

Balance

2022

Sustainability Plan

UNITED STATES





Legal notice

This Local Sustainability Plan sets out a set of objectives that, in whole or in part, go beyond what is required by law and are aimed at contributing to sustainable development. The participating companies of the Repsol Group have the firm intention of undertaking and fulfilling all of them. However, they reserve the right to modify, postpone or cancel their compliance without implying legal liability, although they undertake to publicly justify these possible cases.

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Our vision of Sustainability

Following our **Sustainability Policy**, at Repsol we contribute to sustainable development by trying to meet the growing demand for energy, which is essential for the realization of people's fundamental rights, and by creating value in the short and long term.

This policy is developed through internal rules and procedures that are organized around our **Sustainability Model**. This model, based on international standards, incorporates ethical, environmental and social considerations in our decision making, based on dialogue with stakeholders globally and locally.

We repeat this exercise every year, generating initiatives that seek to maximize positive impacts and minimize negative impacts on society and the environment throughout our value chain.

This is the origin of our **Sustainability Plans**, public and annual action plans. The **Global Sustainability Plan** is our roadmap and from it we deploy **Local Sustainability Plans** for each country or Industrial Complex, taking into account the specific circumstances and needs of each place where we operate.



Our vision of Sustainability

The Sustainability Plans are articulated around the six axes of Repsol's Sustainability Model



Climate change

We aim to be a net zero emissions company by 2050



Environment

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



Innovation and technology

We promote innovation and incorporate technological advances to continue growing and improving our environment



Safe and secure operation

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



People

We believe in people and promote their development and that of the communities where we operate



Ethics and transparency

We act responsibly and in full wherever we are present

Sustainable Development Goals

Repsol has supported the United Nations **2030 Agenda** and its **17 Sustainable Development Goals** (SDG) since its approval in 2015 and works to implement it at all levels and businesses. The main efforts are concentrated since 2018 on SDGs 7, 8 and 13, for its role in access to energy, contribution to socioeconomic development and the fight against climate change; SDGs 6, 9 and 12, prioritizing innovation, sustainable management and efficient use of resources in its operations; and SDG 17, establishing alliances with the rest of stakeholders and actively participating in different partnerships.

We annually publish our contribution to the United Nations 2030 Agenda through an

SDG Report with numerous indicators, projects and testimonials that show our contribution at global and local level. The SDG Reports are available at www.repsol.com.

Aware of the challenges that still exist in terms of the 2030 Agenda, we have been involved in the development of the **IPIECA SDG Roadmap for the oil and gas sector**, which will be a guide in the incorporation of actions linked to the 17 SDGs. Likewise, we are preparing an **SDG Contribution Plan**, which has as a key aspect to continue deepening its measurement, in order to optimize the positive impacts of Repsol.



Sustainable Development Goals

The **actions** that make up this **Plan**, defined taking into account the local context, contribute to supporting the **2030 Agenda** by addressing the following objectives:



2022 Sustainability Plan

Noteworthy projects

At Repsol we contribute to sustainable development...

In the United States, we have carried out projects to drive progress toward a more sustainable future by using innovation and technology to provide safe, responsible and affordable energy.



We started producing renewable energy in the United States

We started producing electricity from our first operated solar project in the United States at our 62.5 MW Jicarilla 2 solar photovoltaic plant in New Mexico.

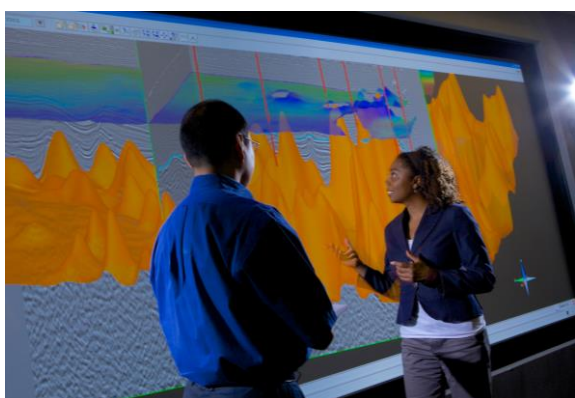
We are developing another 62.5 MW solar photovoltaic and 20 MW battery storage project at the same location and advancing two additional solar projects in Texas.



We certified our natural gas production in the Marcellus Shale

We started supplying independently certified natural gas to the market in North America, reflecting our commitment to provide safe, reliable and responsibly-sourced energy while continuing to reduce emissions from our upstream activity.

We certified 100% of our production in the play, which is more than 400 million cubic feet per day from more than 680 wells.



We advanced a potential carbon storage project in the Gulf of Mexico

We completed the initial technical analysis for three potential carbon storage locations offshore Louisiana as part of our collaboration with Carbon Zero LLC.

This project reflects our capability to leverage our upstream technical knowledge and experience to drive low carbon projects to reduce CO₂ emissions in the atmosphere.

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Balance

At the end of the year, it is time to report on each of the initiatives that are part of the Sustainability Plan. The balance of the degree of achievement was as follows:



Below, you can consult the detailed information on each of the actions included in the plan, along with their indicators and other information about them.

Climate change

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. 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.



Climate change → Actions



Action

Contribute to global emissions reduction targets in the Eagle Ford Business Unit.



Description

We will carry out the conceptualization and award of activities for electrification of the Cooke Central Delivery Point (CDP) facility with the replacement of gas-powered microturbines and connection to the state electricity grid (ERCOT).



Indicators

Start activities.



Contributions to SDGs



What we have achieved

We have secured three contracts for long lead items, including transformer, energy provider connections and construction contractor to support electrification at the site, with execution scheduled to be completed in 2023.



Climate change → Actions



Action

Contribute to global emissions reduction targets in the Alaska Assets.



Description

We will complete the GHG Emissions Plan for Pikka Phase 1 Project (PDP1), including already implemented mitigation actions and offset opportunities.



Indicators

Deliver the plan for PDP1 final investment decision (FID).



Contributions to SDGs



What we have achieved

We have completed the GHG emissions plan for Pikka Phase 1, designed with one of the lowest carbon intensity indexes in the Repsol E&P portfolio at around 14 kbCO₂eq/boe. Some of the initiatives implemented to achieve this target include reducing the number of gas turbines, utilizing waste heat recovery to reduce energy use, prioritizing natural gas over diesel, deploying methane leak detection and repair during production and following the principles of the World Bank's Zero Routine Flaring Initiative.



Climate change → Actions



Action

Contribute to global renewable energy generation capacity targets for international projects.



Description

We will start delivering renewable energy from our first 100% owned and operated photovoltaic (PV) solar and battery energy storage system (BESS) assets in the United States, with expected capacity of 100 MW PV Solar and 20 MW BESS totaling 120 MW when all three projects are completed.

We will approve the funding and start construction of the largest photovoltaic (PV) solar project in Repsol's global portfolio, with expected capacity of 600 MW when completed.



Indicators

1. Achieve commercial operation date (COD) at our Jicarilla Energy Center in New Mexico and start delivering power from the project to the customer.
2. Start construction of the Texas PV solar project.



Contributions to SDGs



What we have achieved

We have completed construction of the Jicarilla 2 solar project and achieved commercial operation date (COD) at the site in April 2022. The Jicarilla 1 solar project and battery storage project are still under construction, with completion expected in 2023.

We started construction of the 637 MW Frye solar project in West Texas in September 2022, with commercial operation date (COD) targeted in 2023.



Climate change → Actions



Action

Achieve MiQ Responsible Sourced Gas Level C certification for the Marcellus Business Unit.



Description

We will complete an independent assessment of methane emissions performance at all facilities in operation throughout the heritage Marcellus operating area, taking into account production throughput as well as all associated equipment with wells in the business unit.



Indicators

Achieve certification by MiQ, the leading market standard for methane emissions performance in the United States.



Contributions to SDGs



What we have achieved

We have achieved certification of 100% of our natural gas production in the Marcellus Shale (400 million cubic feet per day) with the successful independent evaluation and third-party validation of our methane emissions performance at more than 680 wells from wellhead to delivery under the standard set by the non-profit MiQ. With this initiative, Repsol takes a step forward in its commitment to supply secure, reliable and responsible energy.



Climate change → Actions



Action

Leverage our upstream technical knowledge and expertise to drive innovation in the development of sustainable energy projects.



Description

We will participate in a joint technical project team with Cox Oil to evaluate potential offshore carbon, capture and storage locations in the US Gulf of Mexico.



Indicators

Complete the first phase of geological & geophysical (G&G) technical analysis for three potential sites.



Contributions to SDGs



What we have achieved

We have completed the initial technical analysis for potential carbon storage at three locations offshore Louisiana in various reservoir intervals. This was carried out by a joint project team as part of our collaboration with Carbon Zero LLC and will move to the conceptualization phase in the following years. We have also completed a carbon storage technical analysis in Repsol's Greater Edson asset onshore Canada and secured funding through the global consortium "Accelerating CCS Technologies" (ACT).

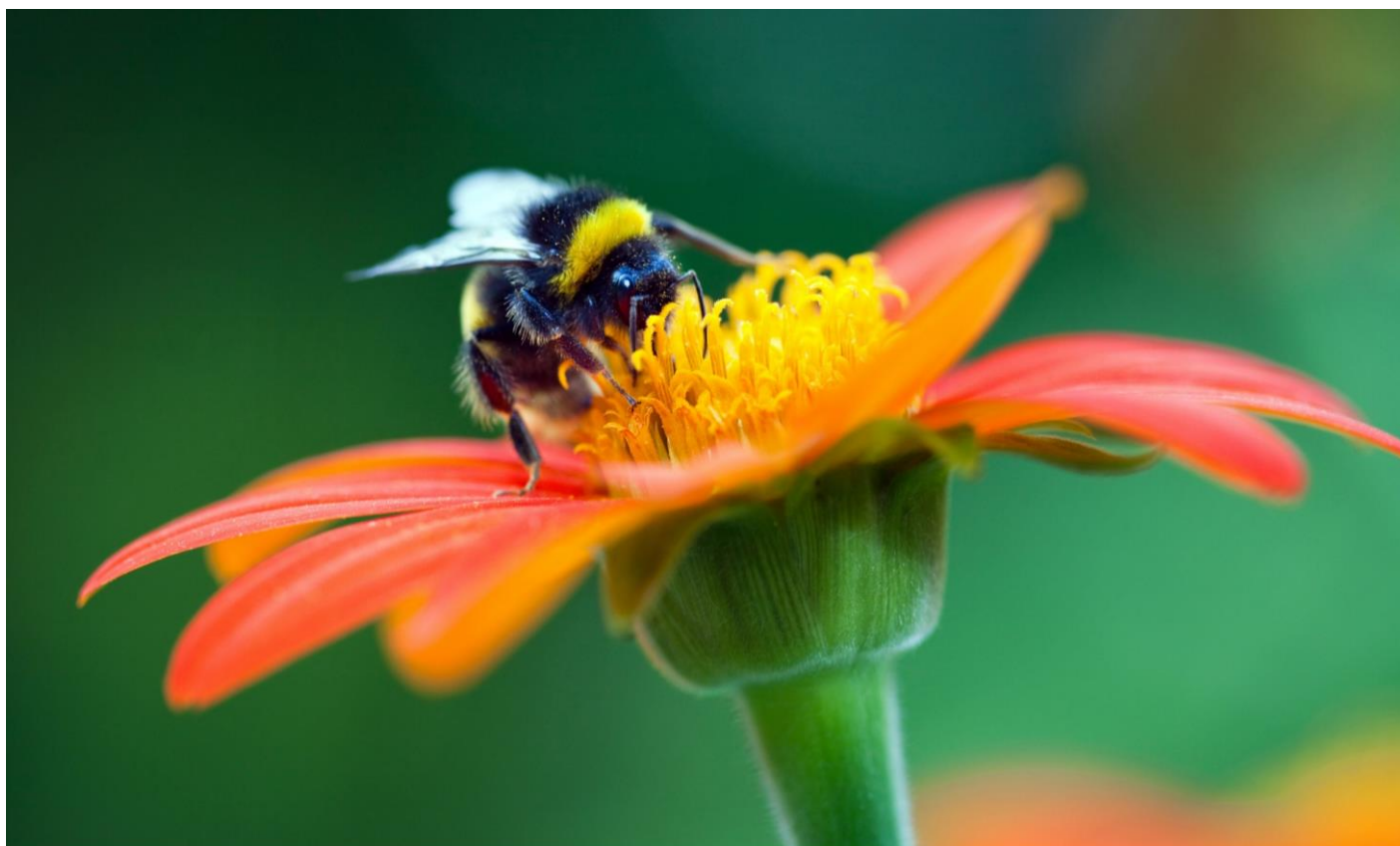


2022 Sustainability Plan

Environment

As part of our mission to be an energy company committed to a sustainable world, at Repsol we work prioritizing the necessary actions to minimize the environmental impacts. To this end, we optimize the resources usage that we use in our industrial processes and in our products manufacturing, including water, minimizing impacts on natural capital and biodiversity, air emissions and water discharges, as well as waste generation, giving them a second life whenever possible.

Preservation of natural capital and the implementation of the work model based on circular economy are key aspects when developing our activity. The impacts prevention and minimization, as well as the environment restoration in which our operations are developed, are basic tools in our environmental management. Our goal is to maintain our social license to operate, demonstrating that we are sustainable throughout our value chain, both in our projects and operations, as well as in the products and services we make available to our customers.



2022 Sustainability Plan

Environment → Actions



Action

Apply the READS digital tool in new studies for the valuation of impacts on biodiversity, ecosystem services and natural capital.



Description

We will apply the READS (Repsol Environmental Analytics Data System) digital tool in the Pikka Phase 1 Project (PDP1) for the valuation of impacts on biodiversity, ecosystem services and natural capital. Integrate the results of the analyses in decision making to improve environmental management.



Indicators

1. Complete the evaluation of the PDP1 Project with READS.
2. Integrate the results for PDP1 final investment decision (FID).



Contribution to SGDs



What we have achieved

We have developed a READS model for Pikka Phase 1 to identify and mitigate impacts on ecosystem services, biodiversity, climate change, water resources and social wellbeing, with initiatives implemented to: embed sustainability in the project strategy; incorporate state-of-the-art sustainability protocols and natural capital valuation; calculate project offsets and compensation measures to the local community; enable investors and stakeholders to assess progress on managing natural capital risks.



2022 Sustainability Plan

Environment → Actions



Action

Protect the environment and biodiversity near our activity.



Description

We will continue contributing to improving environmental protections in the indigenous community near our activity in Alaska with a project to upgrade the residential sewage system and other infrastructure projects, in alignment with the Environmental Impact Statement for our development project.



Indicators

Complete engineering for the water system upgrade, and for the bridge and boat ramp projects.



Contribution to SGDs



What we have achieved

We have completed engineering for the Nuiqsut Wastewater Treatment Plant and successfully procured the building and necessary equipment for the facility and commenced construction activities. We have also completed engineering for the bridge and boat ramp projects that will benefit water management in the community and provide transportation safety and reliability to the local indigenous community of Nuiqsut, with procurement of the bridge completed and construction already underway.



Innovation and technology

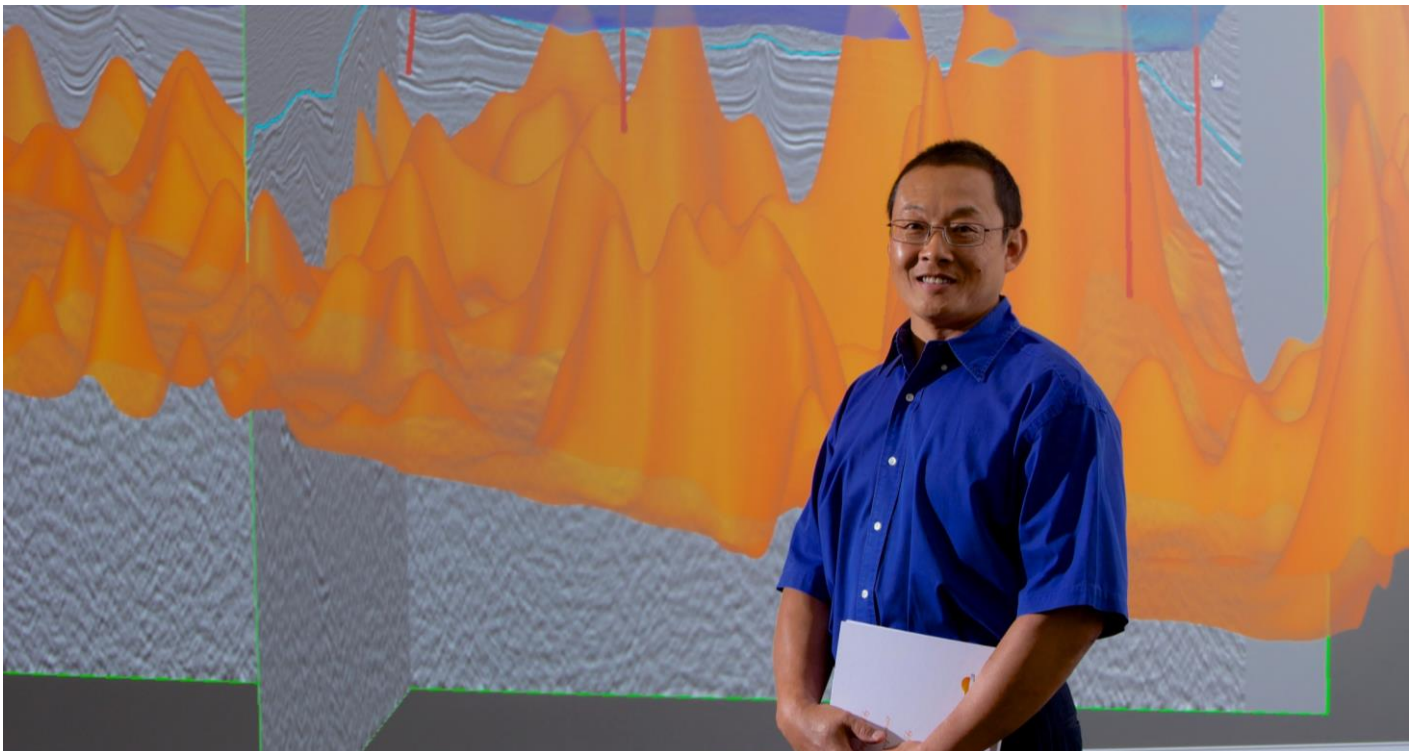
Technological innovation is an essential lever for building more sustainable energy models and meeting the challenge of decarbonizing our products and services.

Repsol Technology Lab is one of the most cutting-edge private R&D models in Spain, working on the detection, validation and development of technologies that will help us achieve the ambitious goal of decarbonization that we have set ourselves as a company.

Our own research work is complemented by the Corporate Venturing investment fund and an open innovation strategy, establishing alliances with technology centers, companies and universities around the world.

In addition, Repsol participates together with its partners in the Oil&Gas sector in the OGCI Climate Investments (OCGI-CI), a vehicle for channeling committed investment of more than 1 billion dollars in startups with the aim of combating climate change by reducing greenhouse gas emissions associated with energy supply.

Also, since its creation in 2017, the Repsol Digitalization Program has maintained a firm commitment to Sustainability, contributing to the digital transformation of business units, generating value throughout the activity chain.



Innovation and technology → Actions



Action

Advance the digitalization of our business processes, aligned with our Sustainability Model.



Description

We will develop a Worker Mobility plan for three business processes – maintenance and operations, production operations and health, safety and environment and well integrity – and the digital systems that currently cover them and make the information available in the field to the workers, together with facility information and directions.



Indicators

Define the conceptual plan.



Contribution to SGDs



What we have achieved

We have completed two work streams to enhance field mobility in the Eagle Ford, including distribution of 14 tablets to field personnel with cellular data and connectivity to the Repsol network, and building apps for field use. Technicians use SAP PM Mobile to create work order notifications, and a mapping app was created with well and pipeline locations, connected to a navigator app that provides directions from the users' location. Additional checklists are available for site checks and safety surveys.



Safe and secure operation

Maintaining excellent safety performance is for Repsol a moral obligation and an indispensable condition in our operations. Our ambition has always been to avoid any harm or negative impact on people, the environment, neighboring communities and the facilities themselves.

Now, with the incorporation of new businesses and the transformation of our industrial assets to meet decarbonization targets, we are strengthening our safety processes and updating them for a changing environment. We rely on the robustness of our processes and the use of the highest standards, and complement them with a safety culture that promotes early identification and correction of unsafe conditions.

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.



Safe and secure operation → Actions



Action

Improve the safety and environment culture.



Description

We will develop and implement an improvement plan based on the outcome of assessments of third-party safety Eagle Ford Drilling & Completion campaign.



Indicators

Totally implement the plan.



Contribution to SGDs



What we have achieved

We have identified 180 initiatives from the third-party safety survey and set up a multi-year plan to deploy and enhance Repsol's safety and environment culture, with 30 initiatives based on Repsol's Basic Safety Rules, leadership and communication deployed in 2022. Standards, processes and procedures including subcontractors will be implemented before Q3 2023.



People

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 management of diverse talent focused on the employee, work-life balance, 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 impacts for local people and, if such a thing does occur, doing everything possible to repair the damage done.



2022 Sustainability Plan

People → Actions



Action

Make a commitment to people and drive their development and that of their social context. To be an inclusive organization with a management of diverse talent focused on the employee and which guarantees equal opportunities.



Description

We will review COVID protocols to adapt them to the evolution of the pandemic (vaccination, prevention measures, etc.).

We will develop and deepen communication, awareness and training initiatives that favor the creation of an inclusive environment for the LGBTI community.



Indicators

1. Review COVID measures and communicate to employees at each moment of the pandemic for the three main US locations: Houston, Austin and Horseheads.
2. Promote the creation of an LGBTI-inclusive environment through the online course "Energy with Pride."



Contribution to SGDs



What we have achieved

We sent 40 internal communications to inform employees of the measures and actions taken in response to the pandemic's evolution, considering specific situations in the different locations. We created an online course with the Repsol LGBTQ+ committee and representation from the US offices, offered to all 580 employees in the US. We promoted participation and awareness in leadership meetings, internal communications, two Diversity Talks and mandatory "Respectful Workplace" training attended by 550 people.



Ethics and transparency

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 is essential to be consistently transparent.



Ethics and transparency → Actions



Action

Promote cooperative relationships with tax authorities.



Description

We will continue to promote a cooperative relationship with the taxing authorities through participation in international cooperative programs and domestic engagement.



Indicators

Monitor and where relevant actively engage in new cooperation and transparency opportunities with tax authorities.



Contribution to SGDs



What we have achieved

We have continued to support transparency in tax compliance and to promote cooperative relationships with tax authorities such as the US Internal Revenue Service and state tax authorities. Open communication and transparency assisted in Repsol's receipt of Alaska cash tax credits, owed to Repsol, on an accelerated schedule. Repsol has also been under a routine tax review, which has been an exercise of cooperation and transparency.



Ethics and transparency → Actions



Action

Promote a culture of transparency and ethical business practices.



Description

We will carry out the Annual Conflicts of Interest Disclosure ("COI") and Compliance Certifications campaign, which allows employees the opportunity to update the COI Disclosure statement on file to capture any changes, and to receive the latest versions of the Code of Ethics and Business Conduct and the Anti-corruption policy, both of which they certify to have read and agree to follow. The goal is to allow for informed decision-making and to facilitate awareness and transparency.



Indicators

Achieve 90% response rate.



Contribution to SGDs



What we have achieved

We have successfully executed the Conflicts of Interest ("COI") Disclosure and Compliance Certifications campaign for 2022 with a 100% response rate. All reported potential conflicts of interest were addressed and leaders were duly informed as applicable.



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.



2022

Sustainability Plan