



# 2021 Sustainability Plan Canada



# Index

<b>1</b>	<b>Our vision of sustainability and the preparation of this Plan</b>	<b>2</b>
<b>2</b>	<b>Sustainability Plan 2021</b>	<b>2</b>
	Sustainable Development Goals	4
	Summary	6
	 Climate change	7
	 Environment	9
	 Innovation and technology	13
	 Safe and secure operation	16
	 People	19
	 Ethics and transparency	28
<b>3</b>	<b>Process of updating this Plan</b>	<b>31</b>

## 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.

© REPSOL, SA 2021: All rights reserved. This document is the exclusive property of REPSOL, S.A. and their total or partial reproduction is allowed only for non-commercial distribution.

# 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



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



Given our commitment to the optimization of water management, our support for Innovation and Technology, and our focus on the Circular Economy, we have prioritized SDGs 6, 9 and 12.

In 2021, we are publishing our annual SDG report for the second time.

We want to make our contributions to the 2030 Agenda clear by publishing more than 30 indicators and commitments, painting a panorama of the efforts we make all around the Company, both locally and globally, to provide solutions to the social challenges we face.

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

# 2 2021 Sustainability Plan

## Sustainable Development Goals



The **actions** of which this **Plan** is composed, defined in due consideration of the local context, help support **2030 Agenda** by addressing the following goals:



# 2 2021 Sustainability Plan

## Summary

2021  
Sustainability Plan  
Refinery **Canada**

18  
Actions





## Climate change

### At Repsol, we contribute to sustainable development...

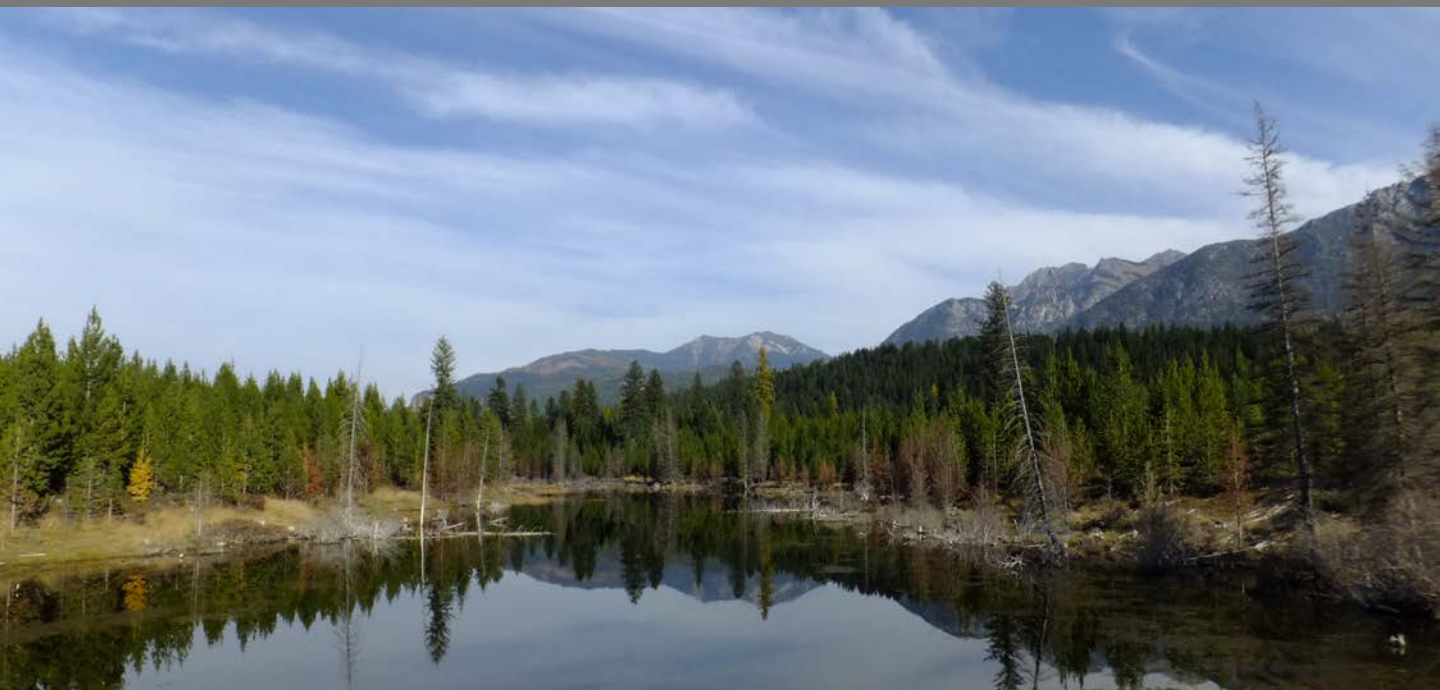
We share society's concern about the effect that human activity is having on the climate and we are firmly committed to the aspiration of limiting the increase in the planet's global average temperature well below 2°C with regard to pre-industrial levels.

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 CO<sub>2</sub> 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

### Action

Contribute to the Company's pledge to achieve net zero emissions by 2050.

### Description

We will continue to contribute to the Company's objective to reduce carbon emissions through various initiatives. We will work to detect and quantify the methane emission sources at our operated assets, improving our estimates of fugitive emissions which will advance our reporting and identify opportunities for reduction.

### Indicator

Reduce 32,000 tCO<sub>2</sub>eq emissions by December 31, 2021.

Continue methane emissions detection and quantification program and update methane emissions inventory by December 31, 2021.

Participate in the global Energy Components GHG reporting project.

## Contribution to the SDGs:





### At Repsol, we contribute to sustainable development...

In order to guarantee society sustainable growth over time, at Repsol we work prioritizing the actions necessary to minimize environmental impacts. For this, we optimize the use of the resources that we use in our industrial processes in the manufacture of our products, including water, and we minimize emissions to air and water, as well as the generation of waste, giving them a second life whenever possible.

The conservation of natural capital and biodiversity, as well as the implementation of the circular economy, are key aspects when developing our activity.

Our Safety and Environment Strategy defines the key lines of action on which the company will focus its environmental efforts by 2025: we must be able to quantify and assess the impacts and dependencies on the environment when making business decisions, focusing on the most sensitive aspects of our operations. Our goal is to maintain the social license to operate through excellent environmental management, showing that we are sustainable throughout our entire value chain, both in our projects and operations, as well as in the products and services that we make available to our customers.

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





## Environment

### Action

Contribute to the Company’s goal to maintain the social license to operate through excellent environmental management.

### Description

We will reassess potential environmental risks identified in 2020 by completing field assessments to minimize environmental impacts.

### Indicator

Complete field inspections on highest risk geohazard locations identified through 2021 desktop studies, to be completed by December 31, 2021.

Conduct quarterly review meetings to analyze progress of the expanded piping inspection program and determine next steps based on results.

## Contribution to the SDGs:





## Environment

### Action

Support responsible production and consumption of energy.

### Description

We will work to reduce energy consumption and improve energy efficiencies at existing facilities throughout our assets.

### Indicator

Implement one energy consumption efficiency initiative outlined in our Energy Management Plan.

## Contribution to the SDGs:





## Environment

### Action

Promote the use of shared infrastructure amongst local operators.

### Description

We will identify and evaluate opportunities for other operators to utilize our existing water infrastructure, in efforts to minimize new disturbance to the landscape that will contribute to mitigating the broader social impacts in our surrounding communities.

### Indicator

We will engage with local operators during quarterly operator's group meetings.

## 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

### Action

Support global digitalization efforts through our Electronic Permit To Work (ePTW) system.

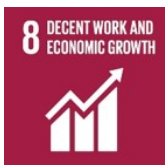
### Description

We will support global digitalization efforts through the implementation of an electronic permit to work system to reduce the use of paper. The ePTW system also improves our risk management and enhances the overall safety of our assets.

### Indicator

Implement Electronic Permit To Work system in our Chauvin and Edson assets by December 31, 2021.

## Contribution to the SDGs:





## Innovation and technology

### Action

Automated production management.

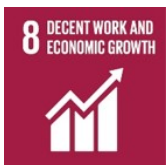
### Description

We will work to unify all digital information related to wells that come from many data sources and systems to integrate analysis to improve efficiencies and field optimization.

### Indicator

Chauvin and Edson Integrated Operating Centre and Production Engineering teams will implement a Minimum Viable Product (MVP), by September 30, 2021.

## 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

Lead continuous improvements in conducting our operations safely through safety-focused training.

### Description

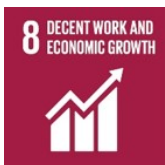
We will continue to strengthen the safety culture and skill set amongst our staff and demonstrate our commitment to safe operations through training initiatives.

### Indicator

Coordinate Safety and Environmental Management Safety online training program to CBU staff by December 31, 2021.

Coordinate Process Safety/Hazard Management online training program to CBU staff by December 31, 2021.

## Contribution to the SDGs:



# 2 2021 Sustainability Plan



## Safe and secure operation

### Action

Implement HSE Passport to Safety with main Canadian Business Unit contractors.

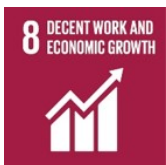
### Description

We will demonstrate our ongoing commitment to safety and safe operations by engaging main contractors on Repsol's HSE Passport to Safety program which will document safety training certifications.

### Indicator

Implement HSE Passport to Safety Program with one hundred percent (100%) of main contractors in the Canadian Business Unit by December 31, 2021.

## 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

### Action

Respect Human Rights through the support of Voluntary Principles on Security and Human Rights throughout our operations.

### Description

We will demonstrate our commitment of the Voluntary Principles on Security and Human Rights through training of field security personnel and monitoring external inquiries.

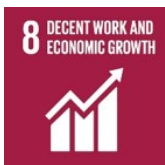
### Indicator

Implement annual training to all field and office security staff by September 30, 2021.

Monitor Voluntary Principles on Security and Human Rights Canada inbox, replying to one hundred percent (100%) of inquiries within five (5) business days.

Promote the new online training course through our employee Internal Communications for Canada.

## Contribution to the SDGs:





## People

### Action

Manage the social impacts and grievances of our operations through our Good Neighbour Program.

### Description

We will maintain the privilege of working and living in Stakeholders' communities by anticipating and managing the impacts from our activities and potential concerns, with a commitment to prevention and meaningful dialogue through our Good Neighbour Program.

### Indicator

Address 95% of the grievances relating to our social impacts within two business days.

## Contribution to the SDGs:





## People

### Action

Strengthen and maintain positive relationships with our Indigenous communities and local external stakeholders.

### Description

We will demonstrate our commitment to ongoing meaningful engagement with our Indigenous communities and local external local stakeholders through our Stakeholder Engagement Plan. We will continue to maintain strong relationships of trust and mutual respect with local communities close to our operations, based on principles of respect, cultural sensitivity, integrity, accountability, transparency, good-faith, and non-discrimination.

### Indicator

Engage Indigenous communities on a quarterly basis to provide activity updates, identify and support social investment projects that benefit the communities.

Conduct stakeholder engagement activities with local stakeholders, providing updates on Canada's 2021 E&P Strategy, complete by June 30, 2021.

## Contribution to the SDGs:





## People

### Action

Strengthen our social performance by supporting local communities near our operations through our Social Investment strategy.

### Description

We will demonstrate our commitment to continuous improvement of our social performance by mitigating our impacts and working to bring sustainable benefits to our communities. We will identify community-based projects to support that are aligned with Repsol's Social Investment strategy and framework, focusing on supporting social investment projects that meet the priority Sustainable Development Goals for the Company.

### Indicator

95% of our social investment initiatives will achieve a 95% alignment of the investment with the United Nation's 2030 Agenda for Sustainable Development Goals.

## Contribution to the SDGs:





## People

### Action

Promote a culture that respects diversity and inclusion in the workplace.

### Description

We will develop the framework of our diversity and inclusion program that will create initiatives and resources to support, enhance and raise awareness of employee diversity and inclusion.

### Indicator

Implement diversity and inclusion committee, incorporating all Repsol Canada locations and staff.

Develop annual diversity and inclusion plan that includes new initiatives and activities for 2021.

## Contribution to the SDGs:





## People

### Action

Promote work-life balance in the workplace by expanding teleworking program.

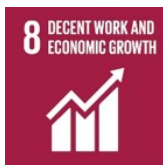
### Description

We will continue to encourage an employee culture that promotes work-life balance by providing flexible work arrangements, increasing the number of employee teleworkers; demonstrating our commitment to employee health and wellbeing.

### Indicator

Achieve a 60% participation rate in teleworking program amongst eligible roles, by December 31, 2021.

## Contribution to the SDGs:





## People

### Action

Strengthen the employee experience through the development of our employee engagement program.

### Description

We will raise awareness and promote employee centric culture that improves their experience and supports their development. We will develop and implement our employee engagement program offering new initiatives and activities to enhance employee connectivity with the organization and peers, along with a focus on employee development.

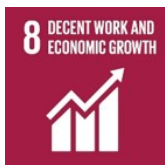
### Indicator

Host employee development sessions with all Canada staff by March 31, 2021.

Implement employee engagement committee, incorporating all Repsol Canada locations and staff.

Develop annual employee engagement plan that includes new employee engagement initiatives and activities for 2021.

## Contribution to the SDGs:





## People

### Action

Support the wellbeing our employees through the development of an annual employee wellness program.

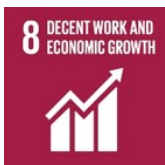
### Description

Promote comprehensive health, physical and emotional wellbeing through initiatives with indicators that allow us to measure their effectiveness as well as the perception of employees.

### Indicator

- Implement wellness committee, incorporating all Repsol Canada locations and staff.
- Develop annual wellness plan that includes wellness initiatives and resources for 2021.
- Implement one new technology from our wellness plan to promote new ways of working.

## 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





## Ethics and transparency

### Action

Promote and encourage a culture of integrity and responsibility for all employees, operating in strict accordance with our Code of Ethics.

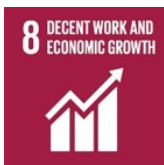
### Description

We will demonstrate our commitment to compliance by ensuring staff in Canada complete the Code of Ethics corporate training.

### Indicator

Achieve a 90 percent response rate with a minimum of 80% percent.

## Contribution to the SDGs:



# 2 2021 Sustainability Plan



## Ethics and transparency

### Action

Promote cooperative relationships with local tax authorities.

### Description

Repsol will engage with Canadian Revenue Agency and Internal Revenue Service by initiating a Mutual Agreement Procedure in order to eliminate the imposition of double tax that arose on the marketing fee between Repsol Energy Canada and Repsol Energy North America after Canadian Revenue Agency inspection of Repsol Energy Canada .

### Indicator

Obtain relief from double tax to be completed by December 31, 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.



