



Overview 2021 Sustainability Plan Mexico



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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...

through the commitment to Mexican society in the integral exercise of sustainability values, not only in what we do but also in how we do it, in each of the service stations and exploration and production projects we have in Mexico.



Fuel transporters safety strengthening

We promote the growth of a safety structure in the road fuel transportation, with the aim of increasing the people and vehicles protection, as well as respect and care for the environment.



Human Rights training

We carry out human rights training campaigns and consider it an essential element in the contracting and purchase of Repsol products.

We implemented human rights awareness and training actions aimed at buyers by sending communications and training materials.



Identifying and hiring local talent

We encourage the development of the local environment and privilege the Mexican people and services hiring for the development of our exploration and production projects. We went beyond the national content established by law; we believe there is sufficient talent and consider it a competitive advantage to have people who have a deep understanding of the local context.

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:

14
Actions

100% Fulfillment



Environment

1 Action



Innovation
and technology

2 Actions



Safe and secure
operation

3 Actions



People

6 Actions



Ethics and
transparency

2 Actions

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

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

Incorporate principles related to environmental protection, circular economy and SDGs in the training actions of people working in Repsol Mexico, both directly and indirectly.

Description

We will carry out actions to train and raise employee awareness of the environment, circular economy and SDGs so that their activities in the projects in which they participate contain elements aligned with these principles.

Indicator

Include a section on environmental responsibility in training courses for our own management network in Mexico.

What we've achieved



We have included sections on environmental responsibility, with messages related to the SDGs and our efforts in circular economy, in the training we carry out with our partners and suppliers. In addition, we have provided all people working at Repsol-branded service stations with safe operation guides to raise their awareness of the care and protection of natural resources.

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

Action

Improve the IT systems of service stations to make them more secure in their operation.

Description

We will implement hardware upgrades to prevent cybercrime at service stations and awareness sessions with office staff to address potential incidents.

Indicator

Implement the systems in 80% of service stations.

What we've achieved



We have implemented, through the Task Force, different systems that result in the safety and transparency of our operations: A more robust volumetric control system in 100% of the service stations that are flagged with Repsol. In addition, we have established the automation of the tank book, to ensure the quantity incorporated in the service station, increasing safety.

Contribution to the SDGs:





Innovation and technology

Action

Optimise systems by finding new ways of working.

Description

We will incorporate a task force to execute enhancements to our systems framework so that repetitive tasks are automated, focusing working hours on those actions that add value.

Indicator

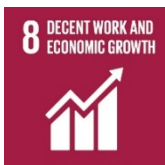
Implement an automation project.

What we've achieved



We have implemented 85% of a financial control system for our self-managed stations; and we have developed a Web service program, which allows us to obtain information from the stations automatically: sales, volumes, etc.

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

Train all people working at Repsol-flagged service stations to act safely in the event of incidents.

Description

We will implement safety awareness and training actions aimed at employees of service stations managed by Repsol in Mexico.

Indicator

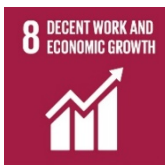
Application to 100% of operational service stations.

What we've achieved



We have conducted employee training at 100% of our operating service stations. We have also issued several safety bulletins, lessons learned and other communication campaigns through electronic media, with the aim of raising awareness and securing operations.

Contribution to the SDGs:



2 2021 Sustainability Plan



Safe and secure operation

Action

Strengthen the safety of drivers and road fuel transport vehicles.

Description

We will promote the growth of a security structure around road fuel transport, with the aim of increasing the protection of people and vehicles, as well as the environment.

Indicator

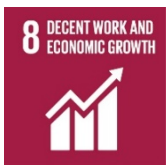
Implementation of structure in all contracted transport lines.

What we've achieved



To increase the safety of drivers working in the transport companies contracted by Repsol, we have developed control procedures implemented since the bidding process. We also carry out operational monitoring, promoting the creation of competencies aimed at regulatory compliance and global objectives related to Safety and Environment related to road driving.

Contribution to the SDGs:



2 2021 Sustainability Plan



Safe and secure operation

Action

Exercise evident, proactive and systematic safety leadership at all levels of the organization.

Description

We will conduct the roll-out of the Safety Leap safety leadership training programme for employees.

Indicator

80% of Repsol Mexico employees take the course.

What we've achieved



We exceeded our goal of providing "Safety Leap" safety leadership training to more than 80% of Repsol workers at different levels in Mexico, reaching 88%.

Contribution to the SDGs:



2 2021 Sustainability Plan

People



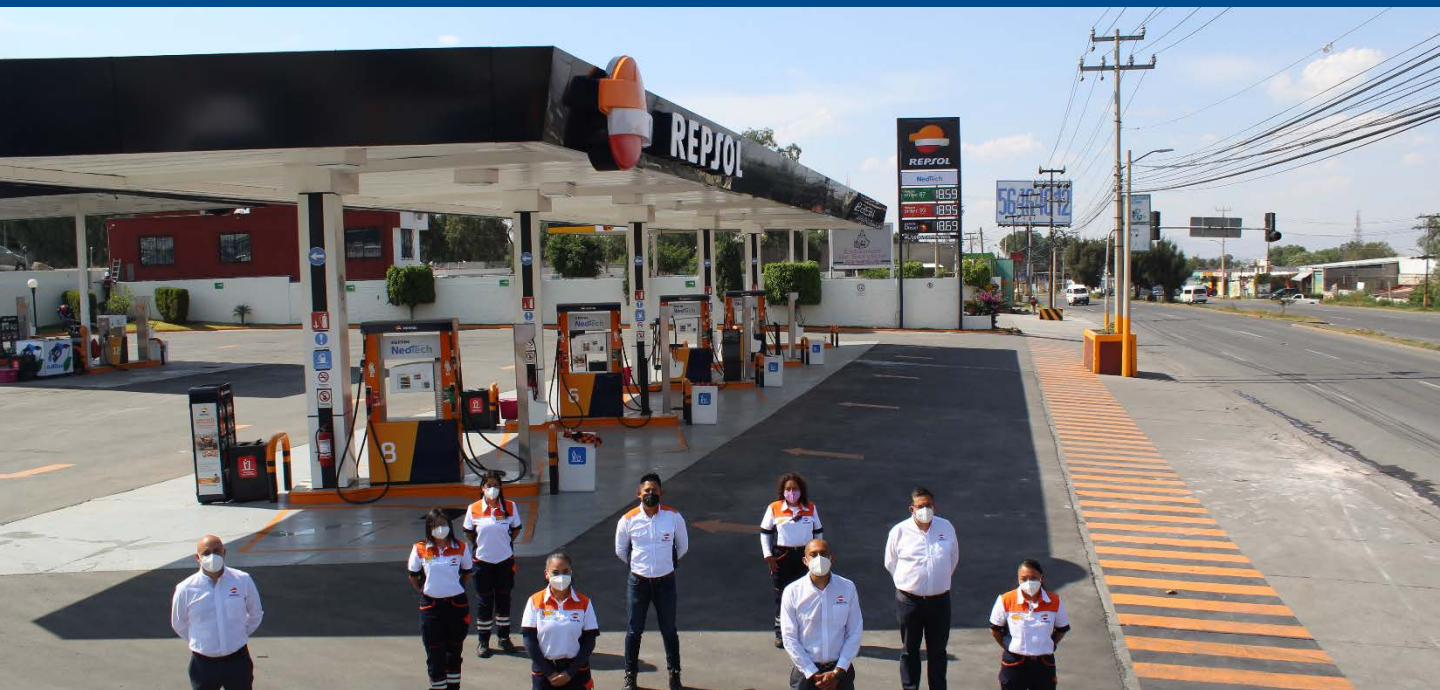
At Repsol, we contribute to sustainable development...

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

Collaborate with educational institutions on energy transition and climate change.

Description

We will develop agreements with educational institutions, exchanging knowledge with them through the participation of company experts on energy transition and climate change.

Indicator

Conduct 3 knowledge exchange sessions with Mexican public institutions.

What we've achieved



We have participated with expert voices from the company on Sustainability and Energy Transition in specialized courses and postgraduate master's degrees at the Anáhuac University, Universidad Panamericana, Instituto Tecnológico de Macuspana, Universidad Politécnica del Golfo de México and Universidad Poli-técnica del Centro. Approximately 10,000 students have attended these meetings.

Contribution to the SDGs:





People

Action

Carry out training campaigns on human rights so that it is an essential element in the contracting and purchase of products in Repsol.

Description

We will launch awareness-raising and training actions on human rights for buyers through communications and training materials.

Indicator

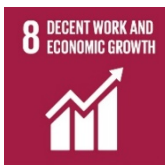
Make two communications per year.

What we've achieved



Although we have not carried out any communication campaigns this year, we have included a clause in 70 of our contracts that binds our auxiliary companies to the principle of Ethics: "The SUPPLIER (...) undertakes to conduct itself with ethics, probity and in compliance and respect for the rights set forth in the International Bill of Human Rights and the principles relating to fundamental rights set forth in the Declaration of the International Labor Organization (...)"

Contribution to the SDGs:





People

Action

Share information on the 2030 Agenda among those organizations that collaborate with Repsol.

Description

We will disseminate the 2030 Agenda among our suppliers and contractors by sending information about it and sharing the actions that Repsol carries out in this regard.

Indicator

We will send 4 communications in this regard to our network of suppliers and contractors.

What we've achieved



In Repsol we have made various communications related to our position in relation to the 2030 Agenda to different stakeholders, publicly through press releases, social networks and website. However, no specific communications have been carried out in this regard. The saturation of information related to the energy sector in Mexico, has required that our communications with our stakeholders focused on operational issues.

Contribution to the SDGs:





People

Action

Carry out a secure integration process at Repsol's offices in Mexico.

Description

We are going to develop a post-covid integration plan in which we will apply the most demanding measures to contribute to maintaining the health and safety of all the people who work at Repsol.

Indicator

Design and implementation of the plan.

What we've achieved



We have prepared a secure office integration plan, which has allowed us a staggered return to face-to-face work with all the necessary security measures in place. Until the month of December, we continued with a 50% capacity of the team and performed antigen tests on employees on a weekly basis. We have also reported infections and maintain quarantine if necessary. We have not had to regret any massive contagions in Repsol Mexico.

Contribution to the SDGs:





People

Action

Generate as many jobs as possible in Mexico by hiring local companies for our exploration and production projects in the country.

Description

We will seek to contract Mexican companies and individuals for the development of exploration and production projects, beyond the percentage indicated in the current legislation.

Indicator

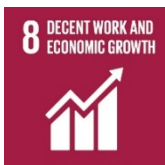
Exceeding the percentage of national recruitment as set out in the legislation in force in Mexico.

What we've achieved



In 2021 at Repsol we exceeded the percentage of national content required by law, by basing its strategy for contracting exploration projects on working together with local suppliers. We exceeded the 3% required for deepwater blocks and between 13% and 15% for shallow water blocks.

Contribution to the SDGs:





People

Action

Promoting local talent.

Description

We will prioritise the hiring of Mexican people and services for the development of our exploration and production projects. In this way, we will seek to go beyond our national content obligations under Mexican law.

Indicator

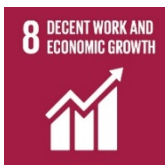
We will reach 15% of national content, when the standard is 13%.

What we've achieved



In the last year Repsol has exceeded the percentage of national content required by law, basing its strategy for contracting exploration projects on working together with local suppliers. We have exceeded the 3% required for deepwater blocks and between 13% and 15% for shallow water blocks.

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

Action

Reinforce the communication plan with new initiatives that contribute to consolidating the monitoring of ethics and conduct standards at Repsol.

Description

We will work with all people working at Repsol in Mexico to ensure that they carry out their activities in accordance with the strict rules of ethics and conduct that govern any activity in the company. We will make digital compliance training pills available to all Repsol Mexico employees. We will promote the use of the Repsol intranet to consult compliance issues and that all Repsol people in Mexico have access to the different internal rules in this regard.

Indicator

Send 4 communications to all employees with information on the subject.

Carry out at least one compliance training session for 85% of Repsol Mexico employees.

What we've achieved



We have sent 14 communications to our colleagues about the tools that Repsol makes available to apply the Standards of Ethics and Conduct that govern the company, such as policies to consult and video guides. In addition, we have conducted 3 online trainings and 2 courses through webinars. 80% of Repsol employees have taken these courses/webinars.

Contribution to the SDGs:



2 2021 Sustainability Plan



Ethics and transparency

Action

Publicly communicate our compliance, ethics and conduct manuals.

Description

We will include information on the Repsol Mexico website about our internal control systems for our management, ethics and conduct and compliance, with the aim of making our self-demand in these areas transparent.

Indicator

Incorporate information on ethics and transparency on the Repsol website.

What we've achieved



We have incorporated into our website the code of ethics and conduct that should mark all our activity. We have trained all of Repsol Mexico's employees and we have added to our code of conduct with various messages that require compliance with this decalogue of good practices.

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.



