



OVERVIEW

2020

Sustainability Plan United Kingdom



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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.

| | | |
|---|--|--|
|  Ethics and Transparency We act responsibly and fully where we are present |  People We are committed to people and promote their development and social environment |  Safe operation We guarantee the safety of our employees, contractors, partners, and the local community |
|  Environment We consume the resources needed to generate power more efficiently and with the least possible impact |  Climate change We want to be part of the solution to climate change |  Innovation and technology We encourage innovation and incorporate technological advances to improve and develop ourselves and our environment |

2 2020 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 2020, we want to go one-step further in our commitment to sustainable development by publishing an Annual Report on our contribution to the SDGs for the first time.

We wish 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.

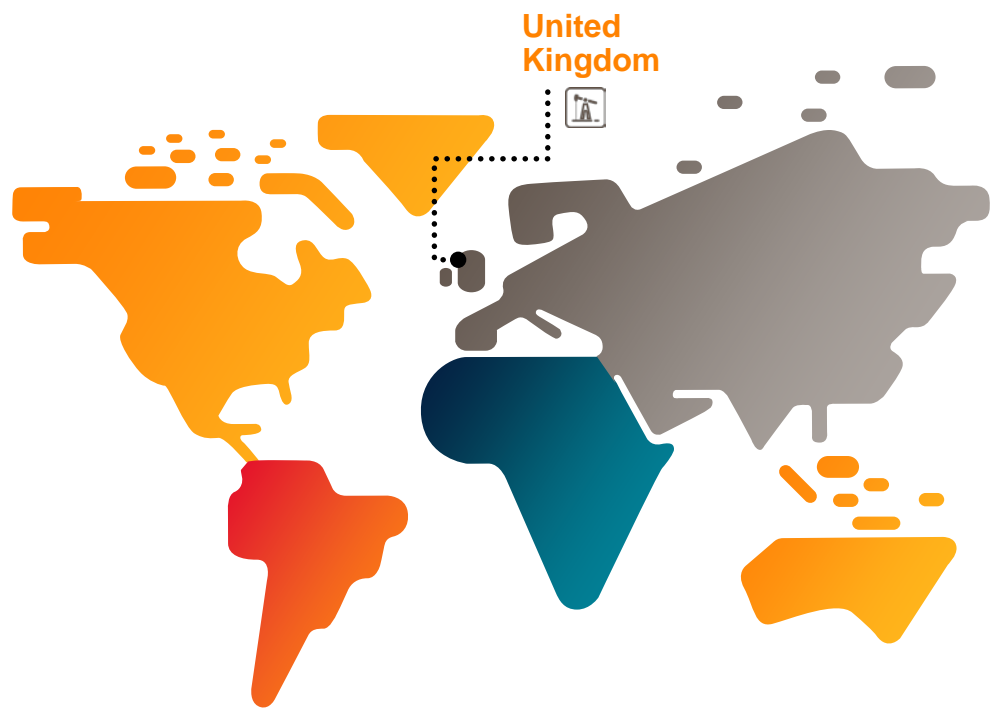
We want to be agents of environmental and social change in the territories in which we operate. We have the resources, the ambition and, most importantly, the commitment we need. That is our ambition and the United Nations 2030 Sustainable Development Agenda shows us the way that we can make this happen.

2 2020 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 2020 Sustainability Plan

Overview: Noteworthy projects

At Repsol, we contribute to sustainable development...

People: We promote the inclusion and the respect among our employees and we are committed to have an impact in our local community 1) Our vision is to be a caring and pioneering organisation that respects and values everyone. 2) We support the local community's most vulnerable.

HSE: The safety of our employees is our priority, in order to achieve that we have run a program to Prevent static objects from falling to lower levels in the JV assets



ID Group: Diversity and Inclusion at Repsol Sinopec

We organized different activities supported by engagement, inclusion and diversity group. One of the main initiatives was a speaker event in November 2020, run by Neil Fachie, paralympic medalist who shared his holistic coaching process. Neil shared some of the tools and techniques he picked up on his own journey, that have allowed him to build a resilient mind-set and maintain positivity in the face of adversity.



Stop the poverty: Support the disadvantaged

We collaborated with the CFINE (Community Food Initiatives North East). We made our donation as part of our Annual Volunteer Week October 2020, in order to help the function and management of the many services that they offer to hungry low-income families and homeless or anyone who is hungry. The organization has a 'pantry' which is open to everyone who needs food. No judgment, no questions, just access to food.



Prevent static objects from falling

RSRUK has implemented during 2020 the DROPS tool. This tool helps to identify and manage all the potential dropped objects present in RSRUK assets. It is a step further in prevention and mitigation measures within RSRUK.

2 2020 Sustainability Plan

Overview: Summary

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:

13
Actions

69% Fulfillment
31% Ongoing



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 2020 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 2020 Sustainability Plan



Ethics and transparency

Action

Conduct a corporate simplification to reduce our structure in the UK.

Description

We will keep actively seeking to reduce our structure in the UK. In 2019 we carried out the liquidation of dormant entities (TEGSI Ltd and Talisman Financie Ltd). Additionally It has been identified four more UK dormant entities from the Paladin Sub-group that will be liquidated in the future after we receive green light from the Authorities in the country where their assets were located.

Indicator

Sale of Foreland Ltd and Rift Oil Ltd in 2020 in order to reduce the structure in the country.

What we've achieved



During the year 2020, we have accomplished the closing of two subsidiary companies 1) Rift Oil and 2) Foreland Oil. In addition, the UK structures and the liquidation of inactive subsidiaries continue to be reviewed.

Contribution to the SDGs:





Ethics and transparency

Action

Improve our ethical behavior with third parties by reviewing our Code of Conduct and ethics policies.

Description

We will ensure that all employees in the JV receive the online course "2020 Code of Conduct and Ethics eLearning", through which they will understand our Code of Conduct and Ethics and understand their role in, ensuring that we conduct our business ethically at all times.

Indicator

Ensure at least 80% of our employees in Repsol Sinopec Resources UK complete the Code of Conduct training.

What we've achieved



We have launched the Code of Conduct training in 2020 in the JV with an overall completion rate of the 98%. Therefore the achievement of the indicator has been of the 100%.

Contribution to the SDGs:





Ethics and transparency

Action

Manage tax matters by applying good tax practice.

Description

We will facilitate access to information and prioritize non-judicial ways of resolving conflicts to strengthen relationships with tax administrations based on the principles of trust, professionalism, good faith, collaboration, loyalty and the search for understanding. We will keep engaging with EITI (Extractive Industries Transparency Initiative) and we will have a direct and fluent communication with the Customer Compliance Manager (CCM) at the HMRC (Her Majesty Revenues and Customs).

Indicator

Keep the direct relationship with the HMRC and publish the tax strategy in the UK in the web of the company.

what we've achieved



In the year 2020, we have kept the direct relationship with the HMRC (Her Majesty's Revenue and Customs (UK)). For example, we have had direct communication regarding the Country by Country reporting of the Repsol Group, we have discussed with HMRC about their technical view on tax matters affecting the UK entities with the aim of reducing the tax contingencies, and we have confirmed tax residence of UK companies. In addition, we have published the tax strategy in the UK in the web of Repsol.

Contribution to the SDGs:



2 2020 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, 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

Drive excellence through the enhancement of our health and well-being program initiatives.

Description

We will promote cardiovascular health and reduce potential cardiovascular issues among our employees by implementing a preventive campaign.

This campaign will focus on the identification of risk factors through lipid / cholesterol profiles and cardiovascular risk assessments.

Indicator

Run the health and well being programme in 2020 in Repsol Sinopec.

What we've achieved



Due to the COVID19 pandemic, we have not been able to complete the health and wellbeing programme in 2020 in the JV, as the health and wellbeing group activity was put on hold throughout the majority of 2020 (since March 2020).

Contribution to the SDGs:





People

Action

Enhance family life balance among our employees.

Description

We will support family inclusion in the JV in the work environment, promoting activities among our employees in order to maintain the adequate balance between work and family. We will organize the following activities: Back to nature day, Environment Week, A glimpse into our working world etc...

Indicator

Implement at least two activities through the year in Repsol Sinopec.

What we've achieved



As the planned activities required face-to-face contact and did not follow COVID restrictions imposed in March 2020, we have redefined the action having into account the new situation and challenges. We have introduced a Winter virtual engagement program, focused on mental wellbeing, resilience and personal networking.

Contribution to the SDGs:





People

Action

Guarantee a correct workforce diversity, environment, and equality in our Company.

Description

We will launch the ID Group in the JV, a group that encourages inclusion and diversity, to transform the organization in a caring and pioneering that respects and values everyone. Its mission is to ensure fair and equal opportunities for all and be an employer of choice. We aim for inclusive and consistent communication, policies and process, talent management and succession planning, supporting, enabling and empowering everyone, and recruitment and retention of diverse talent.

Indicator

Include in the engagement calendar and execute at least 80% of the activities.

What we've achieved



We have launched the ID Group and we have included it in the Winter engagement plan. We have executed all the activities of the plan, being one of the main initiatives an speaker event in November 2020 run by Neil Fachie, paralympic medalist who shared his holistic coaching process.

Contribution to the SDGs:





People

Action

Promote more flexible new working styles in Repsol UK.

Description

We will set flexible days, which are considered a non-monetary reward that compensates the monthly extra hours worked above the agreed ones. We will emphasize the importance of our own time management allowing our workforce to adopt flexible working schedules.

Indicator

Record and track the flexy days implementation.

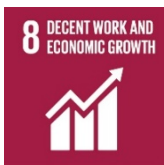
Communicate to employees and implement the flexible days benefits.

What we've achieved



We have launched the flexy days implementation benefits, to improve the family balance and to promote more flexible new working styles in Repsol UK. All the days have been recorded by the Repsol BU Office Assistant.

Contribution to the SDGs:



2 2020 Sustainability Plan

Safe operation



At Repsol, we contribute to sustainable development...

We pursue a target of **Zero Accidents** with a high level of safety in our processes and facilities, paying particular attention to the protection of people and the surrounding environment, and to the awareness of our **suppliers and contractors**.

In 2018, in the conviction that Safety and the Environment form the basis of value creation, excellence and responsibility, we launched our **2025 Safety and Environment Strategy**. We have established the key lines of action on which the company will focus its Safety efforts up to 2025: we intend to drive culture, transformational leadership and awareness in connection with Safety and the Environment. Here one of the key features is **safety in our processes**, where we intend to lead the industry through management of our risks, the integrity of our facilities, and better preparation for crises and emergencies.

By way of a demonstration of our commitment, safety targets may have an **impact on the variable remuneration** of our employees of more than 15%.

Below we demonstrate courses of action pointing to our commitment to safety.





Safe operation

Action

Strengthen our competence assurance framework to control and manage Major Accident Hazard Risk.

Description

We will enhance our existing competence framework for offshore leadership positions to demonstrate our ability to control and manage Major Accident Hazard risk. In addition, we will improve the visibility of contractor competence & training requirements for Core Crew personnel across the asset groups in the JV.

Indicator

Conduct training & competence focused audits on our key contractor organisations in the JV.

Build emergency response team competence assurance framework within iCams (tool to manage staff training and competition).

What we've achieved



Due to the COVID19 restrictions, we have been unable to conduct any training & competence focused audits between second and forth quarter of 2020.

Regarding the second indicator, we have completed approximately the 70% of the objective. All ERT Competence Frameworks have been created and now require input to our ICAMS competence management system.

Contribution to the SDGs:





Safe operation

Action

Ensure reporting of safety and environmental performance in our non-operated assets in Repsol Sinopec Resources.

Description

We will report safety and environmental performance indicators (KPIs) in the Integrated Asset Management System (IAMS) for non-operated assets, according to the requirements set in the Exploration & Production Non-Operated Model.

We will define and propose to the operator an improvement action plan as required.

Indicator

Report safety and environmental performance KPIs.

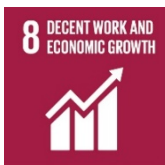
Propose an improvement action plan and get acceptance by the operator.

What we've achieved



We have reported the KPIs in the IAMS application and included the safety and environmental recommendations in the Executive Committees and Boards run between the JV shareholders (Repsol and Sinopec) and the JV on monthly basis. In addition, we have run weekly meetings between the Repsol Business Unit Director, Sinopec Director and the JV CEO, where safety and environmental actions were discussed. Furthermore, every quarter a Shareholder Engagement meeting focused on safety and environment took place.

Contribution to the SDGs:





Safe operation

Action

Ensure safety in our non-operated assets with the implementation of hazard management.

Description

We will implement the hazard management by:

1. Gap assessment on the implementation, in each non operated asset, compared to Repsol requirements.
2. Proposal of improvement action plan.
3. Workshop with operator to support implementation.

Indicator

Complete the gap assessment.

Define and propose an improvement action plan.

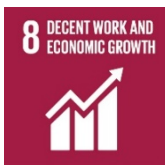
Conduct a workshop with the operator.

What we've achieved



On the one hand, we have completed the gap assessment successfully during the year 2020. On the other hand, the definition and proposal of an improvement action plan was based on the output of the audit "Hazard Management" run in 2019. Relative to the workshop with the operator, this activity was cancelled due to the Covid limitations, but all the gap assessment aspects were widely discussed with the JV through the technical manager in the Repsol Business Unit UK expat in Aberdeen.

Contribution to the SDGs:





Safe operation

Action

Prevent static objects from falling to lower levels in the JV assets.

Description

We will effectively manage and prevent all occurrences of static dropped objects, through robust implementation of DROPS Strategy. Thus, we will report lagging and leading indicators through issue of monthly reports, scheduling of campaign trips and adherence to asset PDO (Potential Drop Object) plan. Therefore, improving tracking, control and planning of recorded PDOs, we will ensure that items that pose greatest risk are removed based on the risk assessment.

Indicator

- Implement strategy objectives
- Implement monthly area inspections
- Implement quarterly hazard hunts

What we've achieved



- We have successfully completed the three indicators in 2020. Regarding:
1. Implement strategy objectives: We have developed the strategy, rolled across all asset groups and implemented at all operational sites.
 2. Implement monthly area inspections. We have executed at sites and included in annual Site Specific Improvement Plans.
 3. Implement quarterly hazard hunts: We have executed at sites and included in annual Site Specific Improvement Plans.

Contribution to the SDGs:



2 2020 Sustainability Plan

Environment



At Repsol, we contribute to sustainable development...

We share the concerns of society in relation to the need to look after the environment in which we live. We seek **minimum impact of our operations**, minimizing atmospheric emissions, optimizing water management, waste management, reduction of discharge pollutants, improvements to prevention systems and response to spills, considering biodiversity as a key component.

Our 2025 Safety and Environment Strategy, launched in 2018, establishes the key lines of action on which the company will focus its environmental efforts up to 2025. We must be able to **quantify and assess environmental impacts and dependences** in order to back business decisions, placing the emphasis on more sensitive aspects wherever we operate, particularly water. Our goal will also be to maintain a social license by means of **excellent sustainable environmental management** throughout the entire life cycle of our projects and operations. All this enhances the generation of new opportunities within the **Circular Economy**, making efficient use of natural resources, with criteria of maximum efficiency, maximum transparency and lesser environmental impact.

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

Enhance knowledge and understanding of our Environmental Management System.

Description

We will develop a rolling high level plan to deliver awareness modules covering all environmental subject matter areas in the Joint Venture (JV). In addition, we will deliver a high level awareness module of the EMS (Environmental Management System) and another one covering oil discharges to sea (OPPC Oil Pollution Prevention and Control Compliance) in the JV. With these initiatives, we aim at minimizing environmental impacts and ensuring regulatory compliance at the same time.

Indicator

Implement the program in 2020 in Repsol Sinopec Resources UK.

What we've achieved



We have completed around the 70% of objective itself, with the material being prepared now requiring a peer review before being uploaded and released in our online training portal. Therefore, we have still under development a high level awareness module describing the Environmental Management System. We will continue working on this throughout 2021.

Contribution to the SDGs:



2 2020 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).

Repsol aims to achieve net zero emissions by 2050, making it the first oil and gas company in the world to assume this ambitious goal. It is possible to achieve at least 70% of this target with the technology that can currently be foreseen, and we are committed to applying the best available technologies to increase this figure, including carbon capture, use and storage. We would, if necessary, additionally offset emissions through reforestation and other natural climate sinks to achieve zero net emissions by 2050.

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

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





Climate change

Action

Reduce CO₂ emissions.

Description

We will review in Repsol Sinopec Resources UK the current strategy to optimise energy use and reduce the CO₂ emissions per barrel of oil produced. We will lower our emissions as part of our strategy to combat climate change.

We will focus on developing and sharing best practices supported by our capability to monitor the assets emissions.

Indicator

Monitor the assets emissions in real time, through the Integrated Operated Centers in 2020.

What we've achieved



For the year 2020, we have still recorded, tracked and submitted manually emissions via spreadsheets and sent onshore for collation and verification. The development of a process for monitoring asset CO₂ emissions, real time, in IOCs was impacted by the recent organisational change and implementation of the new Operating Model. Therefore, the automation of data collection and monitoring is still in development and will be completed in 2021.

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.



