



Overview
2021
Sustainability Plan
Repsol Sinopec Brazil



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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.



We want to be part of the solution to climate change



We consume the resources needed to generate power more efficiently and with the least possible impact



We encourage innovation and incorporate technological advances to improve and develop ourselves and our environment



We guarantee the safety and security of our employees, contractors, partners, and the local community



We are committed to people and promote their development and social environment



We act responsibly and fully where we are present

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



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



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:



2021 Sustainability Plan

Noteworthy projects

At Repsol, we contribute to sustainable development...

offering continuity to topics that require a permanent attention, such as Ethics, People and Safety, also accelerating digital transformation and innovation with a focus on new ways of working and solutions against climate change.



Equal opportunities and a more inclusive work environment

In 2021, with the aim of proposing initiatives that have a direct impact on promoting a more inclusive company, we created the Repsol Sinopec Brazil Diversity and Inclusion Committee with the voluntary participation of 25 employees. We also highlighted training actions on "Unconscious Biases" with 80% participation. We have applied gender equity criteria in new hires, 64% of whom have been women, further promoting equal opportunities for our professionals in a conciliation and flexibility environment.



Low carbon footprint business development - natural gas

We have made progress in the achievement of business related to the natural gas, entering contracts for the gas sale from the Sapinhoá Norte field with Petrogal. This is a milestone for Repsol Sinopec Brazil, which will contribute to the opening of the gas market in Brazil, with great growth potential. Natural gas plays a fundamental role in the Brazilian and global energy system, due to its security of supply and its indispensable role in the energy transition.



Innovation and technology for mitigating the climate change effects

In 2021 we inaugurated our research and development line in carbon management, with the CO2CHEM project, considered a pioneer in the country. The project consists of CO2 capture innovative technologies development for sustainable hydrocarbons production, which can be converted into fuels or even special paraffins, which are used to manufacture various products used in everyday life.

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:

16
Actions

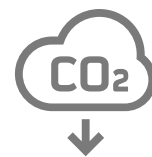
94 % Fulfillment
6 % In progress



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 CO₂ 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: Actions

Action

Update our emissions inventory including an emissions management plan for Repsol Sinopec.

Description

We will update the greenhouse gas (GHG) emissions inventory data with annual emissions from office activities, production assets and oil trading activities, adding a framework for GHG emissions management in accordance with Repsol Sinopec's strategy.

Indicator

Updated version of the 2021 emissions inventory.

Report methane emissions according to recommended emission sources and transparency in calculation methodologies.

Define goals and develop a GHG emissions management plan (carbon dioxide - CO₂, methane - CH₄ and nitrous oxide - N₂O).

What we've achieved



We have updated the GHG emissions inventory of Repsol Sinopec Brasil (RSB), resulting in an emission of 12.46 Kton CO₂eq per MMBbl (corresponds to the net/liquid emissions of RSB) produced in 2021, compared to 12.58 Kton CO₂eq per MMBbl for the year 2020. Additionally, we have defined an emissions reduction plan together with the partners in the assets in which we have a stake.

Contribution to the SDGs:





Climate change: Actions

Action

Implement research projects aimed at CO₂ capture and use.

Description

We will start the first research, development and innovation projects to compose our research line in technological innovation with a focus on CO₂ management.

Indicator

Investment of 10% of Repsol Sinopec's budget.

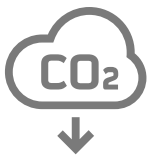
What we've achieved



We have started a new line of research and development for carbon management with the launch of the CO₂CHEM project, which uses pioneering technology for the use of carbon with applicability in E&P (exploration and production) businesses. So far, we have invested 6.3 million reais, which is equivalent to 6.7% of the R&D budget in 2021.

Contribution to the SDGs:





Climate change: Actions

Action

Continue to develop new low-emission businesses through the use of natural gas.

Description

We will actively participate in the process of opening the natural gas market in Brazil, evaluating all business opportunities and working with partners to find solutions to monetize pre-salt gas. Through these activities, we will seek to offer society a safe and less carbon-intensive energy source.

Indicator

Evidence, through contracts with third parties, of Repsol Sinopec's participation in the Natural Gas value chain.

What we've achieved



We have made progress in the priority issues related to the Natural Gas chain, entering into sales contracts for gas from the Sapinhoá Norte field with Petrogal. The beginning of this contract was made thanks to the Swap agreement with Petrobras that allows virtual access to processing capacity for the subsequent sale of gas in specification. It is a milestone for Repsol Sinopec and the gas sector in Brazil, by offering society a safe and less carbon-intensive source of energy.

Contribution to the SDGs:





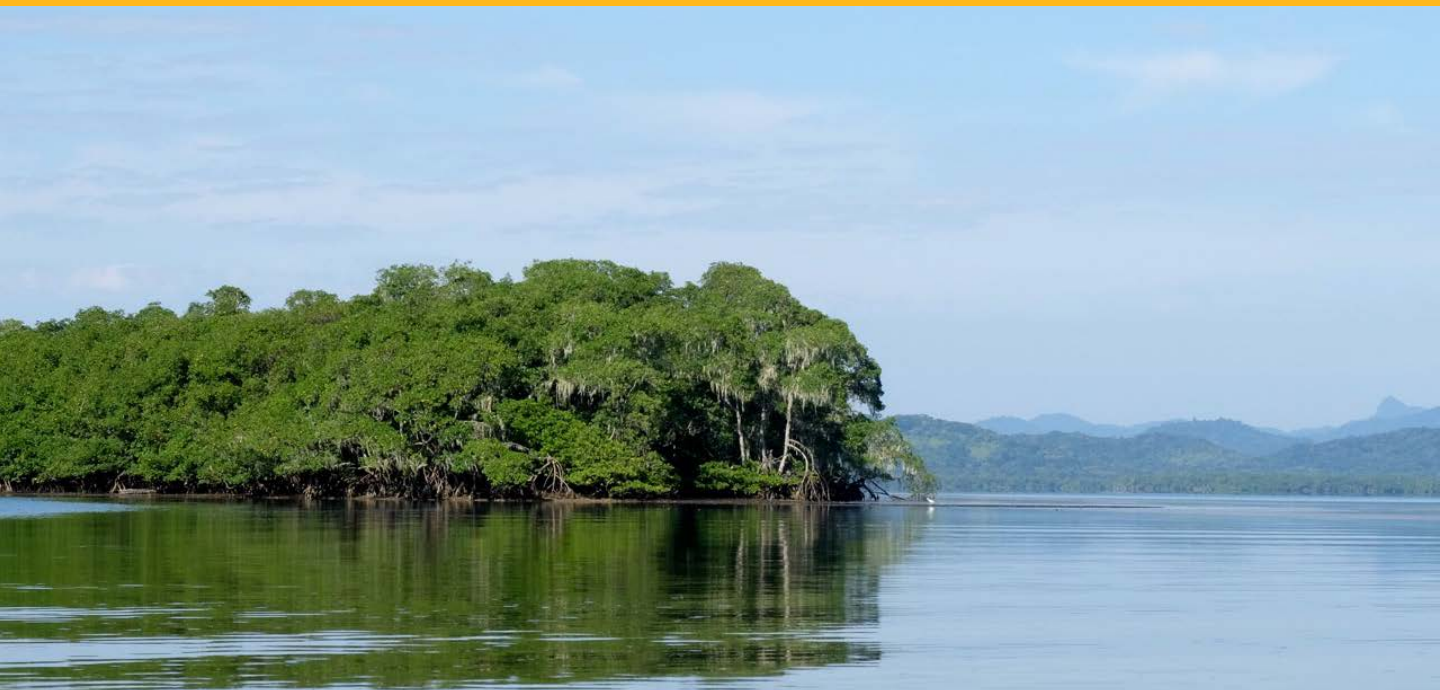
At Repsol, we contribute to sustainable development...

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: Actions

Action

Fostering environmental culture in the supply chain.

Description

We will implement the updated environmental clause in new contracts entered into as of January 2021.

Indicator

Include the updated clause in 95% of the contracts signed in 2021.

What we've achieved



We have implemented the environment clause in 100% of the 27 new contracts signed in 2021. The purpose of the environment clause is to manage risks in accordance with the scope of the contract and the exposure that it could bring to Repsol Sinopec Brasil. We have categorized 3 different management levels and each contract mode will define the responsibilities between the operator and the contractor and also the requirements that the contractor will have to fulfill contractually.

Contribution to the SDGs:





Environment: Actions

Action

Conduct an emergency response drill with an oil spill scenario at sea.

Description

We will exercise the Repsol Sinopec RSB Emergency Response Plan with mobilization of the Incident Management Team (IMT) and Business Support Team (BST) considering a scenario of an oil spill at sea in one of Repsol Sinopec's assets.

Indicator

Conduct emergency response drills through December 2021.

What we've achieved



We have carried out the emergency response drill in the field of oil transport operations between ships (Ship to Ship), with the participation of the service provider and mobilization of the internal teams (IMT – Incident Management Team) and (BST – Business Support Team). The exercise was carried out successfully, improving risk analysis and response effectiveness for this operation.

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 decarbonization 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: decarbonization 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.





Innovation and technology: Actions

Action

To advance in technological innovation, promoting the development of solutions focused on sustainability.

Description

We will continue with a portfolio of research, development and innovation at RSB (Repsol Sinopec Brasil) aligned with the Repsol group's sustainability model and focused on safety, environment, innovation and technology, and climate change.

Indicator

Achieve a 40% investment in Repsol Sinopec technology projects aligned with the axes of the Sustainability Model.

What we've achieved



We have started the ARIEL Phase 2, COIN Phase 4, USIS and DEEP SHIFT projects aimed at increasing the operations safety, better understanding the behavior of CO₂ in reservoirs, automating inspection tasks in a marine environment and biodiversity protection, with estimated investments at 19.5 million reais (40% of investments), scheduled between 2021 and 2023. Until December 2021, we have invested R\$7.5 million in the 4 projects.

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.





Safe and secure operation: Actions

Action

Fostering a culture of safety in the supply chain.

Description

We will implement the updated security clause in new contracts entered into as of January 2021.

Indicator

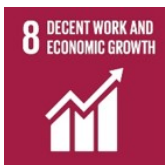
Include the updated clause in 95% of the contracts signed in 2021.

What we've achieved



We have implemented the security clause in 100% of the 27 new contracts signed in 2021. The security clause is intended to manage risks according to the scope of the contract and the exposure that it could bring to Repsol Sinopec Brasil. According to this, we have categorized 3 different management levels, each contract mode will define the responsibilities between the operator and the contractor, also the requirements that the contractor must fulfill contractually.

Contribution to the SDGs:





Safe and secure operation: Actions

Action

Continue the sensitization and training process to strengthen the security culture.

Description

We will expand the Safety Leap safety leadership program and offer the updated Introduction to Safety and Environment and Prevention of occupational hazards outside your office training content in online versions for all employees.

Indicator

80% employee participation in the Safety Leap course until December 2021.

95% employee participation in the Introduction to Safety and Environment course until 2022, with at least 60% participation until December 2021.

95% employee participation in the Prevention of occupational hazard outside course until 2022, with at least 60% participation until December 2021.

What we've achieved



We have achieved a participation of 96% (105 people) in the "Safety Leap - Salto de Seguridad" course; 77% (85 people) in "Introduction to Safety and Environment Culture" course; and 78% (86 people) in the "Prevention of occupational risks outside the office" course, until December 2021.

Contribution to the SDGs:





Safe and secure operation: Actions

Action

Promote internal cybersecurity awareness.

Description

We will develop an internal communication campaign and offer a course to raise employee awareness and prevent cybersecurity-related risks.

Indicator

Implementation of the communication campaign until December 2021.

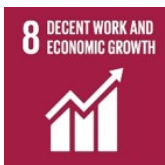
Participation of 80% of employees in the Firewall Cybersecurity online course.

What we've achieved



We have disseminated content related to cyber security in internal communication channels and we have provided a conference on the subject with the participation of 86% of employees, until December 2021.

Contribution to the SDGs:





Safe and secure operation: Actions

Action

Manage the updating of operating systems to ensure information security.

Description

We will update server and computer operating systems to prevent cybersecurity risks.

Indicator

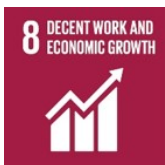
Updating of server operating systems > 90% and 100% of client machine operating systems.

What we've achieved



We have guaranteed the proper management of infrastructure security, reaching the challenge of 100% of the computer and server operating systems fully supported by the manufacturer (not obsolete), updated with the latest version, thus reducing vulnerabilities and therefore consequently the possible threats and cybersecurity risks in our systems and servers.

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: Actions

Action

Promoting a more diverse and inclusive work environment.

Description

We will continue to create awareness and training actions on unconscious bias and other diversity and inclusion issues. We will seek alternatives that generate more egalitarian conditions in parental life between men and women.

Indicator

Maintain the criterion of 50% women in new hires, if applicable. Approval of the extension of Paternity Leave.

Extend the online course on unconscious bias with participation of 95% of employees until 2022, with at least 60% participation until December 2021.

Continue with the Diverse Experiences program focused on the dimensions of diversity and inclusion.

What we've achieved



We have hired 7 female professionals who represent 64% of new hires. We have reached 80% participation of employees in the "Unconscious Bias" course, until December 2021. In addition, we have continued the "Diverse Experiences" program and created the Repsol Sinopec Brazil Diversity Committee. Through the Collective Agreement with the employees, we have managed to extend the Paternity Leave from 20 to 120 days.

Contribution to the SDGs:





People: Actions

Action

Continue to ensure the implementation of health protocols to prevent the spread of COVID-19 among employees and the community.

Description

We will follow the evolution of the pandemic, making decisions for the protection of health and continuity of work, through the crisis committee led by the CEO. We will comply with social isolation determinations according to risk analysis, offering support for remote work and medical services for exclusive follow-up of COVID-19 cases, psychological support, telemedicine, in addition to actions focused on the physical and emotional health of employees.

Indicator

Assess the pandemic situation through the crisis committee and update health and safety protocols.

Provide medical assistance including telemedicine services for COVID-19, psychology, and medical emergencies.

Deploy content and promote actions on physical and mental health.

What we've achieved



We have monitored the evolution of the pandemic with the Crisis Committee support in 48 meetings a year. We have carried out 4 collective actions related to the Health Program, including assistance in psychological, financial, legal issues and general information about COVID-19. We achieved 98% vaccination among employees. We have promoted lives and disseminated content by email to collaborators on physical and mental health, covering topics such as child health and meditation techniques

Contribution to the SDGs:





People: Actions

Action

Encouraging flexible work and work-life balance.

Description

We will expand benefits that contribute to improved adaptation to remote and/or hybrid work. We will publish our new home office policy to provide broader adoption of this modality for employees in a post-pandemic scenario.

Indicator

Publication of the new home office policy.

Creation and publication of content to raise awareness of the benefits approved in the collective labor agreement.

What we've achieved



We have updated and published our remote work policy and implemented a pilot project for the gradual return to office activities in a hybrid model (face-to-face and remote). Additionally, we have held 4 meetings as part of the collective agreement process, the results of which were disclosed by email to all employees.

Contribution to the SDGs:





People: Actions

Action

Promote positive social impact through voluntary actions.

Description

We will continue our volunteer program in partnership with Junior Achievement RJ and Fundación Repsol involving employees in activities focused on education, social assistance and the environment.

Indicator

Participation of at least 30% of employees in 4 volunteer activities.

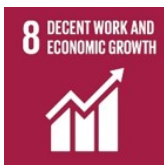
Benefit at least 500 people.

What we've achieved



We have carried out 5 activities focused on education, entrepreneurship and the environment in association with the NGOs Junior Achievement, Ecoflora, Argilando and Fundación Repsol, involving the participation of 51 collaborators (48%), benefiting at least 886 people with projects that provide social innovations (water and garbage management, community gardens, soap production from used cooking oil) and actions to mitigate the effects of climate change

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



2 2021 Sustainability Plan



Ethics and transparency: Actions

Action

Increasing the fiscal transparency of our upstream operations in Brazil.

Description

We will increase the tax transparency of related party transactions by simplifying the corporate structure and respecting international regulatory compliance practices. Following the publication of the new REPETRO (Law 13. 586/2017), the need for operating companies in the Netherlands will be reduced, resulting in the transfer of assets and contracts for Brazil.

Indicator

Completion of the activities of the three Dutch companies (Agri BV, Lapa BV and Guara BV) until December 2021.

What we've achieved



With the publication of the new REPETRO, the need for operating companies in the Netherlands was reduced. With the completion of the transfer of assets and contracts to Brazil, it was possible to begin the necessary steps to terminate the activities of the companies. As "non-operators", we work together with the "operators" to complete each of the steps. Thus, we have received confirmation that Guara BV will be the first among the other companies to be closed in the Netherlands.

Contribución a los ODS:





Ethics and transparency: Actions

Action

Ensure the insertion of compliance clauses in new contracts.

Description

We will verify the inclusion of compliance clauses in the contracts signed by Repsol Sinopec to consolidate the culture of compliance and zero corruption in the activities developed in Brazil.

Indicator

Inclusion of compliance clauses in 95% of contracts signed by 2021.

What we've achieved



We have included the compliance clause in 100% of the new contracts signed by Repsol Sinopec Brasil (RSB) in 2021. The compliance clause included in the contracts, in addition to complying with current regulations and demonstrating RSB's concern with ethics business, allows avoiding or mitigating the risks of possible violations of regulations by our contractors and other stakeholders, thus avoiding financial and image damage to RSB.

Contribución a los ODS:



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.



