



# Overview 2021 Sustainability Plan Malaysia



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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.



We want to be part of the solution to climate change



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



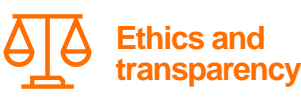
We encourage innovation and incorporate technological advances to improve and develop ourselves and our environment



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



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



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



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



# 2021 Sustainability Plan

## Overview

At the end of the year, it is time to review each of the initiatives that are part of the Sustainability Plan. The degree to which the objectives have been fulfilled is as follows:

14  
Actions

72% Fulfillment  
14% In progress  
14% Not fulfilled

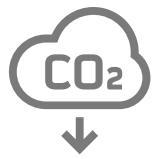


Further down, you can obtain more detailed information for each of the actions included in the plan, their indicators, and all other relevant information.



# 2 2021 Sustainability Plan

## Climate change



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

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

Our challenge is to supply energy in a safe, efficient, accessible and sustainable manner, reducing Greenhouse Gas (GHG) emissions in line with the objectives of the Paris Agreement and the Sustainable Development Goals of the United Nations (SDGs).

In December 2019 Repsol publicly expressed that it would align its strategy to be a net-zero emissions company by 2050, making it the first in its sector to set this ambitious goal. Our 2021-2025 Strategic Plan sets out the roadmap for continuing to successfully advance the energy transition. With the technological advances available, we anticipate achieving between 80% and 90% net emissions reductions by that year, and we are committed to applying the best technologies to raise this figure, including 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: Actions

### Action

Drive GHG reduction initiatives.

### Description

We will implement a series of GHG reduction initiatives in year 2021 which include the initiative to reduce the emission of methane by converting one of the vent streams to flare. This is inline with Repsol's commitment in moving towards a low-emissions future.

### Indicator

Quantify monthly and verify by external auditor at the end of the year GHG reduction achieved by this initiative.

## What we've achieved

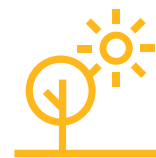


We have reached a cumulative GHG reduction for 2021 of 34.6 kt CO<sub>2</sub>eq. Actual reduction is lower than the planned reduction of 61 kt CO<sub>2</sub>eq due to lower sales gas demand and bad weather which limited the chances of the implementation of HCO<sub>2</sub> flaring initiative. All reduction initiatives were verified by third party.

## 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: Actions

### Action

Promote environmental awareness among schoolchildren.

### Description

We will organise an environmental awareness camp for schoolchildren in conjunction with World Environment Day.

### Indicator

Conduct one environmental awareness camp.

## What we've achieved



We have conducted a webinar/hybrid & video contest for students and families on household ewaste awareness on the 28 August 2021 in replacement of the environmental awareness camp due to the current Covid pandemic. It was a collaboration with DoE Sabah. The theme, "Ewaste Recycled, Earth Preserved" has been adopted to reinforce this environmental awareness program.

## Contribution to the SDGs:





## Environment: Actions

### Action

Reduce the volume of waste for final disposal.

### Description

We will reduce the volume of scheduled waste SW409 (contaminated container) for final disposal by sending it to a waste recovery contractor.

### Indicator

Send 50% of scheduled waste SW409 generated at one operating asset to waste recovery contractor.

## What we've achieved



The waste recovery program was successfully implemented. 100% (4.11 tonne) of contaminated empty container generated by Kinabalu in 2021 was sent to waste recovery contractor. We will continue this program to give a second life to the waste as a usable material.

## Contribution to the SDGs:





# 2 2021 Sustainability Plan

## Safe and secure operation



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

We pursue the ambition of Zero Accidents by demanding a high level of safety in our processes and facilities, with special attention to the protection of people and the environment that surrounds us, also working to raise awareness of our suppliers and contractors.

As a result of the conviction that safety is the basis for the creation of value, excellence and responsibility, our Safety and Environment Strategy for 2025 sets the key lines of action on which to focus our safety efforts: promoting the culture, transformative leadership and safety awareness. In addition, as a sign of our commitment, the safety objectives have an impact on the variable remuneration of our employees of 10%.

In the current global context, with the acceleration of the digitalization process of society, secure operation also extends to digital operations, and cybersecurity is gaining more and more importance. We have been working on cycles of improvement and adaptation our processes and information technologies for more than a decade. Also aware that it is an environment that is constantly evolving and gaining complexity, far from stabilizing the effort, we increase it in each cycle.

Below we demonstrate courses of action pointing to our commitment to safe and secure operation.





## Safe and secure operation: Actions

### Action

Raise awareness on personal safety through safety campaigns with primary school children.

### Description

We will collaborate with the Department of Education, Police, Fire & Rescue Department and Malaysia Civil Defence Force to organise a Safety Day among schoolchildren. We aim to promote and nurture personal safety awareness through interactive activities and fun quiz for greater traction and focus.

### Indicator

Conduct two programs (Terengganu & Sabah) this year.

## What we've achieved



We have completed successfully both programs in Sabah and Terengganu. In Terengganu, over 2,200 primary school students (online & physical) participated in the online program.. The Jabatan Pendidikan Terengganu Facebook generated 2.2K participants, 1.2K shares, 10K views and 48.5K comments.

## Contribution to the SDGs:





## Safe and secure operation: Actions

### Action

Measure safety compliance assessment to selected safety critical areas at offshore platform.

### Description

We will develop terms of reference for assurance and assessment.

We will perform on the job safety assessments against selected areas as per the governing requirement guided by terms of reference.

### Indicator

Conduct four assessments at offshore platforms on selected areas.

## What we've achieved



We have completed four assessments conducted at offshore platforms:

- 1) Eye, face, hand and finger.
- 2) Drop object prevention.
- 3) Line of fire.
- 4) Slip, trip and fall.

## Contribution to the SDGs:







## Safe and secure operation: Actions

### Action

Enhance our business continuity plan.

### Description

We will continue developing and updating our business continuity plan in case of COVID-19 cases in the field to avoid and minimize disruption to operations and production.

### Indicator

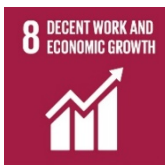
Contain number of COVID cases in the production facilities.

## What we've achieved



We have put in place control measures, such as green bubble program, Standard Operating Procedure (SOP) for Covid-19, quarantine and Covid-19 testing, which have managed to restrict the spread of the virus at production facilities. The operation continues without disruption since the start of the pandemic.

## Contribution to the SDGs:





## 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.





## People: Actions

### Action

Promote a mentoring program with Repsol's scholars.

### Description

We will organize a mentoring program to help Repsol scholars identify, achieve career and skills development and personal growth goals as well as preparing them for the employment world.

### Indicator

Mentor 40 Repsol scholars online.

## What we've achieved



Program was completed on 25th July with 16 mentors and 34 mentees with last minute withdraw of 6 of the mentees due to conflict with class schedule. The program was conducted online over two days with a talk on communication and presentation skills and also practical and hands-on activities to enhance their entrepreneurial and critical skills.

## Contribution to the SDGs:





## People: Actions

### Action

Develop a learning and development framework.

### Description

We will promote an employee centric culture that improves their experience and supports their development. With this framework, we will be able to provide the employees a more solid and reference with regards to training and development.

### Indicator

Deploy the framework the first semester.

## What we've achieved



We have established a framework for the learning and development in order to have some uniformity and standard approach/reference for our employees on matters pertaining to training and development and to describe the roles and responsibilities of senior leaders, directors, managers and employees.

The guiding principles of this framework mainly revolves around making learning and development a strategic priority for our staff and creating customized employee learning and development plans.

## Contribution to the SDGs:





## People: Actions

### Action

Promote Repsol Aspiring Women's (RAW) Network.

### Description

We will launch Repsol Aspiring Women's Network, an initiative which embraces diversity and inclusivity of women talents in our company. It is a platform for women to learn and grow from personalities within and outside the industry as well as being a haven for women to share their thoughts and concerns candidly without fear.

### Indicator

Establish formal committee members.

Organize one sharing session.

## What we've achieved



Due to Covid-19 situation and change of business owner, the plan to continue with the Women network will have to take the new owner's policy and considerations.

## Contribution to the SDGs:





## People: Actions

### Action

Promote the United Nations 2030 Agenda among our employees.

### Description

We will make sure our employees know the 2030 Agenda and its 17 Sustainable Development Goals through a training course. We will highlight the role of the private sector and Repsol's challenges to maximize its contribution.

### Indicator

Train 100 % of employees.

## What we've achieved



Out of 76 that registered for the course, 64% of employees have completed the training and the other 36% is either in progress or not started. We didn't manage to train 100% of the employees as plan due to the pandemic situation.

## Contribution to the SDGs:







## People: Actions

### Action

Promote educational excellence amongst children from disadvantaged groups.

### Description

We will award scholarships to university students in collaboration with five Malaysia partner universities. In selecting the students, besides educational merits, their family background will also be given consideration in order to ensure the benefits goes to the most deserving candidates.

### Indicator

Award 20 scholarships by end of 2021, incorporating family income as part of the evaluation criteria.

Carry out two Motivational Award programs; one each in Labuan & Sabah.

## What we've achieved



We have awarded 20 scholarships to the university students for 2020 batch, having into account family income as evaluation criteria. Also, we have successfully carried out the two Motivational Awards program in Labuan and Sabah as planned.

## Contribution to the SDGs:





## People: Actions

### Action

Train security personnel on Voluntary Principles on Security and Human Rights.

### Description

We will carry out awareness programmes and sharing of information sessions on public and private security providers' efforts to implement or assist in the implementation of the voluntary principles with other participants and the public.

We will develop systems for reporting and investigating allegations of human rights abuses.

We will collaborate with relevant stakeholders to ensure compliance of our business operations.

### Indicator

Train 100% security personnel.

Develop systems for reporting and investigating allegations of human rights abuses.

Collaborate with relevant government authorities, non-governmental organizations and other entities to ensure business compliance.

## What we've achieved



We have trained 100% of security personnel on the principles of security and human rights through meetings, briefing sessions and awareness programmes. Security-related virtual meetings sessions with security personnel were held at least two times for career development.

We have devised a grievance mechanism document to address complaints pertaining to security breach and violations of human rights.

Finally, we have improved collaboration with government authorities/NGOs through a monthly visit.

## Contribution to the SDGs:





## People: Actions

### Action

Empower communities through capacity building programs enabling them to generate sustainable income.

### Description

We will work with selected NGOs in Sabah to develop capacity building programs that will enable selected communities or groups to generate sustainable alternative income. This is done through Project Seaweed Rearing with Fishermen community.

### Indicator

Complete the program by end of 2021.

## What we've achieved



The Oyster farming project was launched on 21 Oct 2021 with seven selected youths from the B40 community in Mengkabung, Tuaran District, Sabah comprising of three men and four women. The project is expected to provide additional income to their families when the oysters are harvested upon mature.

## 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: Actions

### Action

Increase knowledge of personal data protection within the employees of Malaysia Business Unit.

### Description

We will provide or procure training to employees on personal data protection, and we will review and update Repsol's data protection notices if needed.

### Indicator

Train 10% of employees, particularly the functions that handle personal data of others in carrying their job.

## What we've achieved



Formal training session by external professional on personal data protection laws was not carried out in 2021. This was due to various reasons related to timing, people movement, and divestment. Nonetheless, update to company's personal data protection notices has been completed and is expected to be rolled out together with training to be conducted after completion of divestment.

## Contribución a los ODS:





## 3 Process of updating the Plan

### This Sustainability Plan is a dynamic document.

Each year we will give an account of the extent to which the actions that make up this Plan have been carried out by publishing a monitoring report.

Moreover, given that the expectations of our stakeholders and the issues that concern them are changeable and subject to the evolution of events during the course of the year, this Plan will be updated annually with new actions or the reformulation of existing ones to adapt them to the new situation.

The successive updates of the plan will leave behind them a trail of completed actions that, collectively, are a contribution of our company to sustainable development.





