2021 Sustainability Plan Algeria

REPSOL

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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.

Climate change

We want to be part of the solution to climate change

Environment

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

Innovation and technology

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

Safe and secure operation

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

People

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

Ethics and transparency

We act responsibly and fully where we are present

2 2021 Sustainability Plan

Sustainable Development Goals

At Repsol we support the United Nations' **2030 Agenda** for Sustainable Development and use the 17 Sustainable Development Goals (SDGs) as a reference when defining our priorities.

We believe that we must focus on the SDGs in which we can maximize our impact. Thus, regarding the company's strategic plan, the material issues and the local contribution in each of the Sustainability Plans, the following SDGs have been selected:

Given our role in access to affordable energy, our contribution to social economic development and the fight against climate change, we have prioritized SDGs 7, 8 and 13.

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

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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.

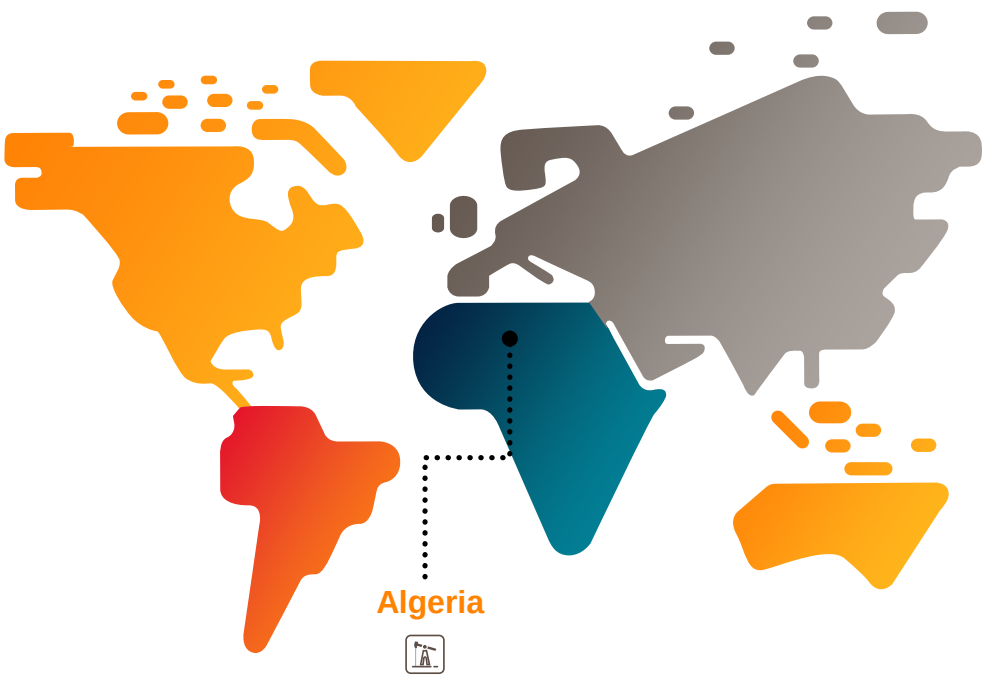
We want to be agents of environmental and social change in the territories in which we operate. We have the resources, the ambition and, most importantly, the commitment we need. That is our ambition, and the United Nations 2030 Sustainable Development Agenda shows us the way that we can make this happen.

2 2021 Sustainability Plan

Sustainable Development Goals

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

Summary

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1 Action

Environment

5 Actions

Innovation and technology

1 Action

Safe and secure operation

3 Actions

People

2 Actions

Ethics and transparency

1 Action

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 2ºC 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 CO_2 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.

2 2021 Sustainability Plan

Climate change

Action
Raise awareness of company Greenhouse gases emissions.

Description
We will study the feasibility of the GHG reduction initiatives identified in 2020 in Reganne.

Indicator
Prepare a feasibility report about the GHG reduction initiatives identified.

Contribution to the SDGs:

2 2021 Sustainability Plan

Climate change

Action

Improve the GHG emissions reporting.

Description

We will prepare an action plan to implement the Repsol procedure "Management of GHG Emissions in E&P" regarding the internal reporting of GHG in our non-operated assets.

We will prepare an action plan to improve the reporting of CH4 emissions in the non-operated assets selected by the Company, in the framework of the OGMP 2.0 implementation.

Indicator

Report GHG emissions periodically.

Define CH4 action plans

Contribution to the SDGs:

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. customers.

This Sustainability Plan is committed to courses of action in accordance with the lines of work which Repsol operates in terms of sustainability.

2 2021 Sustainability Plan

Environment

Action
Implement the operating management system.

Description
We will progress in the implementation of the new operating management system in the GRN operations and we will train the GRN employees to get a sucessful implementation.

Indicator
Develop the training Plan of the Operating Management System.

Launch the training Plan of the Operating Management System.

Contribution to the SDGs:

2 2021 Sustainability Plan

Environment

Action

Raise awareness of potential impacts on natural resources.

Description

We will award and initiate a specific groundwater impact assessment for GRN (Groupement Reggane Nord) activity for understanding current and future potential impacts.

Indicator

Award the tender.

Launch the Kick off meeting.

Contribution to the SDGs:

2 2021 Sustainability Plan

Environment

Action
Contribute to sustainability through the monitoring of Circular Economy initiatives.

Description
We will support GRN (Groupement Reggane Nord) in the monitoring of Circular Economy initiatives identified during 2020 and giving them publicity in the Company.

Indicator
Prepare quarterly monitoring reports.

Contribution to the SDGs:

2 2021 Sustainability Plan

Environment

Action
Contribute to minimising company gas emissions.

Description
We will prepare the Scope of Work of a project for a LDAR (Leak detection and repair) assessment after the maintenance shutdown and introduce it to the Groupement.

Indicator
LDAR Scope of Work.

Contribution to the SDGs:

2 2021 Sustainability Plan

Innovation and technology

At Repsol, we contribute to sustainable development...

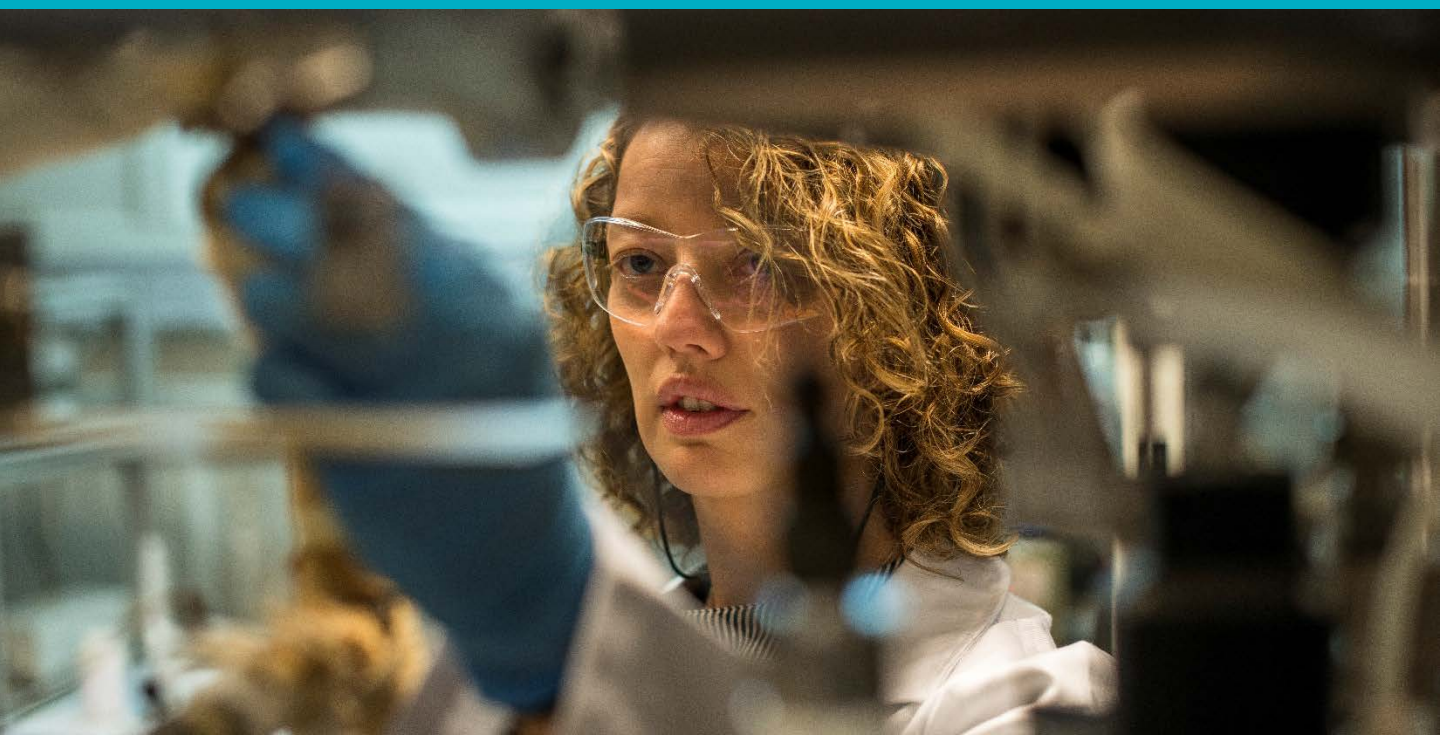
Advancing in the decarbonization of processes and products and in Sustainability is a key objective in the future strategy of our industry. For this reason, at Repsol, we are strongly committed to the decarbonisation of our industrial and transport production, counting on a strong investment in R&D&i at our research center (Repsol Technology Lab).

Also since its creation in 2017, Repsol's Digitialization 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.



2 2021 Sustainability Plan

Innovation and technology

Action

Reduce drilling waste (cuttings) and water consumption.

Description

This initiative includes the following activities:

1. We will perform a slim well design in most of our wells with the aim of reducing the drilling waste (cuttings) and water consumption during perations.

2. We will implement the dewatering process (successfully tested in 2nd drilling campaign) in our drilling operations, with aim of reducing chemicals in drilling waste and water consumption.

Indicator

Prepare slimer designs within the next Drilling Programs.

Consider the dewatering package part of the solid control service.

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
Evaluate the health, safety and environment (HSE) culture of our assets.

Description
We will monitor the progress of HSE culture in Groupement Reggane Nord (GRN) after the implementation of the HSE Culture action Plan.

Indicator
Elaborate the HSE culture progress report.

Contribution to the SDGs:

2 2021 Sustainability Plan

Safe and secure operation

Action

Promote the health, safety and environment (HSE) training of our assets.

Description

We will roll out the Occupational Safety Training in Groupement Reggane-Nord.

Indicator

Achieve at least a 75% of people trained.

Contribution to the SDGs:

2 2021 Sustainability Plan

Safe and secure operation

Action

Contribute to security in remote or desert areas by training personnel on how to react in the event of a security threat.

Description

We will extend the HET (Hostile Environment Training) courses to new expatriates in the Algeria Business Unit, taught by specialists, to instruct employees on the security risks they may encounter in remote and desert areas.

Indicator

Train 100% of new expatriates by the end of 2021.

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.

2 2021 Sustainability Plan

People

Action

Reinforce our committment with local employees and develop new talent.

Description

We will review and update the Human Ressources Handbook to align with Repsol's policies.

Indicator

Update and communicate to employees the Human Resources handbook.

Contribution to the SDGs:

2 2021 Sustainability Plan

People

Action

Manage the social impact of our activities.

Description

We will include a social part in health, safety and environment management in Groupement Reggane-Nord (GRN) contracts procedure and specially in contracts with high social impact (catering, cleaning, security and drivers, etc).

Indicator

Elaborate a Social Performance checklist bid evaluation procedure of catering, cleaning, security and drivers, etc contracts.

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
Improve our social performance.

Description
We will organize a workshop with the collaboration of our department of community relations to update the Algeria´s social impact matrix, as part of the social process.

Indicator
Update the social impacts´matrix of the business unit.

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.

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