lecturer. His educational activity was rewarded with the "Distinction of the Universidad de Barcelona for the Best Scientific and Humanist Education Activities" in 2014.

Other relevant positions: Mr. Marzo is Professor in the Faculty of Earth Sciences of the Universidad de Barcelona (Department of Earth and Ocean Dynamics), where he has developed his teaching career as a researcher, academic, columnist and lecturer. Since 2019, he is Director of the Chair in "Energy Transition University of Barcelona-Repsol Foundation". Likewise, he is a member of the Advisory Board of Club Español de la Energía and was Director of Section 4 (Earth Sciences) of the "Reial Acadèmia de Ciències i Arts de Barcelona" where he is currently a numerary member.

Board committees to which he belongs: Chairman of the Sustainability Committee, member of the Nomination Committee and member of the Compensation Committee.



ARANTZA ESTEFANÍA LARRAÑAGA

Independent Non-Executive

Ms. Estefanía was appointed Director of Repsol by the General Shareholders Meeting of 31 May 2019.

Education: She graduated in Law with First Class Honours at the Universidad de Deusto winning the Award for Excellence in Academic Career.

Experience: From its foundation in 2000 until January 2019, she was Managing Partner of Uría Menéndez Abogados, S.L.P. in Bilbao. During those years, she performed various roles at the firm, notably including that of Director of the Practical Area of Procedural, Public, Arbitration and Criminal Law in Bilbao. Furthermore, she has been a member of Uría Menéndez's Board of Directors, Professional Practice Management Committee and Criminal Risk Prevention Committee. She has earned recognised standing in the area of Commercial Law. She has been Secretary of the Board of Directors of several trading companies and entities and she is currently Secretary of the Board of Bilbao Exhibition Centre, S.A. On several occasions, she has been appointed as an Arbitrator by the Court of Arbitration of the Bilbao Chamber of Commerce to resolve commercial conflicts. Over more than thirty years, she has gained vast experience in the area of compliance and criminal risk prevention, as well as environment and security. In recent years, Ms. Estefanía has given multiple lectures with respect to the criminal liability and compliance of legal persons and she has also authored several publications in this field. Since 2013, Ms. Estefanía has been constantly recognised on an annual basis by Best Lawyer in Spain as leading lawyer in the practices of arbitration and mediation and as lawyer of the

year in the procedural area. She also has teaching experience as adjunct lecturer of the Civil law Department of the Universidad de Deusto.

Other relevant positions: As of 27 July 2021, she became Director and Secretary of the Board of Directors of Repsol Industrial Transformation, S.L. (Single-member Company) and on 28 July 2021 she was appointed Director and Secretary of the Board of Repsol Customer Centric, S.L. She was appointed independent director of Cie Automotiva, S.A. on 29 April 2020 and member of its Audit Committee. Since 15 December 2021, she is also Chairman of the Nomination and Remuneration Committee, member of the Sustainability Committee and Coordinating Director. On 8 May 2020, she was appointed independent director of Global Dominion Access, S.A., being Chairman of its Audit Committee until 12 May 2021. Since that date, she is member of the Audit Committee and of the Sustainability Committee. Since May 2019, she has formed part of the group of experts of the Basque Country Economic and Social Council, the advisory body of the Basque Government and Parliament, chairing that body's Economic Commission from December 2019. Moreover, throughout her professional career, she has also been Secretary to the Board of Directors of various companies and entities and is currently the Secretary of the Board of Directors of Bilbao Exhibition Centre S.A. (Bilbao International Trade Fair).

Board committees to which she belongs: Member of the Compensation Committee and member of the Sustainability Committee.



EMILIANO LÓPEZ ACHURRA

Other Non-Executive

Mr. López Achurra was appointed Director of Repsol by co-option in accordance with a resolution of the of the Board meeting held on November 24, 2021.

Education: Mr. López Achurra holds an LLB from the Autonomous University of Barcelona and a Master's Degree in International Studies from the Paris Institute of Political Studies.

Experience: In 2003, he was appointed director of Gas Natural Fenosa, and in 2011, became chairman of IBIL, a company backed by the Basque government and Repsol to provide charging stations for electric vehicles in Spain. He was previously director of Caja de Ahorros Provincial de Gipuzkoa —Kutxa—, BBK Bank/Caja Sur, and Sareb. He was also a founding partner of the law firm IBK & LBR, specializing in Community law, infrastructure, energy, and the environment, as well as the consultancy firms CFI (Consultores de Financiación Internacional), DPA (Desarrollo y Protección Ambiental) and EF International Strategy. He also held the position of Chairman of the Tecnalia Corporation from 2016 until 2020.

Between May 2016 and April 2019, Mr. López Achurra was Executive Chairman of Petronor, where he promoted numerous projects related

to energy transition and renewable hydrogen production. Mr. López Achurra is currently Non-Executive Chairman of the company.

Other relevant positions: Mr. López Achurra is also a Board member of the Basque Institute of Competitiveness, where he has presided over the Energy Chair and has been closely linked to the development of the Iberian Gas Hub.

In his academic capacity as professor, he has given numerous conferences and seminars at the Universities of the Basque Country, Deusto, Vigo, and Santiago de Compostela, the Autonomous University of Barcelona, IESE, the Universities of Bordeaux and Pau, and the Autonomous Technological Institute of Mexico (ITAM), as well as the Basque Institute of Public Administration.

He is currently member of the Advisory Board for Science, Technology and Innovation in Spain, the Group of Experts defining the RIS3 Galicia strategy, and the Executive Committee of the Basque Innovation Agency. Mr. López Achurra is also a Trustee of the Real Instituto Elcano and the Novia Salcedo Foundation.

Board committees to which he belongs: Member of the Nomination Committee and the Sustainability Committee.



ISABEL TORREMOCHA FERREZUELO

Independent Non-Executive

Ms. Torremocha was appointed Director of Repsol by the General Shareholders Meeting of 19 May 2017 and re-elected by the General Shareholders Meeting on 26 March 2021.

Education: Graduate of Chemical Sciences from the Universidad Autónoma de Madrid. Postgraduate Specialisation in Plastics and Rubber course with the Spanish National Research Council (CSIC), Leadership Programme at ISD Business School, Management Development Programme at IESE Business School and Corporate Finance at IE Business School.

Experience: Ms. Torremocha commenced her professional career at Philips Iberia, joining Andersen Consulting (currently Accenture) in 1991, where she has developed her career in the Telecommunications, Media and High Technology sector. She has been Chief Executive Officer at Accenture and a Board member of Accenture España.

During her latest period at Accenture, working as Transformation Opportunities Director, Ms. Torremocha has led the creation and development of opportunities related to strategic transformations in the areas of information technologies, outsourcing of business processes and digital transformation in Spain, Portugal and Africa.

Previously, she has held international positions, the most relevant being that of Chief Operating

Officer and member of the Executive Committee for Europe, Africa and Latin America, with responsibility for the implementation of the business strategy in these geographic areas.

She has also been responsible for diversity and equality in the Telecommunications, Media and High Technology division of Europe, Africa and Latin America, defining the plans for acceleration of the number of professional women in management positions and in succession plans. In addition, during 2018 and 2019 she has been a collaborator and mentor in the Start-Ups accelerator "Atelier by ISEM" of the University of Navarra.

Other relevant positions: She currently holds the position of Director and member of the Nomination and Remuneration and Audit and Control Committees at Indra Sistemas, S.A. She is also a Trustee and Chairman of the Nomination Committee at the "Plan Internacional" Foundation, member of the Strategic Board of the CEIT Technology Centre, member of the Institute of Directors and Administrators (ICA) and member of the Spanish Association of Executives (AED).

Board committees to which she belongs: Chairwoman of the Audit and Control Committee and member of the Sustainability Committee.



3. REGULATION OF THE SUSTAINABILITY COMMITTEE

The internal regulation of the Sustainability Committee is set out in **article 37 (“The Sustainability Committee”)** of the Board Regulations.

The Board Regulations are registered at the Commercial Registry of Madrid and are accessible to the public via the Company's website (www.repsol.com).

4. FUNCTIONING

In accordance with the Board Regulation, the Sustainability Committee meets as many times as necessary for the fulfilment of the functions entrusted to it and whenever its Chair calls it or two of its members so request. The call of the meetings is communicated, with at least 48 hours' notice, by letter, telex, telegram, registered fax or email, and includes its agenda. The minutes of the previous meeting, whether approved or not, are appended to it, as well as the available information considered necessary.

The meetings normally take place in the registered office but can also be held in any other location determined by the Chair and indicated in the call notice, as well as by telematic means, such as phone connection or videoconference.

For the Committee to be validly constituted, over half of the members must be in attendance, present or represented, except if there was no call, in which case the attendance of all of them is required. The Committee members not personally in attendance at the meeting can grant their representation to another Committee member.

The resolutions must be passed with the vote in favour of the majority of the members present or represented.

The Secretary of the Committee draws up minutes of the resolutions passed in each meeting, which are made available to all the Directors. These minutes are delivered to all the Board members on a quarterly basis.

The Chair of the Committee reports to the Board of Directors on the development of its actions on a regular basis.

The Committee draws up an annual schedule of meetings and an action plan for each year, as well as an Annual Report on its activity, on which it reports to the plenary session of the Board.

Furthermore, at least once a year, the Committee assesses its functioning and the quality and effectiveness of its work, reporting the outcome of this assessment to the plenary session of the Board.



5. COMMITTEE RESOURCES

For the optimal fulfilment of its functions, the Committee can obtain the advice from lawyers or other external professionals, in which case the Secretary of the Board, at the request of the Committee Chair, will make arrangements for their hiring, and their work will be directly reported to the Committee.

The Committee can also request the collaboration of any member of the management team or the other staff. To this end, throughout the year 2021, when the Commission has considered it appropriate, the senior management team members responsible for certain areas related to the Commission's competencies have attended the meetings to provide the appropriate explanations.

6. MAIN ACTIVITIES DEVELOPED DURING 2021

In 2021, the Sustainability Committee held a total of four meetings, all of them attended by all the members of the Committee by telematic means at the February, April and July meetings due to the restrictions imposed by Covid-19, and in person at the meeting held in December. A summary of the main activities carried out by the Committee in 2021 is included below, grouped in relation to its basic functions¹.

Moreover, the Chair of the Sustainability Committee held several working meetings with the heads of the different areas of the Company, on which he reported back to the other Committee members.

¹ As recorded in article 37 of the Board Regulations, the following functions correspond to the Sustainability Committee:

- a) Know and guide the policies, objectives and guidelines of the Repsol Group in environmental and safety matters. Regularly review the Company's performance in safety and environment matters to review the effectiveness of the stated policies, objectives and guidelines, and to confirm that the operations are being managed safely and responsibly from an environmental viewpoint.
- b) Know, analyse and inform the Board on the expectations of the Company's different stakeholders, such as shareholders and financial community, employees, customers, suppliers and society in general, on matters within its competence.
- c) Propose to the Board the approval of Sustainability Policy and strategy, review it regularly along with the Corporate Governance rules and propose its update to the Board, with the aim of promoting the company's interest and maximising the long-term value for the Company's stakeholders.
- d) Oversee the relationship processes with the different stakeholders, particularly the shareholders and investors relations and communication strategy, including small and medium shareholders, and the information provided to them on matters within their competence.
- e) Know, stimulate, guide and oversee the Company's objectives, action plans and practices on Social and sustainability matters, such as human rights, health, safety and occupational risk prevention, employment, diversity and integration, equal opportunities and work-life balance, ethics and conduct, environment, biodiversity, fight against climate change, emission reduction, community relations and efficient and responsible use of resources. It will also be responsible for assessing their degree of fulfilment.
- f) Know and review the existing indices and gauges to assess the Company's positioning in sustainability matters.
- g) Know the legal changes that may significantly influence the Company in social matters, as well as the emerging trends in sustainability, such as circular economy or natural capital, with the aim of driving action plans, as applicable.
- h) Any others related to matters for which it is responsible and that it is asked to perform by the Board of Directors or its Chair.

6.1. Activities related to the environment and safety

During the period to which this Report refers, the Sustainability Committee reviewed the Company's performance in safety matters, analysing, among other matters, the indicators related to occupational safety in all the meetings held, the personal, process and environmental accident rate as well as the investigations and improvement actions, proactive safety and operational efficiency indicators.

Likewise, the Committee was informed of the Greenhouse Gas Emissions Map 2020 and the Evolution of CO₂ emissions in Spain, the Map of Emerging Risks and Climate Change (2021-2050), as well as the metrics and objectives of Repsol's decarbonisation pathway and the progress made in Strategic Safety and Environment Projects.

The Committee was also informed of the implementation of the investment qualification project for its alignment with the energy transition within the framework of the objectives set out in the Paris Agreement and the decarbonisation of the Company.

Moreover, the Committee was informed about the advances in Safety Culture and the assessments that have been carried out over the last few years in the different business units and industrial facilities, as well as the development of the Safety Culture Leadership Programme (Safety Leap) and the implementation of the Just Culture model in Repsol.

6.2. Activities related to sustainability

The Committee monitored the closing data of the Global Sustainability Plan and the Company's sustainability objectives set for 2020, as well as the status and degree of progress of the Plan and the objectives set for 2021.

The Committee also reviewed the Company's performance in terms of Community Relations and Human Rights in 2021 and the results of the CHRB study (Corporate Human Rights Benchmark, the most important comparative analysis worldwide on performance in this area, according to which Repsol is the best rated company in the Oil & Gas sector). The Committee was also informed about the launch of the book "Repsol and Human Rights" and the agreements signed with the United Nations Development Programme, national and local governments and indigenous communities in Peru.

Likewise, during 2021, the Committee was informed of the development of the Action Plan for the implementation of the United Nations 2030 Agenda and to promote the Sustainable Development Goals. Similarly, the Commission examined the progress made in the Circular Economy and in Natural Capital and Biodiversity, including the projects, metrics and indicators that are being developed in this regard, as well as the monitoring of emission reduction targets and commitments.

The Committee was also informed about the projects and progress in the digitalisation of the different areas of Sustainability at Repsol and about various issues and events in the ESG environment, such as the International Energy Agency's report on the Zero Net Emissions Scenario and other issues that have affected companies in the sector.

6.3. Activities related to the non-financial risk management and control

The Committee has reviewed the Group's Sustainability Risk Map and the Emerging Risks and Climate Change Report 2021-2050, relating to the management system for these risks in the Company and the corresponding mitigation measures, which include various lines of action related to the Sustainability Plans and Repsol's contribution to the Sustainable Development Goals and the 2030 Agenda.

6.4. Activities related to the expectations of the different stakeholders and the Company's positioning on sustainability

The Committee was informed of the development and results of the Materiality Analysis carried out in 2021 in order to identify the most relevant aspects related to sustainability for the Company and for stakeholders.

Likewise, the Committee was informed of the vision that ESG (Environmental, Social and Governance) analysts, rating agencies and socially responsible investors have of Repsol's performance in environmental, social and governance matters, as well as the positioning and valuation of the Company in the main ESG indices and ratings, such as MSCI, Sustainalytics, ISS ESG, S&P Global, Vigeo Eiris, FTSE Russell, Ecovadis, Carbon Disclosure Project (CDP), Transition Pathway Initiative, Climate Action 100+, World Benchmarking Alliance and CHRB.

The main conclusions and agreements of COP26 and their implications for the Company's decarbonisation strategy and new commitments for the energy transition were also presented to the Commission.

Finally, the Committee has been informed of the issues analysed in the meetings held by the Sustainability Committee with Repsol's trade union representatives, which is also participated in by the Sustainability and Labour Relations Department.

6.5. Activities related to the reporting of non-financial information

At its meeting of 17 February 2021, the Committee verified the sustainability information contained in the Integrated Management Report for 2020, which, in accordance with the applicable regulations, includes financial and non-financial information and information on diversity, as well as other additional information on climate change. The above, in accordance



with the provisions of Law 11/2018 and the then existing regulatory frameworks of reference: GRI (Global Reporting Initiative), SASB (Sustainability Accounting Standards Board) and the recommendations of the National Securities Market Commission (CNMV) and the Task Force on Climate-related Financial Disclosure (TCFD), whose requirements focus on governance, risks and strategy.

In addition, at the meeting of 28 April, the Committee was informed about the strategy for reporting non-financial information in the 2020-2022 Integrated Management Reports and about the results of the analysis carried out with respect to the alignment of the reporting frameworks with the recommendations of the TCFD and the degree of compliance of the Integrated Management Report with the same.

Likewise, at the meeting of 28 July, the Committee was informed of the new developments and requirements introduced, in terms of reporting, by Regulation (EU) 2020/852, known as the "Sustainable Finance Taxonomy Regulation", which aims to establish a framework to facilitate sustainable investments.

Finally, at the meeting of 15 December, the Committee was informed about the regulatory context and the reporting frameworks that apply to the preparation of the Integrated Report for 2021: Law 11/2018, the Sustainable Finance Taxonomy Regulation, the recently introduced Law 7/2021 and the reporting frameworks of GRI, TCFD, SASB and the new Stakeholder Capitalism Metrics of the World Economic Forum.

6.6. Self- assessment of the functioning of the Sustainability Committee

Based on the Bylaws and its own Regulations, at least once a year the Board of Directors must evaluate its functioning and the quality and efficiency of its work, as well as that of its Committees.

In this respect, taking as a reference the most relevant requirements and functions of the Sustainability Committee contemplated in the Regulations of the Board, the Board of Directors has carried out an evaluation of its own functioning and efficiency during 2021, in line with the recommendations of the Good Governance Code of Listed Companies and concluded, at its meeting of 15 December, that the functioning of the Committee is satisfactory and that both the Committee and its Chairman correctly perform the functions entrusted to them by the applicable positive and internal rules.

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