



Overview 2020 Sustainability Plan United States



Index

1	Our vision of sustainability and the preparation of this Plan	3
2	Sustainability Plan 2020	4
	Sustainable Development Goals	4
	Summary	6
	Ethics and transparency	8
	People	11
	Safe operation	14
	Environment	16
	Climate change	19
	Innovation and technology	21
3	Process of updating this Plan	25

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 2020: 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.

 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



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 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

Noteworthy projects

At Repsol, we contribute to sustainable development...

In the United States, we have carried out projects to drive progress toward a more sustainable future with respect for human rights, environmental protection and advancing the digital workplace.



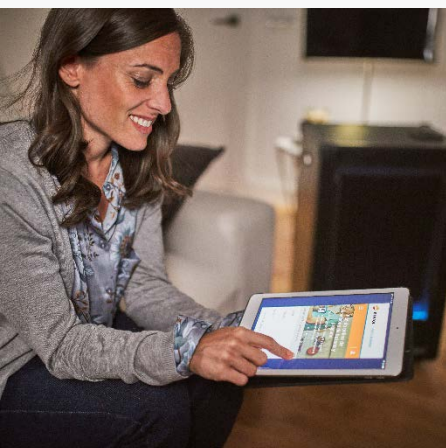
Collaboration to promote respect for human rights

We have harnessed our influence as a top-tier operator to advocate for the protection of human rights, focused on driving discussions within the organizations where we are present and integrating the Voluntary Principles on Security and Human Rights into industry best practices.



Reforestation to protect the environment and build a more sustainable future

We have partnered with local communities to plant trees and harvest acorns to be cultivated for future planting to help build strong and healthy forests today and for future generations. These projects support Repsol's commitment to combat climate change and contribute to a more sustainable future for our planet.



Digitalization and innovation to achieve new ways of working

We have significantly advanced the digital workplace by successfully adapting to new ways of working and equipping our team with innovative digital tools and training to support Repsol's efficiency and digital transformation goals.

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:

11
Actions

81.8% Fulfillment
18.2% 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

Promote cooperative relationships with tax authorities.

Description

We will participate in the voluntary OECD International Compliance Assurance Program (ICAP) to advance transparency and efficiency in tax compliance.

Indicator

We will monitor for new opportunities with the IRS while also supporting continued IRS confirmation as a "Low Risk" taxpayer for the tax year 2018.

What we've achieved



We have continued to support transparency in tax compliance and to promote cooperative relationships with tax authorities by actively participating in the voluntary OECD International Compliance Assurance Program (ICAP), and we have been confirmed as a "Low Risk" taxpayer for the tax year 2018.

Contribution to the SDGs:





Ethics and transparency

Action

Promote compliance with Repsol’s Code of Ethics and Business Conduct.

Description

We will launch the Annual Compliance Certifications Program requesting all employees to report conflicts of interest and acknowledge receipt of the Code of Ethics and Business Conduct and Anticorruption Policy.

Indicator

Target of 90% response rate, with a minimum of 80%.

What we've achieved



We have exceeded our target for the Annual Compliance Certification Program, achieving a 98% response rate among employees in North America.

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

Promote a culture of diversity and inclusion.

Description

We will provide unconscious bias training for leaders to improve awareness in decision-making processes.

Indicator

Achieve 90% of directors and area leaders to complete the training.

What we've achieved



We have developed and implemented an unconscious bias training for leaders' campaign, online and with virtual sessions facilitated by expert Diversity & Inclusion consultants, with 90% of directors and area leaders completing the training. Additionally, the training was offered to all staff as part of the USA Diversity & Inclusion Committee action plan.

Contribution to the SDGs:





People

Action

Promote the security of people with full respect for human rights.

Description

We will advance Repsol's Human Rights Policy through collaboration and knowledge sharing.

Indicator

Advocate to form a human rights committee with other member companies in at least one of the trade groups in which we actively participate.

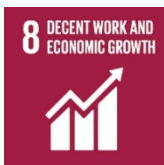
Communicate our Human Rights Policy during the contracting process to new suppliers.

What we've achieved



We have introduced and led discussion of best practices for the Voluntary Principles on Security and Human Rights in the International Association of Oil & Gas Producers (IOGP) Security Committee. We have integrated Repsol's Human Rights Policy into the new security contract for the Eagle Ford Business Unit, which is responsible for the company's offices and assets in South Texas.

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.



2 2020 Sustainability Plan



Safe operation

Action

Drive continuous improvement to our safe operations.

Description

We will identify opportunities to continue building a culture of safety first in our operated upstream assets.

Indicator

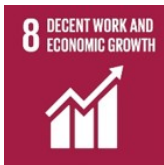
Complete at least one safety culture review in the Marcellus Business Unit.

What we've achieved



We have completed one safety culture survey for the Marcellus Business Unit, conducting virtual surveys with 155 employees and 93 contractors and defining an action plan with 8 target objectives focused on recognition, reporting, learning, operational excellence and aligned expectations. We have successfully accomplished 6 objectives, with 2 extended into 2021.

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

Protect the environment and biodiversity near our activity.

Description

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

We will support a scientific study to advance the protection of wildlife on the North Slope by the Alaska Oil and Gas Association (AOGA).

Indicator

Assign funding to start engineering for the project.

Contribute funding and communicate the results to the operator.

What we've achieved



We have deferred funding for the residential sewage system upgrade and bridge repair to 2021, to optimize the efficiency of these projects in alignment with the anticipated activity schedule for the Pikka development. We have contributed \$16,000 for a scientific study funded by the Alaska Oil & Gas Association and managed by the US Fish & Wildlife Service to analyze and improve methods for protecting wildlife on the North Slope, with results expected to be peer reviewed and communicated in 2021.

Contribution to the SDGs:



2 2020 Sustainability Plan



Environment

Action

Actively contribute to sustainable communities.

Description

We will collaborate with environmental organizations to promote sustainability projects in the community.

Indicator

Participate in at least one project related to reforestation.

What we've achieved



We have collaborated on two projects in the Marcellus Business Unit to promote reforestation, with Repsol employees planting 250 trees with the Allegheny County Department of Parks in Wexford, Pennsylvania and harvesting 2.5 bushels of red oak acorns in Tioga County, Pennsylvania to be cultivated and planted by the Pennsylvania Department of Conservation of Natural Resources in 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

Promote transparency and collaboration to limit global warming.

Description

We will engage with associations and trade groups where Repsol is a member to advance the dialogue on climate change in our industry.

Indicator

Survey selected trade organizations in which Repsol is a member to review alignment on climate change.

What we've achieved



We have worked with each of our trade organizations to evaluate their current position regarding climate change. In most cases, we were pleased that a majority of the organizations are advancing climate change dialog and are engaged with external stakeholders. Where we identified organizations that are not fully aligned we continue to work with these organizations to promote and advance this important issue.

Contribution to the SDGs:



2 2020 Sustainability Plan

Innovation and technology



At Repsol, we contribute to sustainable development...

A sustainable future requires **companies that invest in science and technology** to meet the current and future energy challenges through real solutions. We believe in technological innovation as a way to build more efficient and environmentally sustainable energy systems.

At Repsol, we are committed to building a **network of partnerships with universities and research centers**. This promotes the implementation of ambitious ideas that enable us to confront the challenges we are facing and build a sustainable future, in line with our commitment to the environment.

Technology is evolving at vertiginous speed, and we must be able to incorporate technological advances at the moment they occur. Therefore, we have an ambitious digitalization program that will transform the company, promote cultural change and allow us to develop digital solutions to satisfy new forms of energy consumption.

Similarly, we forge alliances and contribute to the growth of companies in emerging areas related to reliability in operations, circular economy, advanced mobility, energy diversification, new materials and digital technologies applied to exploration and production.

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 2020 Sustainability Plan



Innovation and technology

Action

Promote a digital workplace.

Description

We will advance the capabilities of our employees to be more efficient and productive through the adoption of innovative technology and processes in the workplace.

Indicator

Launch an internal campaign to promote Microsoft Teams and OneDrive.

What we've achieved



We have significantly advanced the Digital Workplace by providing training and change management focused on Microsoft Teams, OneDrive and other digital tools as the primary platforms for communication and workflow in Repsol. We have hosted 12 virtual town halls and successfully piloted New Ways of Working (NWOW) in the Marcellus Business Unit launching a full-time remote working program for 80 employees, supporting Repsol's efficiency and digital transformation goals.

Contribution to the SDGs:



2 2020 Sustainability Plan



Innovation and technology

Action

Drive innovation to build an efficient and sustainable business.

Description

We will identify opportunities to continue building an efficient operated upstream asset through digitalization initiatives.

Indicator

Evaluate the implementation of electronic permits, digital safety barriers, inventory analytics and digital logistics optimization.

What we've achieved



We have the electronic permits implementation ongoing with a digital pilot at the Y Bar Central Transfer Station (CTS) in 2021. We have deferred the launch of inventory analytics and digital logistics optimization while the necessary system upgrades are being completed.

Contribution to the SDGs:



2 2020 Sustainability Plan



Innovation and technology

Action

Build the future of energy through STEM education.

Description

We will increase teacher and student knowledge of STEM (Science, Technology, Engineering, Mathematics) careers, particularly in the energy industry.

Indicator

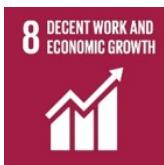
Lead three activities at schools in the Marcellus Business Unit operating area to promote the value of STEM careers in energy.

What we've achieved



We have hosted four "STEM Careers in Energy" virtual learning sessions to promote STEM careers and the future of energy for junior high school science classes, using digitalization and technology to impact 75 students.

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.



