

# Overview 2021 Sustainability Plan Algeria



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## Legal Notice

This Sustainability Plan includes a set of actions which, in whole or in part, go beyond what is required by law and are aimed to contribute to sustainable development. Participating companies of Repsol Group have the firm intention to undertake and fulfill them. However, they reserve the right to modify, postpone or cancel their implementation without incurring liability, but undertake to publicly justify these possible cases.

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# 1 Our vision of sustainability

**At Repsol, we contribute to sustainable development** by seeking to satisfy the growing demand for energy, which is essential for the fulfillment of people's fundamental rights, and by creating value in both the short and long term.

**We maximize our positive impact and minimize our negative impact** on society and the environment throughout our value chain by acting ethically and transparently. In doing so, we seek to comply not only with the regulations in force but also with the main international standards.

Under these premises, our sustainability model incorporates ethical, environmental, and social considerations into our decision-making process, based on dialogue with stakeholders. We do this every year, creating initiatives that address the concerns of these stakeholders. This is how the **Sustainability Plans** — action plans that are available to the public and created on an annual basis — are born. The **Global Sustainability Plan** is the roadmap forming the basis for deployment of **Local Plans**. The plans also contain commitments in relation to the local context.

The **Sustainability Plans** are put together on the basis of the **six axes** of Repsol's Sustainability Model.



# 2 2021 Sustainability Plan

## Sustainable Development Goals



At Repsol we support the United Nations' **2030 Agenda** for Sustainable Development and use the 17 Sustainable Development Goals (SDGs) as a reference when defining our priorities.

We believe that we must focus on the SDGs in which we can maximize our impact. Thus, regarding the company's strategic plan, the material issues and the local contribution in each of the Sustainability Plans, the following SDGs have been selected:

Given our role in access to affordable energy, our contribution to social economic development and the fight against climate change, we have prioritized SDGs 7, 8 and 13.



We believe that the most efficient way of contributing to the 2030 Agenda is to collaborate with other entities



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Given our commitment to the optimization of water management, our support for Innovation and Technology, and our focus on the Circular Economy, we have prioritized SDGs 6, 9 and 12.

In 2021, we are publishing our annual SDG report for the second time.

We want to make our contributions to the 2030 Agenda clear by publishing more than 30 indicators and commitments, painting a panorama of the efforts we make all around the Company, both locally and globally, to provide solutions to the social challenges we face.

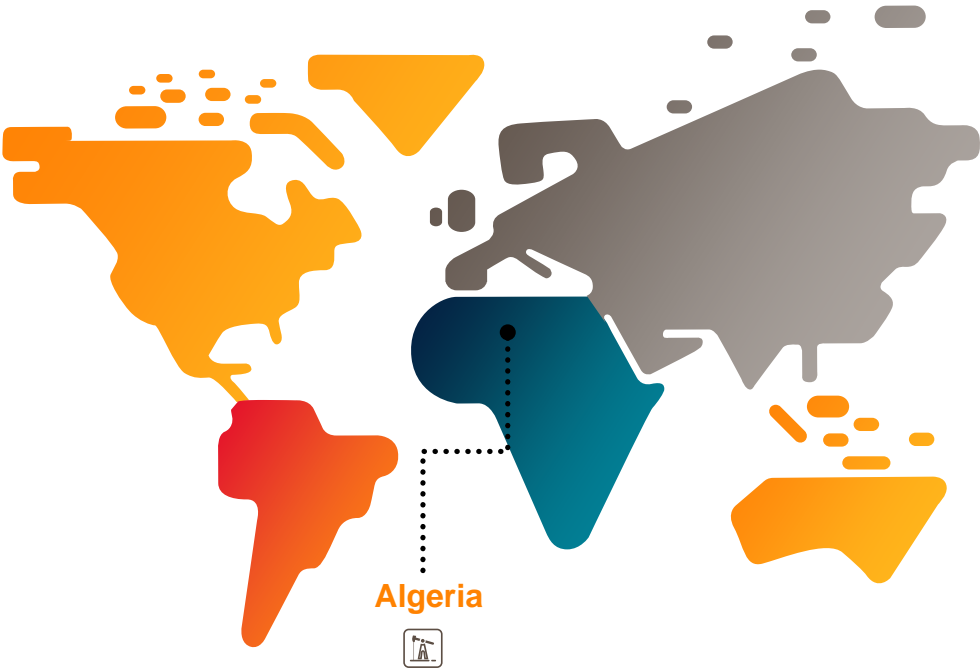
We want to be agents of environmental and social change in the territories in which we operate. We have the resources, the ambition and, most importantly, the commitment we need. That is our ambition, and the United Nations 2030 Sustainable Development Agenda shows us the way that we can make this happen.

# 2 2021 Sustainability Plan

## Sustainable Development Goals



The **actions** of which this **Plan** is composed, defined in due consideration of the local context, help support **2030 Agenda** by addressing the following goals:



## 2 2021 Sustainability Plan

### Noteworthy projects

#### At Repsol, we contribute to sustainable development.

Algeria Business Unit aligns with this company objective through the Sustainability Plan. With 13 initiatives, we have been able to generate a positive impact on the six axis of the Sustainability Model. In this way we help to reach the goal of complying with the UN 2030 Agenda and being able to work in favor of people, the planet and prosperity.



#### Improve our social performance

The project intended to organize a workshop with the collaboration of our department of community relations to update the Algeria's social risk matrix, as part of the company's social process.

This workshop focused on the identification and evaluation of the current social risks and the analysis of mitigation actions. These actions are mainly related to the community engagement, social training and the improvement of the social baseline in the area.

#### Implement the operating management system in Groupement Reggane Nord



The implementation of the new operational management system (OMS) allows us to ensure continuous improvement in our operations through key factors such as safety, quality and the environment. We can consolidate key documentation, automate recurring processes, as well as improve collaboration and facilitate cooperation.

The management documents have been prepared, an internal audit has been carried out and a training plan has been prepared and implemented, including HSE (health, safety and environment) leadership, investigation, risk management, emergency management and operational training.



#### Reduce drilling waste (cuttings) and water consumption

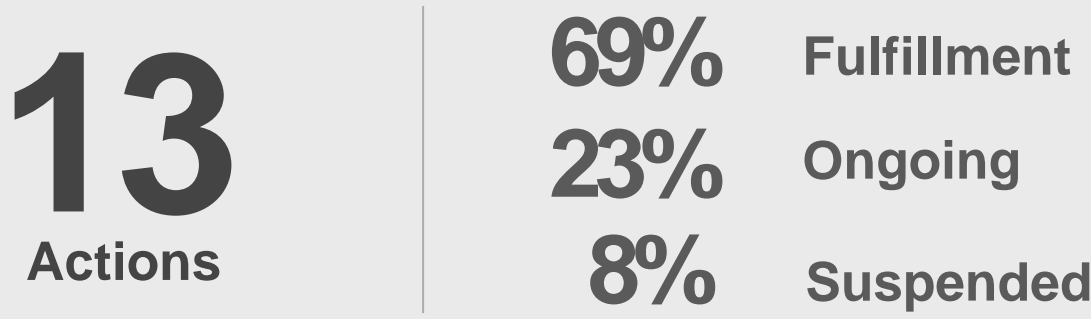
A slim well design is been performed for the most of our wells that will be drilled with the aim of reducing the drilling waste (cuttings) and water consumption during operations.

Also, a dewatering process it has been approved in our drilling operations, with the aim of reducing chemicals in drilling waste and water consumption.

# 2 2021 Sustainability Plan

## Overview

At the end of the year, it is time to review each of the initiatives that are part of the Sustainability Plan. The degree to which the objectives have been fulfilled is as follows:



Further down, you can obtain more detailed information for each of the actions included in the plan, their indicators, and all other relevant information.



# 2 2021 Sustainability Plan



## Climate change

### At Repsol, we contribute to sustainable development...

We share society's concern about the effect that human activity is having on the climate and we are firmly committed to the aspiration of limiting the increase in the planet's global average temperature well below 2°C with regard to pre-industrial levels.

Our challenge is to supply energy in a safe, efficient, accessible and sustainable manner, reducing Greenhouse Gas (GHG) emissions in line with the objectives of the Paris Agreement and the Sustainable Development Goals of the United Nations (SDGs).

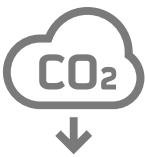
In December 2019 Repsol publicly expressed that it would align its strategy to be a net-zero emissions company by 2050, making it the first in its sector to set this ambitious goal. Our 2021-2025 Strategic Plan sets out the roadmap for continuing to successfully advance the energy transition. With the technological advances available, we anticipate achieving between 80% and 90% net emissions reductions by that year, and we are committed to applying the best technologies to raise this figure, including CO<sub>2</sub> capture, use and storage. Without major technological disruptions, Repsol would rely on natural carbon sinks to reach its goal of zero emissions by 2050.

Accordingly, we have joined the Oil and Gas Climate Initiative (OGCI) to share best practices and technology solutions, and participate in the OGCI Climate Investment Fund, to channel the committed investment of \$1 billion over ten years in the development of technologies to reduce GHG emissions on a significant scale.

There follows a list of Sustainability Plan actions in this regard.







Climate change

Action

Raise awareness of company Greenhouse Gases (GHG) emissions.

Description

We will study the feasibility of the Greenhouse Gases (GHG) reduction initiatives identified in 2019 at Groupement Reggane Nord (GRN).

Indicator

Prepare a feasibility report about the GHG reduction initiatives identified.

What we've achieved



A report on the feasibility of the Greenhouse Gases (GHG) reduction initiatives identified in 2019 at Groupement Reggane Nord (GRN) has been prepared. It includes the initiatives identified, their status, description, planning and viability (for those that have not yet been implemented).

Contribution to the SDGs:





## Climate change

### Action

Improve the Green House Gases (GHG) emissions reporting.

### Description

We will prepare an action plan to implement the Repsol procedure "Management of GHG Emissions in E&P" regarding the internal reporting of GHG in our non-operated assets.

We will prepare an action plan to improve the reporting of CH4 emissions in the non-operated assets selected by the company, in the framework of the Oil and Gas Methane Partnership (OGMP 2.0) implementation.

### Indicator

Report GHG emissions periodically.

Define CH4 action plans

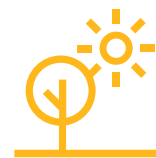
## What we've achieved



1. After performing a gap analysis in our non-operated assets against the procedure "Management of GHG Emissions in Exploration and Production (E&P) ", an action plan has been prepared for its full implementation. Following this procedure the Business Unit periodically reports GHG emissions.
2. The action plan to improve the reporting of CH4 emissions in the non-operated assets, in the framework of the Oil and Gas Methane Partnership (OGMP 2.0), has been postponed until 2022.

## Contribution to the SDGs:





## Environment

### At Repsol, we contribute to sustainable development...

In order to guarantee society sustainable growth over time, at Repsol we work prioritizing the actions necessary to minimize environmental impacts. For this, we optimize the use of the resources that we use in our industrial processes in the manufacture of our products, including water, and we minimize emissions to air and water, as well as the generation of waste, giving them a second life whenever possible.

The conservation of natural capital and biodiversity, as well as the implementation of the circular economy, are key aspects when developing our activity.

Our Safety and Environment Strategy defines the key lines of action on which the company will focus its environmental efforts by 2025: we must be able to quantify and assess the impacts and dependencies on the environment when making business decisions, focusing on the most sensitive aspects of our operations. Our goal is to maintain the social license to operate through excellent environmental management, showing that we are sustainable throughout our entire value chain, both in our projects and operations, as well as in the products and services that we make available to our customers.

This Sustainability Plan is committed to courses of action in accordance with the lines of work which Repsol operates in terms of sustainability.





## Environment

### Action

Implement the operating management system.

### Description

We will progress in the implementation of the new operating management system in the Groupement Reggane Nord (GRN) operations and we will train the GRN employees to get a successful implementation.

### Indicator

Develop the training Plan of the Operating Management System.

Launch the training Plan of the Operating Management System.

### What we've achieved



The implementation of the new operating management system (OMS) in the Groupement Reganne Nord (GRN) has advanced according to the 2021 Plan: 99% of the HSE management documents have been prepared, the internal audit has been carried out in October and two OMS Committee meetings have been held. In addition a Training Plan has been prepared and implemented including HSE leadership, investigation, risk management, emergency management and operational training.

### Contribution to the SDGs:





## Environment

### Action

Raise awareness of potential impacts on natural resources.

### Description

We will award and initiate a specific groundwater impact assessment for GRN (Groupement Reggane Nord) activity for understanding current and future potential impacts.

### Indicator

Award the tender.

Launch the Kick off meeting.

### What we've achieved



The groundwater impact assessment Scope of Work for Groupement Reggane Nord (GRN) has been prepared, the bidding process has been launched and proposals have been received and are being evaluated. The Groundwater impact assessment award and the kick off meeting were postponed to 2022, as the bidding process had to be launched at least three times due to the lack of proposals.

### Contribution to the SDGs:







## Environment

### Action

Contribute to sustainability through the monitoring of Circular Economy initiatives.

### Description

We will support GRN (Groupement Reggane Nord) in the monitoring of Circular Economy initiatives identified during 2020 and giving them publicity in the Company.

### Indicator

Prepare quarterly monitoring reports.

### What we've achieved



The Circular Economy initiatives identified during 2020 have been monitored on a quarterly basis during 2021 and the corresponding quarterly reports have been prepared. In addition, we have contributed to the dissemination of some of the most successful circular economy initiatives within the company.

### Contribution to the SDGs:





## Environment

### Action

Contribute to minimising company's gas emissions.

### Description

We will prepare the Scope of Work of a project for a LDAR (Leak detection and repair) assessment after the maintenance shutdown of Groupement Reggane Nord (GRN) and introduce it to the Groupement.

### Indicator

LDAR Scope of Work.

### What we've achieved



The Scope of Work of a project for a LDAR (Leak detection and repair) assessment in Groupement Reggane Nord (GRN) has been prepared and consulted with relevant GRN management.

Through the LDAR campaign it is possible, using optical equipment, to detect unidentified gas leaks, thus being able to reduce GHG (Green House Gases) emissions and obviously improve the process safety.

### Contribution to the SDGs:



## 2 2021 Sustainability Plan



### Innovation and technology

#### At Repsol, we contribute to sustainable development...

Advancing in the decarbonization of processes and products and in Sustainability is a key objective in the future strategy of our industry. For this reason, at Repsol, we are strongly committed to the decarbonisation of our industrial and transport production, counting on a strong investment in R&D&i at our research center (Repsol Technology Lab).

Also since its creation in 2017, Repsol's Digitalization Program has maintained a firm commitment to Sustainability. On a transversal basis, this program is contributing to the digital transformation of Repsol's business units, obtaining impacts throughout the entire value chain.

Repsol Technology Lab promotes open innovation, that is, collaboration with the innovative ecosystem by building a work environment capable of accelerating the full deployment time of disruptive technological products. This collaboration model is essential to obtain successful results and build more efficient and sustainable energy systems.

As an example of open innovation, Repsol has an investment fund that is intended to acquire stakes in start-ups that offer solutions in three areas of action: decarbonisation and circular economy, advanced mobility and renewables, and digital technology and asset optimization.

This Sustainability Plan includes a commitment to the following actions, in step with the lines of work that Repsol has set on this axis of sustainability.



# 2 2021 Sustainability Plan



## Innovation and technology

### Action

Reduce drilling waste (cuttings) and water consumption.

### Description

This initiative includes the following activities:

1. We will perform a slim well design in most of our wells with the aim of reducing the drilling waste (cuttings) and water consumption during operations.
2. We will implement the dewatering process (successfully tested in 2nd drilling campaign) in our drilling operations, with aim of reducing chemicals in drilling waste and water consumption.

### Indicator

Prepare slimer designs within the next Drilling Programs.

Consider the dewatering package part of the solid control service.

## What we've achieved



1. The wells to be drilled in 2022 in Groupement Reggane Nord (GRN) have a slim design with the aim of reducing the drilling waste (cuttings) and water consumption during operations.
2. The dewatering process has been approved and considered in the dewatering package as part of the solid control service for the wells to be drilled in 2022.

## Contribution to the SDGs:



# 2 2021 Sustainability Plan

## Safe and secure operation



### At Repsol, we contribute to sustainable development...

We pursue the ambition of Zero Accidents by demanding a high level of safety in our processes and facilities, with special attention to the protection of people and the environment that surrounds us, also working to raise awareness of our suppliers and contractors.

As a result of the conviction that safety is the basis for the creation of value, excellence and responsibility, our Safety and Environment Strategy for 2025 sets the key lines of action on which to focus our safety efforts: promoting the culture, transformative leadership and safety awareness. In addition, as a sign of our commitment, the safety objectives have an impact on the variable remuneration of our employees of 10%.

In the current global context, with the acceleration of the digitalization process of society, secure operation also extends to digital operations, and cybersecurity is gaining more and more importance. We have been working on cycles of improvement and adaptation our processes and information technologies for more than a decade. Also aware that it is an environment that is constantly evolving and gaining complexity, far from stabilizing the effort, we increase it in each cycle.

Below we demonstrate courses of action pointing to our commitment to safe and secure operation.





# 2 2021 Sustainability Plan



## Safe and secure operation

### Action

Evaluate the health, safety and environment (HSE) culture of our assets.

### Description

We will monitor the progress of HSE culture in Groupement Reggane Nord (GRN) after the implementation of the HSE Culture action Plan.

### Indicator

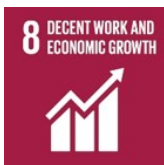
Elaborate the HSE culture progress report.

## What we've achieved



The progress of the HSE culture action plan in Groupement Reggane Nord (GRN) has been monitored on a quarterly basis during 2021 and all the actions for 2021 have been completed and recorded in the corresponding HSE culture progress reports. At the end of 2021 the percentage of compliance of the plan is 93%. Actions completed in 2021 have been related to HSE leadership, just culture, HSE communication and HSE training.

## Contribution to the SDGs:



# 2 2021 Sustainability Plan



## Safe and secure operation

### Action

Promote the health, safety and environment (HSE) training of our assets.

### Description

We will roll out the Occupational Safety Training in Groupement Reggane-Nord.

### Indicator

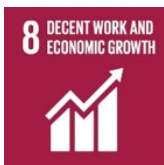
Achieve at least a 75% of people trained.

## What we've achieved



Occupational safety training has been implemented at Groupement Reggane Nord (GRN) in the first half of the year. Contractors and employees have been trained and 40% of those registered have completed the training. The training has consisted of key topics in occupational safety such as general principles, permit to work, work at height, scaffolding, land transport, lifting and hoisting, etc.

## Contribution to the SDGs:



## 2 2021 Sustainability Plan



### Safe and secure operation

#### Action

Contribute to security in remote or desert areas by training personnel on how to react in the event of a security threat.

#### Description

We will extend the HET (Hostile Environment Training) courses to new expatriates in the Algeria Business Unit, taught by specialists, to instruct employees on the security risks they may encounter in remote and desert areas.

#### Indicator

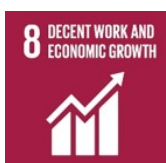
Train 100% of new expatriates by the end of 2021.

### What we've achieved



100% of new expatriates have been trained in HET (Hostile Environment Training) during 2021. The main topics covered in this training are: personal security and travel preparation, situational awareness, mobile and vehicles security, surveillance and hostile planning, kidnap and ransom and grab bag.

### Contribution to the SDGs:





### At Repsol, we contribute to sustainable development...

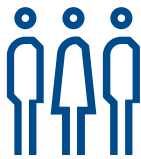
Our employees, communities, commercial relations, and customers are a primary axis in our sustainability model.

We know that the **people that make up Repsol** are our main competitive advantage and the key to being a sustainable company. We are committed to equal opportunities, the integration of people with disabilities, multi-culturalism, work-life balance, health and wellness, training and development, and attracting and retaining talent.

Business operations are carried out in an increasingly demanding and informed social environment, and companies strive to **establish sound relationships** based on the principles of respect, cultural sensitivity, integrity, accountability, transparency, good faith, and non-discrimination with the people they interact with, particularly local communities. At Repsol, we are committed to continue respecting human rights, and this means preventing our activities from having negative consequences for local people and, if such a thing does occur, doing everything possible to repair the damage done.

This axis includes the following initiatives.





## People

### Action

Reinforce our commitment with local employees and develop new talent.

### Description

We will review and update the Human Resources Handbook to align with Repsol's policies.

### Indicator

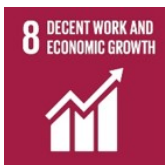
Update and communicate to employees the Human Resources handbook.

## What we've achieved



We have reviewed and updated the Human Resources Handbook to align it with Repsol's policies. The main topics covered in the document are related to professional development, hiring and types of contracts, vacations and licenses and benefits. The communication of this document will take place during 2022.

## Contribution to the SDGs:







## People

### Action

Manage the social impact of our activities.

### Description

We will include a social part in health, safety and environment management in Groupement Reggane-Nord (GRN) contracts procedure and specially in contracts with high social impact (catering, cleaning, security and drivers, etc.).

### Indicator

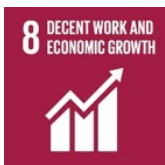
Elaborate a Social Performance checklist bid evaluation procedure of catering, cleaning, security and drivers, etc. contracts.

## What we've achieved



All the Groupement Reggane Nord (GRN) Contracts include the Code of Conduct as a contractual annex to be approved by the supplier. GRN Code of Conduct policy outlines main expectations and commitments to maintain high ethical behavioural standards during all company related activities including personnel behaviours toward their colleagues, supervisors, third parties and overall organization. This policy applies to all personnel regardless of employment agreement or position in the organization.

## Contribution to the SDGs:



# 2 2021 Sustainability Plan

## Ethics and transparency



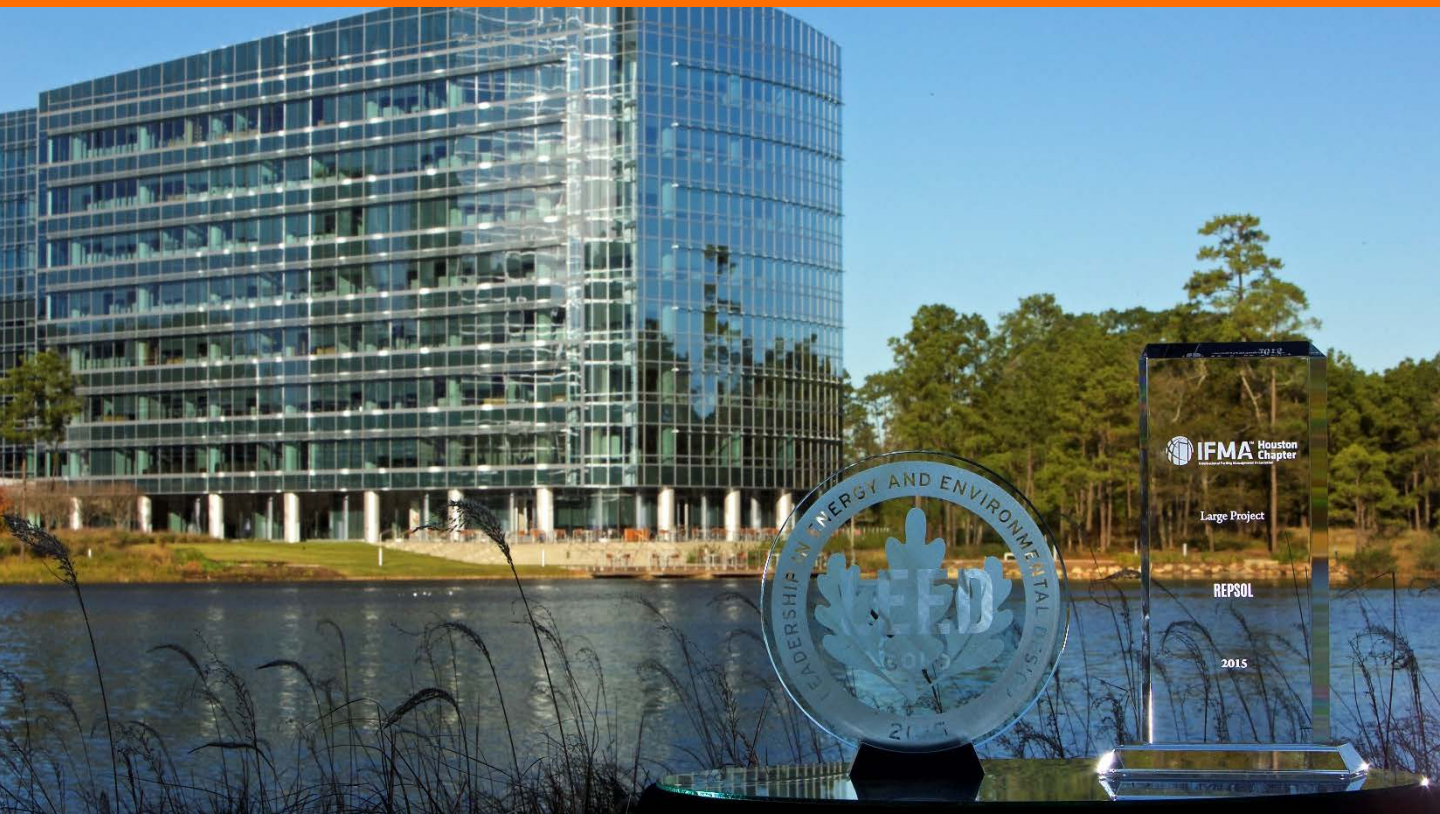
### At Repsol, we contribute to sustainable development...

**We act with integrity** in all countries in which we are present. Our ethical conduct involves strict compliance with both the letter and the spirit of the law.

On this axis, we establish the set of actions that ensure the company promotes and encourages a culture of integrity and responsibility for all Repsol employees, as well as our suppliers, contractors, and business partners.

We also define **transparency and accountability** as differential elements in the Repsol sustainability model. To be credible, it must be consistently transparent. We want to be publicly recognized as an honest and transparent company in tax-related matters. Thus, **we are engaged in EITI** (Extractive Industries Transparency Initiative) with the aim of strength our cooperative relationships with the administrations.

In this Sustainability Plan, we have committed to actions that will help the company overcome the challenges we have set for ourselves in this area, while responding to the main expectations of our stakeholders





## Ethics and transparency

### Action

Improve our social performance.

### Description

We will organize a workshop with the collaboration of our department of community relations to update the Algeria’s social impact matrix, as part of the company’s social process.

### Indicator

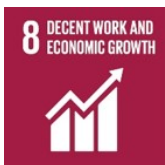
Update the social impacts’matrix of the business unit.

## What we've achieved



In October 2021, a workshop was held to update the social risk matrix of the Algerian Business Unit. It was facilitated by the Repsol Community Relations Department following the company’s standards. The workshop focused on the identification and evaluation of the current social risks and the analysis of mitigation actions. These actions are mainly related to the community engagement, social training and the improvement of the social baseline in the area.

## Contribution to the SDGs:



### 3 Process of updating the Plan

#### **This Sustainability Plan is a dynamic document.**

Each year we will give an account of the extent to which the actions that make up this Plan have been carried out by publishing a monitoring report.

Moreover, given that the expectations of our stakeholders and the issues that concern them are changeable and subject to the evolution of events during the course of the year, this Plan will be updated annually with new actions or the reformulation of existing ones to adapt them to the new situation.

The successive updates of the plan will leave behind them a trail of completed actions that, collectively, are a contribution of our company to sustainable development.



