

Overview 2021 Sustainability Plan PETRONOR



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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.

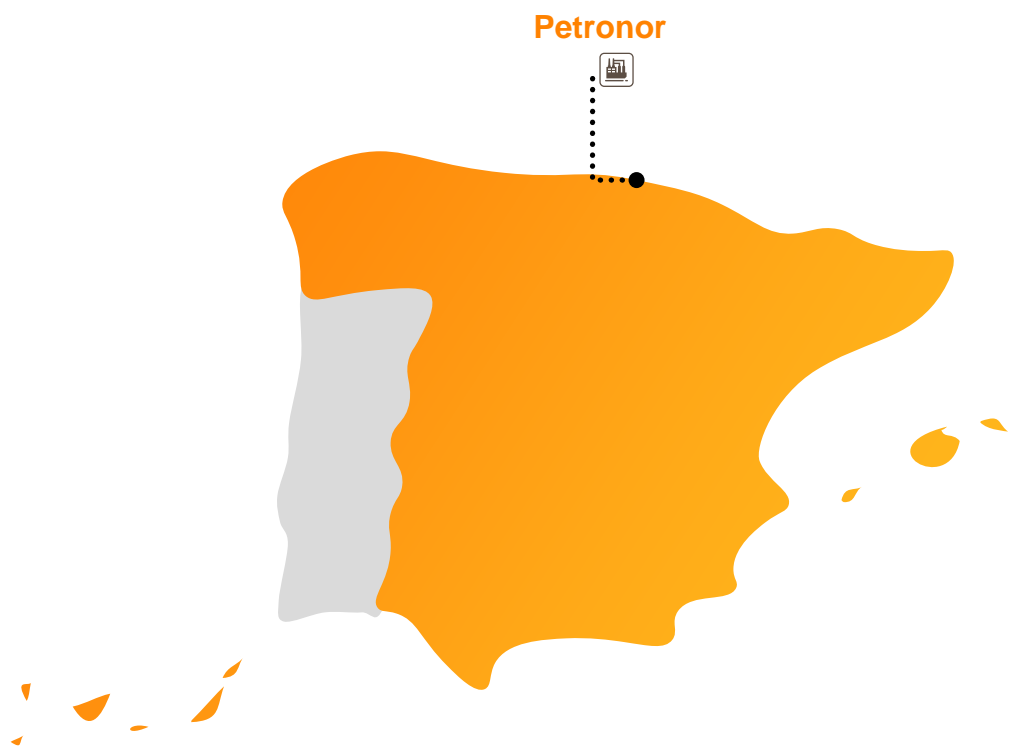
We want to be agents of environmental and social change in the territories in which we operate. We have the resources, the ambition and, most importantly, the commitment we need. That is our ambition, and the United Nations 2030 Sustainable Development Agenda shows us the way that we can make this happen.

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:



2021 Sustainability Plan

Noteworthy projects

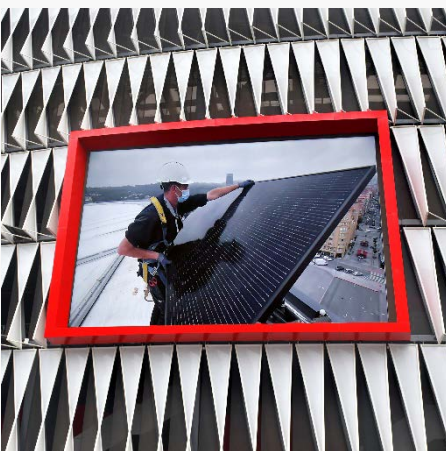
At Repsol, we contribute to sustainable development...

by placing its knowledge and technology at the service of the community for energy decarbonization, thus promoting the sustainability of socioeconomic development.



Energy decarbonisation

On November 8, the first Assembly of the Basque Hydrogen Corridor Association, BH2C, chaired by Petronor, was held at the Guggenheim Museum, with 71 companies and entities taking part in the event. The Corridor, presented in February, was created with the aim of promoting the decarbonisation of strategic sectors such as energy, mobility, industry and services.



Responsible consumption and sustainability

Edinor-Alba (Petronor's subsidiary) and Athletic Club installed photovoltaic panels on the roof of San Mamés in May, turning the stadium into the first solar energy community in La Liga (TEK Athletic). It has 300 solar panels with an output of 100kW. This initiative will prevent the emission of 425 tonnes of CO₂ per year, the equivalent of planting 1,600 CO₂ absorbing trees for 25 years.



Sustainable mobility and society

Bilbao was the world capital of sustainable urban mobility on 6 and 7 October with the holding of the SUM Bilbao 21 congress, organised by Petronor and the Bilbao City Council. The second edition of the meeting brought together more than 90 experts from the five continents, who addressed the most relevant and current issues related to urban mobility.

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

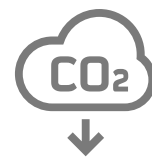
69 % Fulfillment
31 % In progress



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...

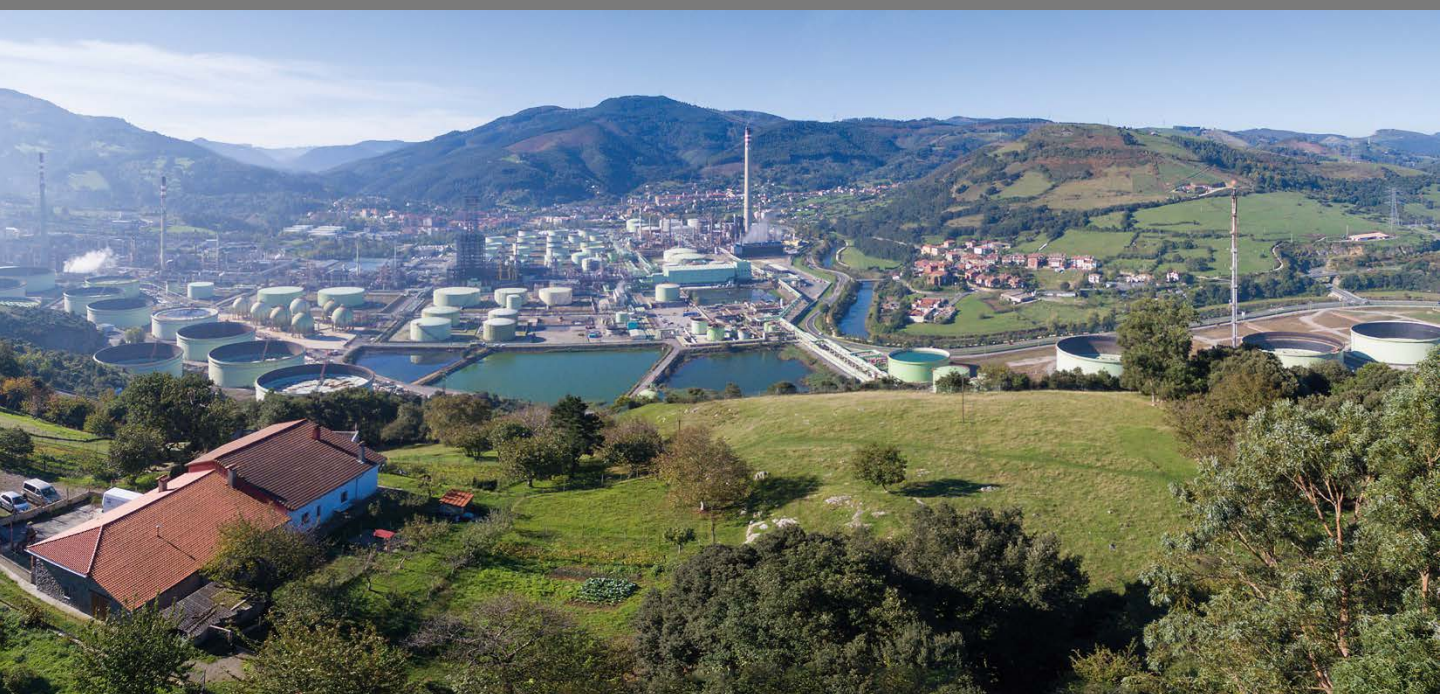
We share society's concern about the effect that human activity is having on the climate and we are firmly committed to the aspiration of limiting the increase in the planet's global average temperature well below 2°C with regard to pre-industrial levels.

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

Guarantee the quality of analytical results related to greenhouse gas emissions.

Description

We will ensure the quality of sample analysis results related to environmental impact. We will carry out analytical intercomparisons with reference laboratories of tests related to greenhouse gas emissions into the atmosphere.

Indicator

1 Intercomparison of liquid fuels (Fuel oil).

1 Natural Gas Intercomparison.

What we've achieved



We have carried out the intercomparisons and the results obtained show that the system applied in the tests for the characterization of liquid and gas fuels is adequate.

Contribution to the SDGs:





Climate change: Actions

Action

Install four photovoltaic energy generation centers.

Description

We will install photovoltaic generation centers with the entities and institutions that have established agreements and alliances.

Indicator

Carry out 4 photovoltaic generation installations of 100KW each.

Reach the generation capacity of 120Mw/h/year.

What we've achieved



We have exceeded the proposed objectives by installing eight photovoltaic power generation modules. The total available power of these is 388Kw. We have reached a generation capacity of 465.5 MWh/year.

Contribution to the SDGs:





Environment

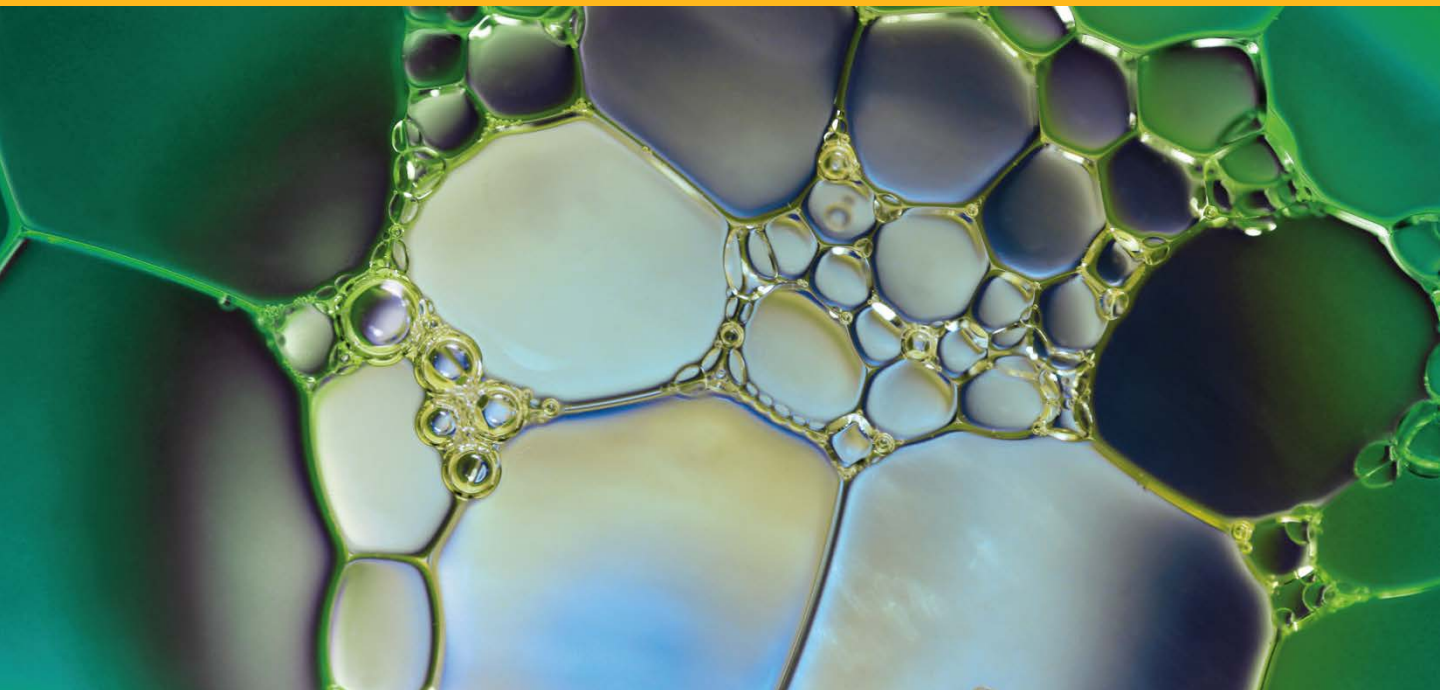
At Repsol, we contribute to sustainable development...

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: Actions

Action

Incorporate, as raw material, used cooking oil (UCO) "kilometer 0".

Description

We will formalize commercial agreements with the authorized local managers of Used Cooking Oil (UCO) for the collection and later we will include it as a raw material.

Indicator

Formalize two agreements with authorized local managers.

Incorporate 20 tons as raw material.

What we've achieved



We have incorporated 157 tons of UCO as raw material in our industrial processes. We have also formalized an agreement with the authorized local manager (Oleofat). With the incorporation of this raw material, in the biojet manufacture, progress has been made in the decarbonization of commercial flights by supplying 5,300 tons of this fuel.

Contribution to the SDGs:





Environment: Actions

Action

Carry out training activities with an environmental focus.

Description

We will provide environmental training to the Environment and Safety Technicians, TOMAS, with the focus set out in SDG numbers 6 (Clean water and sanitation), 9 (Industry, innovation and infrastructure) and 12 (Responsible production and consumption).

Indicator

Teach all the Environment and Safety Operation Technicians (six in total) as well as the six Shift Managers.

What we've achieved



We have carried out two training sessions for the technical personnel responsible, which have been eight, of the operational supervision of environmental aspects and each session has lasted three hours.

Contribution to the SDGs:





Environment: Actions

Action

Increase the efficiency of water use in cooling systems.

Description

We will improve the operation of the tertiary system in the Refinery Water Treatment Plant (DAR) to increase the amount of purified water for industrial use.

Indicator

Increase the water recovered from the tertiary system in the Refinery Water Treatment Plant (DAR) by 28%.

What we've achieved



We have reached a 30% increase in purified water from the tertiary system. With this achievement we have managed to increase the water recirculation cycles in the cooling system.

Contribution to the SDGs:





Environment: Actions

Action

Guarantee the quality of the analytical results related to the return to the sea of purified water.

Description

We will ensure the quality of sample analysis results related to environmental impact. We will carry out analytical intercomparisons with reference laboratories on aspects related to quality tests for the discharge of purified water into the sea.

Indicator

Carry out at least 5 analytical intercomparisons of treated water discharged into the sea.

What we've achieved



We have carried out 5 intercomparisons of water analyses, managing to show that the systematics applied, in the quality tests of the purified water in the discharge to the sea, are true and coherent.

Contribution to the SDGs:





Environment: Actions

Action

Improve energy efficiency in acid water drains.

Description

We will install ammonium ion analyzers in the acid water exhausters of the units called TV3 and TF3, in order to optimize steam consumption and improve the quality of the water effluent to the refinery water treatment plant.

Indicator

Decrease the Steam consumption/charge ratio by 5%.

Reduce CO₂ emissions by 780 tCO₂/year.

What we've achieved



We have started the installation of the analyzers in December. The delay has been caused by the shortage of electronic elements caused by the COVID 19 situation.

Contribution to the SDGs:





Environment: Actions

Action

Strengthen the surveillance network for the support of diesel tanks.

Description

We will reinforce the tank support surveillance network to guarantee early detection of possible containment losses.

Indicator

Install the containment loss detection system in five tanks.

What we've achieved



During 2021 we have installed the early detection systems in four storage tanks (80% of what was programmed). In 2022, we will tackle new objectives for these infrastructures.

Contribution to the SDGs:





Environment: Actions

Action

Reduce waste generated by cleaning tanks.

Description

We will use automatic operation systems for cleaning prior to inspection and repair of tanks.

Indicator

Reduce solid waste from cleaning, prior to repair, of tanks by 70% of its volume.

What we've achieved



Due to the COVID19 situation, we have only been able to clean one storage tank. With the applied procedure we have managed to recover, as raw material, 100% of the tank cleaning residues.

Contribution to the SDGs:





Environment: Actions

Action

Reduce volatile organic compounds (VOCs) in the inerting of tanks.

Description

We will use oxidation systems to eliminate Volatile Organic Compounds (VOCs) when opening tanks for repair.

Indicator

Reduce the Volatile Organic Compounds of the inerting, prior to repair, of the tanks by 90% of their volume.

What we've achieved



We have used low-temperature diesel oil to clean the heavy product tanks, so it has not been necessary to use the incineration of volatile organic compounds (VOCs), avoiding their emission into the atmosphere.

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.





Innovation and technology: Actions

Action

Obtain Green Hydrogen from biogas generated by pyrolysis of urban solid waste.

Description

We will draft the project for the construction of the Green Hydrogen (H₂) production facilities generated from biogas obtained by pyrolysis of urban solid waste.

Indicator

Carry out the Conceptual Engineering of the project in July 2021.

Approve the Basic Engineering of the project in September 2021.

What we've achieved



In order to select the most efficient technology, we have carried out technological feasibility studies in July 2021. After choosing the most appropriate, the Conceptual Engineering project will be carried out.

Contribution to the SDGs:





Innovation and technology: Actions

Action

Mineralize the capture of carbon dioxide (CO₂) for later reuse.

Description

We will draw up the project for the construction of the installations for the collection and mineralization of Carbon Dioxide (CO₂) that we will use in the manufacture of synthetic fuels.

Indicator

Approve the Basic Engineering of the project in September 2021.

What we've achieved



We have carried out both projects, Conceptual and Basic Engineering, in December 2021. The project is innovative and aligned with energy decarbonization, allowing the creation of CO₂ sinks. The project will apply circular economy strategies to urban solid waste, once it has been treated in energy recovery plants.

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

Carry out training activities with public institutions responsible for citizen security.

Description

We will carry out training activities together with the public institutions responsible for the safety of citizens, the Provincial Fire Department and the Ertzantza. We will develop, in coordination with these institutions, the system of industrial and personal safety in the refinery and its surroundings.

Indicator

Carry out at least two joint activities with public citizen security institutions.

What we've achieved



We have carried out a joint firefighting practice, with Brigades from Petronor, Forales Firefighters and Ertzantza, consisting of a drill with the deployment of intervention means called MIRU (Major Incident Response Teams). Due to the situation induced by the Covid, one practice has been carried out instead of the two planned. Fifty people took part in the drill.

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

Guarantee inclusive and equitable quality job training, in addition to promoting lifelong learning opportunities for all people.

Description

We will provide training, together with other public and private institutions, for unemployed people in Chemical Plant Operator skills.

Indicator

Proof that all the people who have taken the course have passed the training process.

What we've achieved



We have carried out the training course, Chemical Plant Operator, for 17 people. All the people who have done it have reached the objective of knowledge and training of it.

Contribution to the SDGs:





People: Actions

Action

Deploy knowledge of the 2030 SDGs in Petronor's organizational structure.

Description

We will promote awareness of the 2030 SDGs among company leaders, thus consolidating the focus on sustainability in all activities and levels of the organization.

Indicator

Train 100 Petronor leaders in the knowledge of the 2030 SDGs through a training course.

What we've achieved



We have carried out the training course, with the participation of forty people from Petronor, to learn about the 2030 Sustainable Development Goals. Of the total number of participants, twenty-eight people are leaders in the company.

Contribution to the SDGs:



2 2021 Sustainability Plan

Ethics and transparency



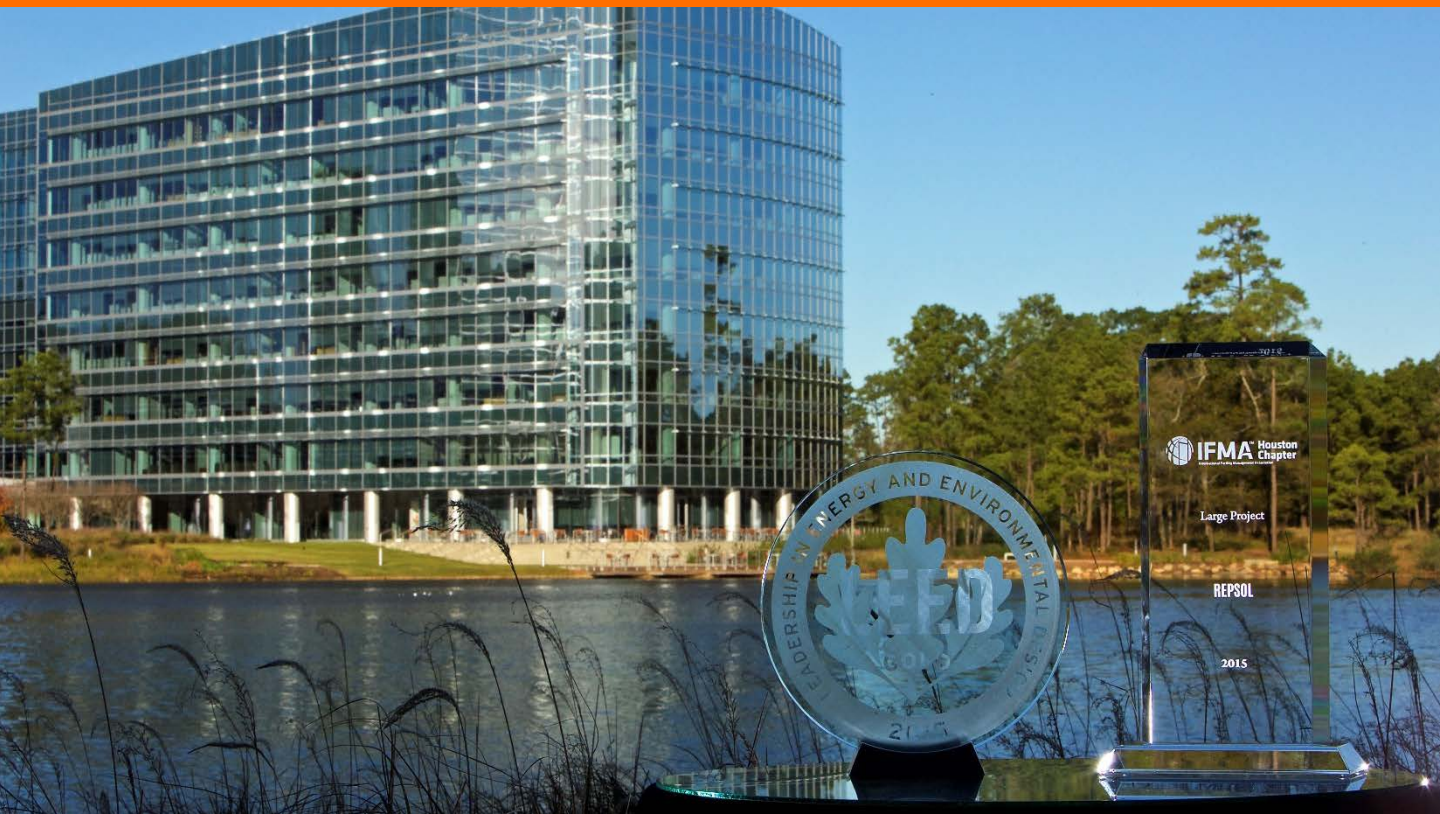
At Repsol, we contribute to sustainable development...

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

Implement "TiketBai" billing to avoid tax avoidance.

Description

We will implement in billing, the necessary software to adhere to the "TicketBai" project of the Provincial Treasury of Bizkaia. In this way we will collaborate with the Treasury of the Basque Country in controlling the income produced by the activity of Petronor SA, in order to avoid tax avoidance.

Indicator

Proof of adherence dated December 31.

What we've achieved



Due to the COVID situation, the fiscal institution in Bizkaia has delayed the implementation date until December 31, 2024. However, Petronor will begin to apply it in 2022.

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.



