

# Energy where it should be

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**Sustainability  
Report 2020**



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# Letter from the Chairman

GRI CONTENT 102-14

The pandemic has marked 2020 as one of the most challenging years in history. The new context of great uncertainty has challenged us to think of new ways to achieve our goals and act with agility.

The economic and social consequences in Argentina and in the world, added to the lack of certainty regarding the new scenario and its projection, far from stopping us, inspired us to improve the way we work, developing more efficient and innovative power generation processes to continue leading the energy transition.

We set four priorities that have allowed us to strengthen our company and continue our path of growth and consolidation: taking care of our people, the profitability of the company, supporting our clients and strategic suppliers, to emerge from the crisis stronger.

At YPF LUZ, we have guaranteed the supply of electricity throughout the year and have focused our efforts on continuing our works and projects with the clear purpose of continuing to strengthen the energy matrix, always taking care of people's health and safety.

The world is on the way to greater electrification, where electric energy will increase its participation in the energy matrix. This growth will be possible

through new forms of supply that include the more efficient use of natural resources and the mitigation of the effects of climate change.

We are a reliable energy supplier for important companies nationwide and we lead the Renewable Energy Forward Market (MATER).

With renewed determination to continue working for the growth of the country, and committed to technology, efficiency and sustainability, today we present our third YPF LUZ Sustainability Report, a reflection of a year of great challenges and achievements.

This Sustainability Report was prepared under the international Global Reporting Initiative (GRI) standard, the standards for the Electricity and Power Generation Sector of the Sustainability Accounting Standards Board (SASB) and in line with the 17 Sustainable Development Goals of the 2030 Agenda approved by the United Nations.

Once again, I invite you to get acquainted with the sustainable management of our business.

**Santiago Martínez Tanoira**  
Chairman of YPF LUZ



# Letter from the CEO

GRI CONTENTS 102-14, 102-15

2020 was a very particular year as we all know, engulfed with a global pandemic that challenged us to be better. With great effort, intense work and many lessons learned throughout the year, we assumed the responsibility of ensuring the power generation for the country and completing most of the projects that we had under construction, in a scenario of great uncertainty.

To this end, we made it a priority to take care of and be close to our people and their families, our value chain and to focus on the economic-financial situation of the company.

From the beginning, we created a Covid-19 Crisis Committee that met daily to define the strategy and actions to be implemented in this context. We developed prevention protocols that allowed us to continue working in operations and projects with appropriate health and safety procedures that were a reference in the sector. We managed to maintain the operation and the works under construction despite the restrictions applied by national regulations, ensuring an essential service for people and industry.

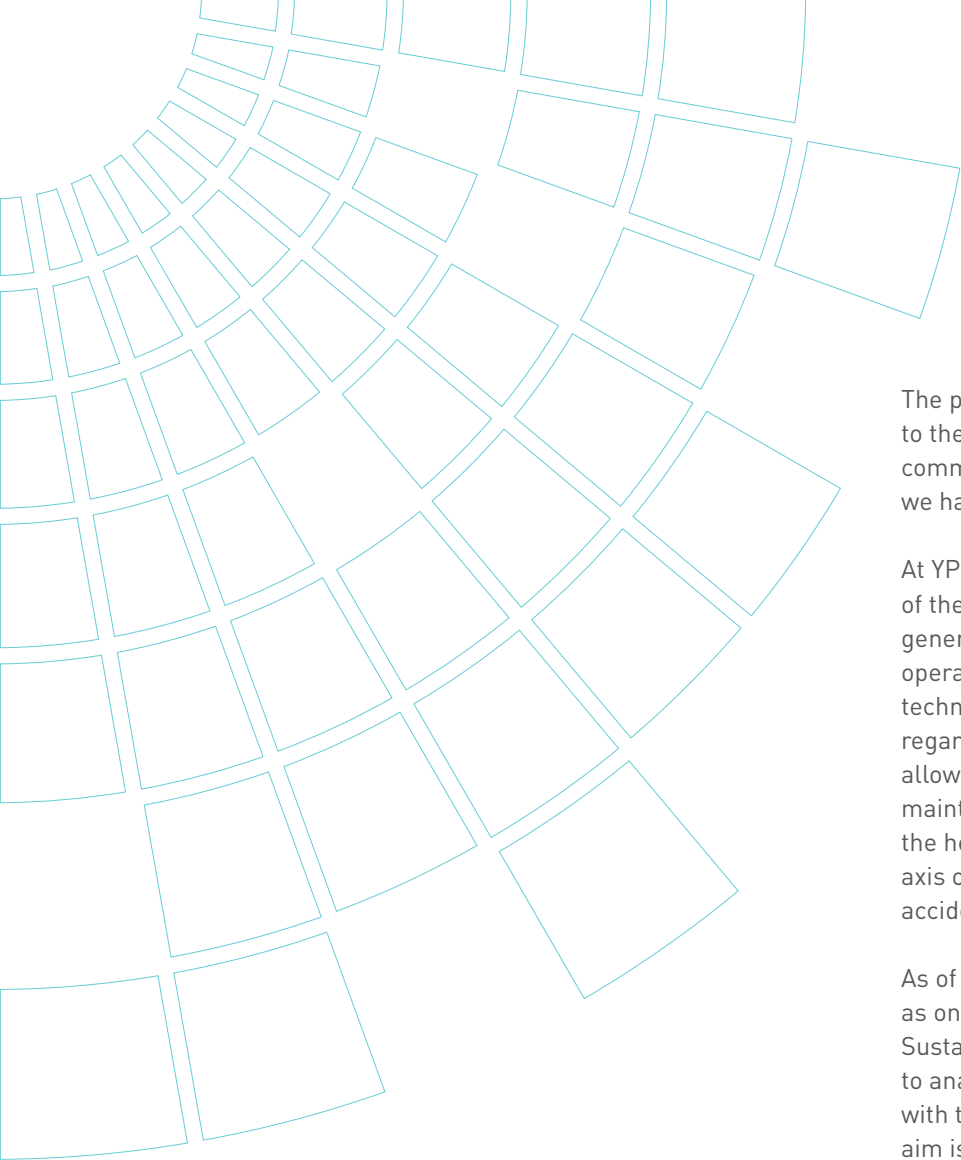
We remained close to our communities, with periodic virtual meetings with local referents, to understand their needs, and we adapted our Social Investment program to reach nearly 24,000

beneficiaries. We made donations of sanitary kits to hospitals, health centers and educational entities in the communities where we operate, and we provided awareness campaigns and digital training on energy to students and teachers of secondary schools and tertiary institutions.

As part of the sustainable growth that we are planning, we made investments for USD 226MM in the year, and our EBITDA reached USD 224MM, 2% higher than 2019. In addition, we obtained financing for more than USD 200MM that allowed us to continue working on the projects, put new assets in operation and strengthen our company.

In line with our approach of encouraging the complementarity between energy from thermal and renewable sources, in 2020 we managed to put into operation three projects for a total of 412 MW of installed capacity: a combined cycle project in Tucumán, a cogeneration plant in Ensenada, and a wind farm in Azul. The new operation corresponding to the first stage of Los Teros Wind Farm allowed us to increase our installed capacity for renewable power generation by 124%, reaching 222 MW.

In addition, we continued to make progress in projects for 233 MW of installed capacity in the provinces of Buenos Aires, Chubut and Santa Cruz.



The progress of our works was possible due to the effort of a great team that offered all its commitment and passion to achieve the goals we had set for ourselves.

At YPF LUZ, we have the vision of becoming one of the leading companies in the electric power generation sector, leader in renewable energies, operating under internationally renowned safety, technology, efficiency, and quality standards. In this regard, the application of technology and innovation allowed us to operate our plants and carry out maintenance tasks 100% remotely, looking after the health and safety of people as the fundamental axis of our activity. We also managed to reduce the accident frequency rate by 74% to 0.19.

As of 2020, we have incorporated Sustainability as one of our company goals, and we created a Sustainability Committee whose main function is to analyze and approve the strategic management with this approach. Through this Committee, the aim is to promote best practices, set objectives and goals, and incorporate measurement tools to manage and assess of performance.

In terms of environmental impact, we continued to improve our production processes to make them more efficient and sustainable. For this reason we

certified two new thermal power plants to ISO 50001, reaching a total of 7 operating centers with this certification. In addition, the Loma Campana Complex obtained the ISO 55001 Asset Management certification in the three thermal power plants that YPF LUZ has in Vaca Muerta.

In this report we share the achievements and learnings, the goals achieved and the new directions set, experiences and challenges of a year that undoubtedly taught us not to give up, to adapt with agility and commitment to a changing reality, to work as a team, and to emerge stronger and be prepared to take on new challenges that allow us to continue growing and delivering energy where it should be.

**Martín Mandarano**  
CEO of YPF LUZ



**SDG**

8, 12 and 17



**GOALS**

8.5, 8.8, 12.2, 12.6, 17.16, 17.17



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**MATERIAL TOPICS**

Energy Efficiency, Power Generation Efficiency, Risk Management and Regulatory Compliance

01

# About us



# 1.1 YPF LUZ in numbers

GRI CONTENT 102-7

## ECONOMIC PERFORMANCE

**USD 224.3 MM**

EBITDA

**USD 225.5 MM**

Investments

We generate electric power to supply

**2,447,488**  
**HOUSEHOLDS**

**USD 301.5 MM**

Sales revenues

**8,991 GWh**

Energy generated

**2,250 MW**

Installed capacity

**233 MW**

Under construction

## ENVIRONMENTAL PERFORMANCE

**3,063,856**

Direct GHG emissions (tCO<sub>2</sub>e)

**261,213**

Waste generated

**6,622**

Water extraction (kton)

**100%**

Of effluents used for  
irrigation at Loma Campana

**8%**

Energy generated  
from renewable sources

**7**

ISO 50001  
Certified plants

## SOCIAL PERFORMANCE

**340**

Employees

**21%**

Women

**37,483**

Training hours

**175**

Volunteering hours

**0.78**

Driving behavior index

**0.19**

Accident frequency rate (AFR)

**90%**

Of purchase volume  
from domestic suppliers

**24,000**

Social investment  
beneficiaries

## GOVERNANCE AND COMPLIANCE

**19%**

Women in  
management positions<sup>1</sup>

**92%**

Critical third parties trained in  
the Code of Ethics and Conduct

**100%**

Management team  
trained in compliance

**90%**

Personnel trained  
in compliance

<sup>1</sup> Women in the Board of Directors, Management Team and Audit Committee.



# 1.2. Company profile

GRI CONTENTS 102-1, 102-2, 102-3, 102-4, 102-5, 102-6, 102-7

**We lead the Renewable Energy Forward Market (MATER) and we are a reliable energy supplier for important companies nationwide.**

YPF LUZ (Energía Eléctrica S.A.)<sup>2</sup>, born in 2013, is a leading electric power generation company whose mission is to generate profitable, efficient and sustainable energy, which optimizes natural resources for the production of thermal and renewable energy and contributes to the energy of Argentina, guaranteeing competitive energy solutions for its clients.

**In operation**  
**2,250 MW**

Thermal: 2,028 MW  
Renewable: 222 MW

**Under construction**  
**233 MW**

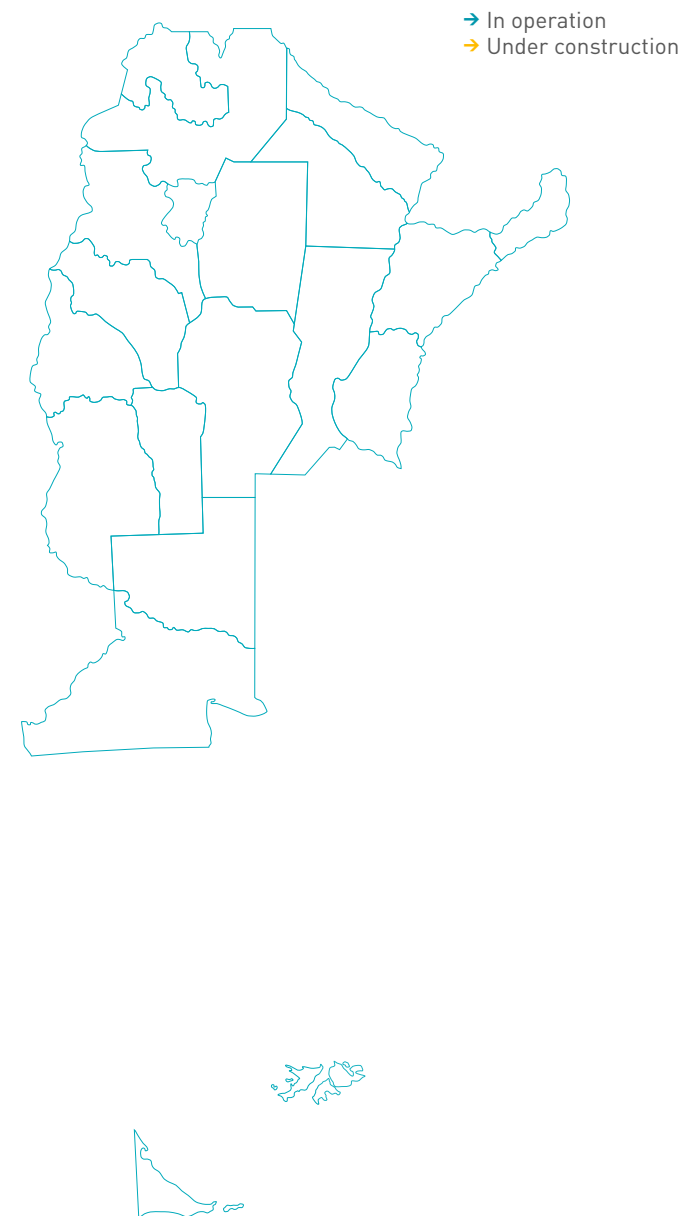
Thermal: 58 MW  
Renewable: 175 MW

<sup>2</sup> YPF Energía Eléctrica S.A. is a corporation organized according to the laws of the Argentine Republic. Its legal address is Macacha Güemes 515, 3rd floor, City of Buenos Aires.

<sup>3</sup> **CC:** Combined cycle; **WF:** Wind farm; **GT:** Gas turbine.

<sup>4</sup> Including the indirect stake in Central Dock Sud of 30% and not including the indirect stake in MBTPP, SMTTP and VOSA of 0.14%, 0.13% and 1.92%, respectively.

## LOCATION: PLANTS IN OPERATION AND PROJECTS UNDER CONSTRUCTION<sup>3</sup>



As of December 2020, we have an installed capacity of 2,250 MW<sup>5</sup>. We contribute 5.4% of the maximum installed capacity to the wholesale and industrial market and 5.7% of the power demanded in the year. In addition, we have projects under construction for an installed capacity of power generation of 233 MW.

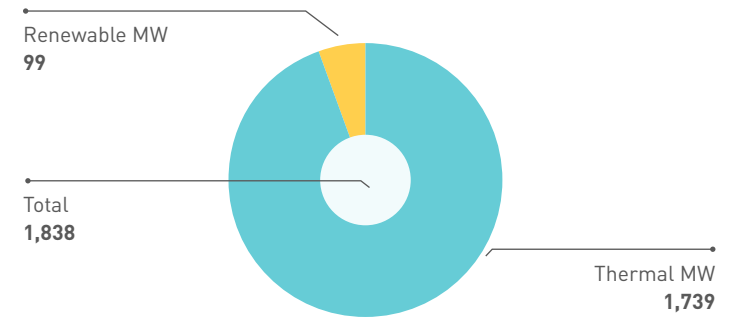
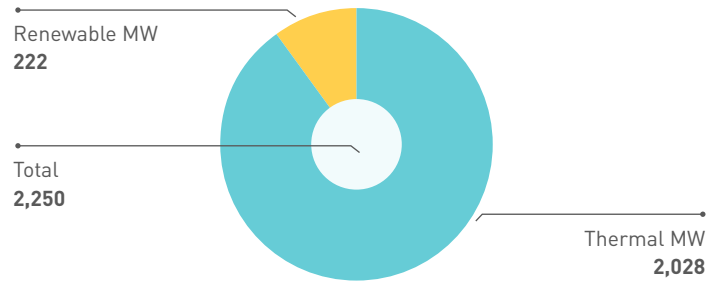
We supply CAMMESA (Compañía Administradora del Mercado Mayorista Eléctrico), YPF and other industrial customers with thermal and renewable energy generated by the Manantiales Behr and Los Teros I Wind Farms.

<sup>5</sup> Including 30% stake in Central Dock Sud and investees

**MW IN OPERATION\***

2020

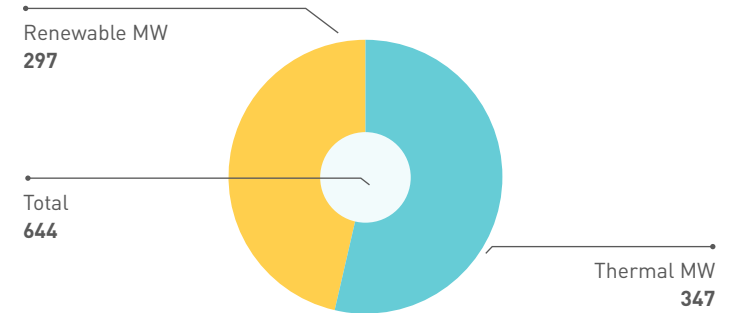
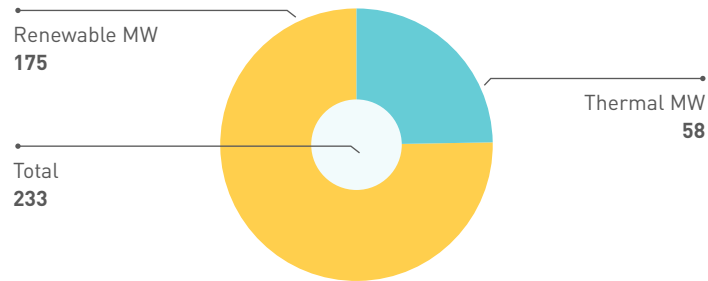
2019



**MW UNDER CONSTRUCTION**

2020

2019



\* As of 2020, the 30% stake in Central Dock Sud and the indirect stakes in MBTPP, SMTTP and VOSA of 0.14%, 0.13% and 1.92%, respectively, are included with the corresponding correction for 2019.

## HISTORY

We invested more than 1,500 million dollars and generated electric energy for 2 million Argentines from 8 plants and 2 wind farms.

	Installed Capacity
<b>2011</b>	YPF creates the electric energy division.
<b>2013</b>	August: YPF Energía Eléctrica is born August: Tucumán CC August: San Miguel de Tucumán CC 829 MW <b>829 MW</b>
<b>2017</b>	Central Dock Sud (40%) 302 MW July: Loma Campana Este 17 MW November: Loma Campana I 105 MW November: Loma Campana II 107 MW <b>1,360 MW</b>
<b>2018</b>	January: El Bracho GT 267 MW February: La Plata Cogeneration 128 MW March: General Electric becomes an investor June: Launch of YPF LUZ July: Manantiales Behr Stage I 50 MW December: Manantiales Behr Stage II 49 MW <b>1,838 MW</b>
<b>2019</b>	February: 6 plants certified under the ISO 50001 standard March: Corporate Volunteer Program July: Access to capital markets through issuance of two notes in an aggregate amount of USD 500 million December: Manantiales Behr Wind Farm, largest capacity factor in Argentina <b>1,838 MW</b>
<b>2020</b>	September: Start of operations at Los Teros I Wind Farm. October: Start of operations at El Bracho and La Plata Cogeneration II Combined Cycle. <b>2,250 MW</b>

## MAIN ACTIVITIES

MATERIAL TOPICS ENERGY EFFICIENCY,  
POWER GENERATION EFFICIENCY  
GRI CONTENT 102-2

We are committed to work for the energy development nationwide with responsibility and quality, looking after the environment and the health and safety of people. We provide electric power generation solutions adapted to the needs of each client, including efficient thermal power, renewable energy, cogeneration and distributed energy.

### Thermal energy

We operate highly efficient thermal power plants, which complement renewable energy and optimize the use of a highly important resource in Argentina: natural gas.

### Renewable energy

We operate renewable energy farms with the best technology available, at sites where renewable resources are best optimized. We offer this energy to industrial clients under long-term contracts.

### Cogeneration<sup>6</sup>

We operate cogeneration plants, which improve the efficiency and environmental impact of industrial processes and increase the reliability of energy supply.

### Distributed generation

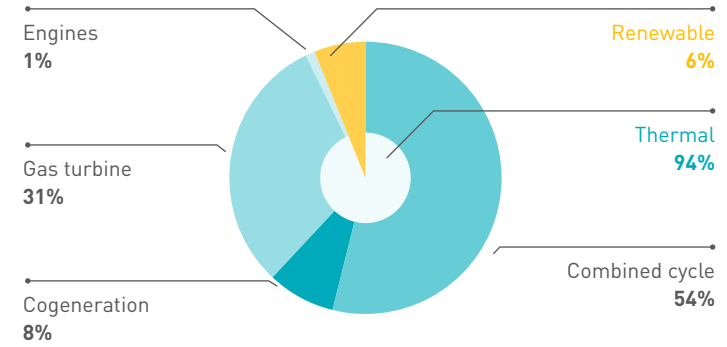
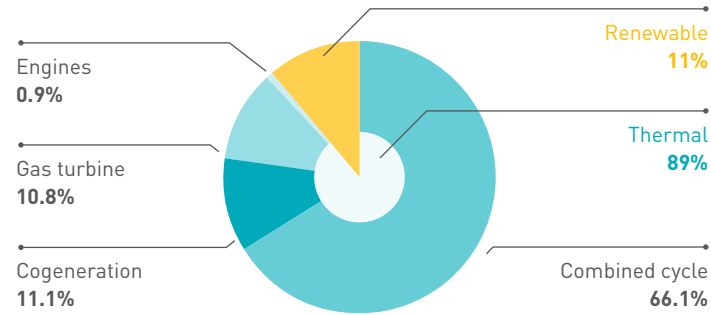
We operate distributed generation plants, which are designed for industries or areas that are isolated from the national interconnected grid, with reliable and efficient equipment.

<sup>6</sup> Cogeneration is the simultaneous production of electric and thermal power for industrial processes, which makes it possible to substantially reduce carbon emissions and energy costs and make more efficient use of fuels.

**INSTALLED CAPACITY\***

2020

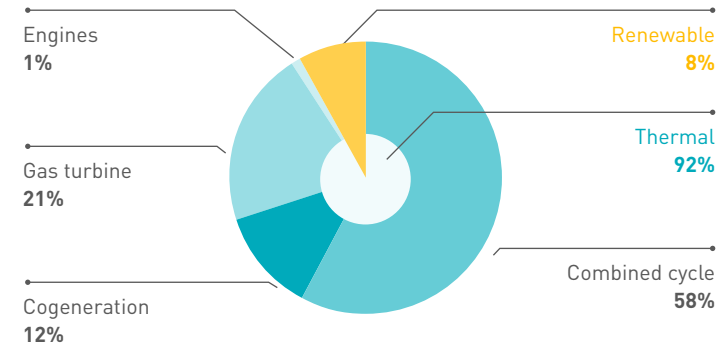
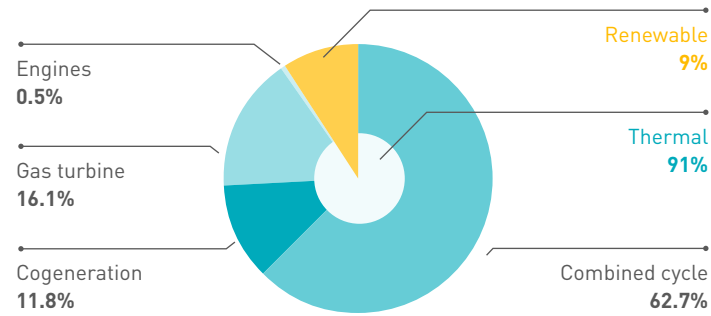
2019



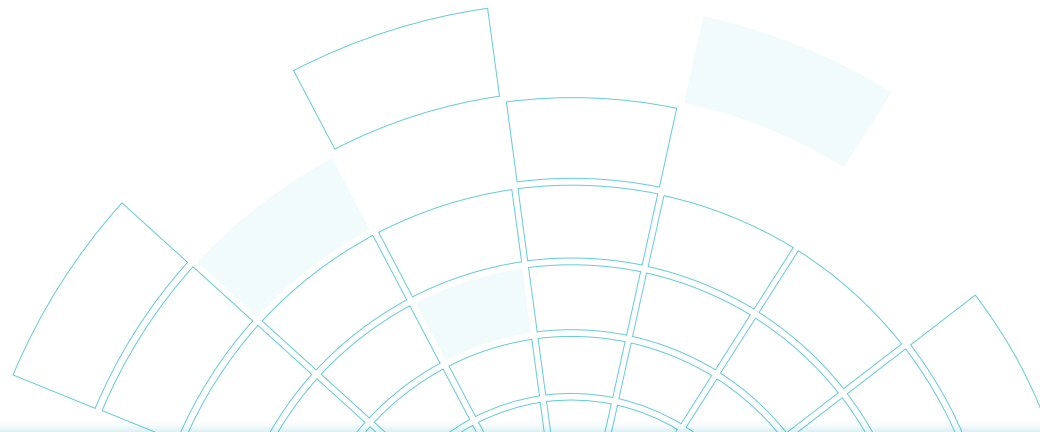
**POWER GENERATION\***

2020

2019



\* Excluding Central Dock Sud. Power generation is based on CAMMESA's monthly report for March 2021.



## POWER GENERATION REGULATORY FRAMEWORK

MATERIAL TOPICS RISK MANAGEMENT AND REGULATORY COMPLIANCE,  
POWER GENERATION EFFICIENCY  
GRI CONTENTS 102-6, 103-2

### Power Generation Market

Law 24,065/92 and Decree No. 1398/92 comprise the core regulatory framework of the electric sector, as supplemented by the rules set by the Secretariat of Energy concerning electric power generation and commercialization. ENRE (Argentine Electricity Regulator) is the regulatory, oversight and control authority of the electric power industry and the enforcement authority of Law 24,065. CAMMESA oversees the dispatch, scheduling and economic arrangement of the Argentine Interconnected System, known in Spanish as SADI, the Wholesale Electric Market (WEM), and acts as collecting entity for all WEM agents.

### Thermal Power

The sale of thermal power is regulated by the Secretariat of Energy and is developed under several regulatory frameworks, out of which YPF LUZ is subject to Resolution No. 31/2020 (in force since February 2020, previously Resolution No. 1/2019), Resolution No. 21/2016, Resolution No. 287/2017 and Resolution SE 269/2008 (distributed self-generation).

### Renewable Energy

In 2015, the Argentine government enacted Law 27,191 to promote renewable energy. According to this law, all users are required to meet a portion of their electric power demand from clean sources. This law was regulated by Decree No. 531/2016 and Resolution No.281/2017 (Renewable Energy Forward Market - MATER). Large users (industrial clients) may either self-generate renewable energy or buy it under a power purchase agreement with a renewable energy producer. Since 2018, large users are required to cover 8% of their demand for electricity with renewable energy, a percentage which must be increased gradually until reaching 20% by 2025. To meet the annual renewable energy demand as required by law, at YPF LUZ we developed renewable energy projects. We provide large users with on-site self-supply solutions or enter into mid- and long-term power purchase agreements with them, based on their individual production and energy supply needs.

The main resolutions of the sector with an effect on the Company's power generation business are available in the 2020 Audited Consolidated Financial Statements.



## 2020-2025 STRATEGIC PLAN

GRI CONTENTS 102-15, 102-20, 102-26

To develop the Company's strategy, meetings are held in which the internal and external context, the relationship with stakeholders, and the strengths, weaknesses, opportunities and threats of the organization are analyzed. This analysis leads to the definition of objectives, strategic initiatives and key performance indicators that are presented to the Steering Committee and to the Board of Directors.

The strategy is aligned with the mission and vision of the company<sup>7</sup>. The 2020-2025 Strategic Plan, which contemplates objectives in four areas, seeks to increase the installed capacity of efficient renewable and thermal power generation through new developments and acquisitions.

### Financial

- Grow sustainably with profitability and value creation.
- Remain creditworthy to secure growth.

### Market and Context

- Increase market share with leadership in the renewable sector.
- Develop client portfolio of Energy PPAs.
- Become the main supplier of energy to YPF S.A.
- Develop other business opportunities that ensure sustainability.


### Internal Processes

- Ensure competitive costs that guarantee efficiency in operations.
- Establish effective communication with all stakeholders.
- Efficient management in compliance with applicable regulations, policies and processes.
- Reach excellence in social and environmental sustainability of our operations.

<sup>7</sup> See section 3.1 of this Report.

## Our People

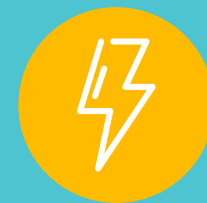
- Form a solid and consolidated team, with space for diversity.
- Keep a high level of technical expertise and professionalism.
- Strengthen leadership.
- Feel proud to belong.

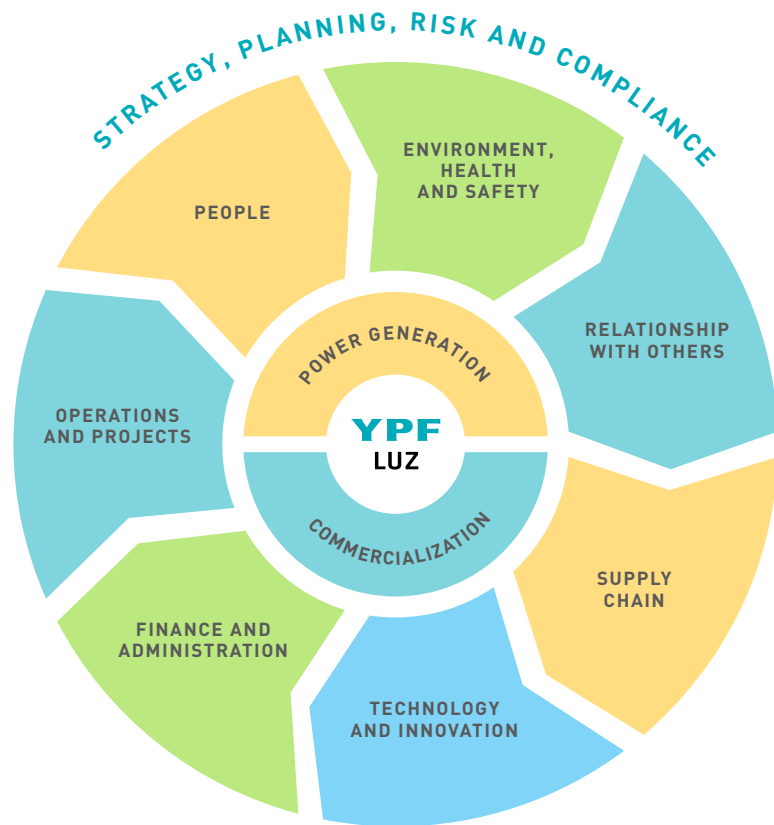
		
<b>-8%</b> emissions intensity by 2025 compared to 2020	<b>25%</b> women on our payroll by 2025	<b>0.20%</b> of Social Investment/ EBITDA by 2025

Each strategic goal has initiatives associated as well as an action plan. The initiatives are reviewed every six months together with the strategy, and are presented to the Steering Committee. Implementation is monitored through key performance indicators that are also presented to the Board of Directors for its consideration. Every year we verify that both the company, unit and individual goals are aligned with the global strategic plan, contributing to the achievement of the strategic goals, mission and vision, and with the company's values.



In 2020, a **Sustainability Committee** was created, responsible for analyzing and approving the company's **Strategic Sustainability Management**.





The company is dedicated to power generation and commercialization and is organized into 9 management departments that cover all areas necessary to ensure the supply of these services.

## Strategy in the COVID-19 context

In March 2020, a mandatory and preventive lockdown<sup>8</sup> was established in Argentina, which was extended and adapted to a social distancing scheme that is still in force, and affected the activity of the company, its suppliers, clients and the communities where it operates.

Electric power generation was declared an essential service and was permitted to continue operating since the beginning of the quarantine period, while electrical infrastructure works were declared essential as of April 6, 2020. To cope with this pandemic, at YPF LUZ we have decided to focus on the following priorities:

- 1. Take care of our people.** Always prioritize health and safety, in compliance with health regulations. Protect the jobs of our people. Collaborate with employees who require support, encouraging teamwork to come out stronger and better.
- 2. Safeguard revenues and costs.** Minimize costs to those strictly required. Work closely with clients to make sure that they will continue paying for supplied energy. Reinforce strict discipline in investments, prioritizing those that generate income as early as possible.
- 3. Support strategic clients and suppliers.** Stay close to clients, understand their needs and how we can help them by building on and improve our relations in the long term. Honor energy delivery commitments. Maintain availability and power generation of equipment in operation. Deliver project completion. Detect strategic suppliers willing to support the company and work long term.
- 4. Emerge from the crisis stronger.** Develop and apply new technologies to improve performance. Have a team ready to grow. Use this period to learn, train, improve operations, share knowledge and grow. Continue to work strongly in new projects, so that they are “ready to start” and be able to grow our market share in the power generation segment.

<sup>8</sup> Decree No. 297/2020



## COMMITMENTS, ALLIANCES AND RECOGNITIONS

GRI CONTENTS 102-12, 102-13

We are committed to participating in spaces for dialogue that are of great importance for learning and developing strategies and joint actions, and that disseminate, train and promote responsible business management.

	Managerial Position	Contribution of Funds	Work Team
<b>Sustainable Development</b>			
Foundations and Companies Group (GDFE) (*)		◆	◆
Argentine Business Council for Sustainable Development (*)			◆
Argentine Network of the United Nations Global Compact (*)			◆
<b>Sector Associations and Chambers</b>			
Electric Power Generators' Association of Argentina (AGEERA)	◆	◆	◆
Argentine Chamber of Renewable Energies (CADER)	◆	◆	◆
American Chamber of Commerce in Argentina (AMCHAM)		◆	◆
H2AR		◆	◆

\* We participate in these organizations through the YPF Group.



Representatives of the company actively participated in industry events. Some of them included:

### → Latam future energy

Meeting held via streaming. Our CEO was a member of the panel "The utilities of the future in Latin America in a context of energy transformation". The vision on the energy transition and the experience of YPF LUZ in the operation of wind farms and in the efficient management of thermal generation were shared.

### → Energy forum

Forum held online. Our CEO spoke about "Energy Transition", and highlighted the importance of the complementarity of renewable and conventional energies as a future path for energies.

## Awards and recognitions received



### RETURN ON ENVIRONMENT (ROE) AWARD

Suez Company awarded us the **ROE Award** for water treatment and optimization in the power generation process of the Loma Campana Complex and its use in the Green Lung (Pulmón Verde).



### BUSINESS CITIZENSHIP AWARD

We were recognized with the Business Citizenship Award granted by AMCHAM (United States Chamber of Commerce) in the category of Environment: Water use, for the use of water through the Green Lung initiative, a plantation of 100,000 trees irrigated with 100% of the liquid effluents from the Loma Campana Complex, in Neuquén.



### ENERGY MANAGEMENT INSIGHT AWARD

We were distinguished by the renowned Clean Energy Ministerial International Forum (CEM) with the Energy Management Insight award for excellence in energy management for the implementation of the Energy Management System under the ISO 50001 Standard in La Plata Cogeneration. The economic and environmental benefits of this management system were highlighted, as well as the opportunities for improvement.



### ARGENTINA EFFICIENT AWARD 2020

We were recognized by the National Department of Electric Power Generation with the Argentina Efficient Award 2020 for the results in the implementation of the Energy Management System certified under the ISO 50001: 2018 standard at the La Plata Cogeneration plant. The energy and environmental benefits were highlighted along with the improvements implemented by the plant, which, in 2019, managed to reduce energy consumption by 1% and reduce emissions by 1,408 tons of CO<sub>2</sub> equivalent.





**SDG**

12 and 17



**GOALS**

12.6, 12.8, 17.16, 17.17



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02

# Sustainability





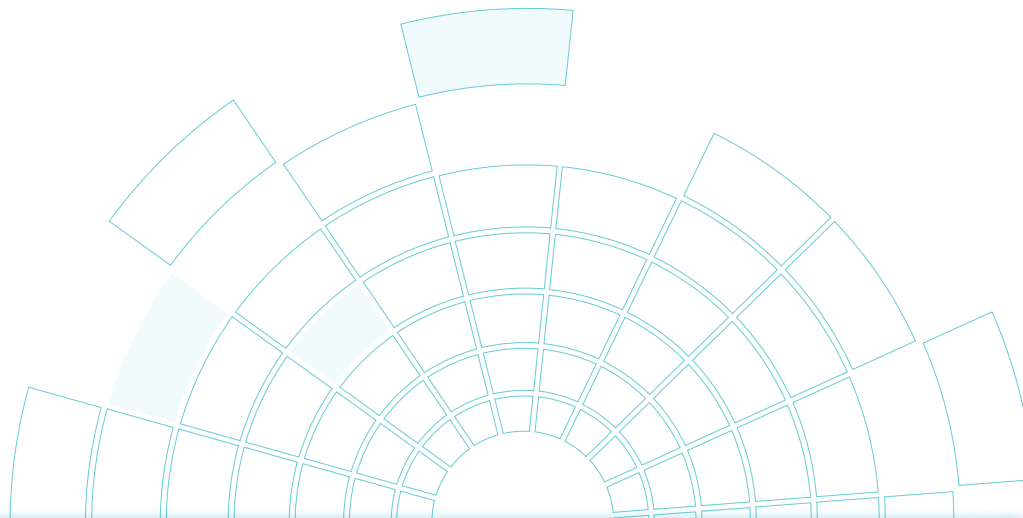
# 2.1 Sustainable Management

GRI CONTENTS 102-12, 102-15, 102-20









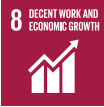


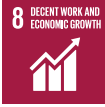











Sustainability is integrated into our business strategy, to carry out our operations with excellence and integrity, with social and environmental commitment, and taking care of our people.

Our **mission** is to be a reliable, efficient and sustainable company. Sustainability is, in addition, one of our seven corporate values, and one of our strategic guidelines, and it is ingrained in our policies and management processes. We believe that sustainability requires a responsible effort, striking a balance between our business development and profit generation for our shareholders, and the creation of value for the country and the communities where we operate.

In 2020, we created a **Sustainability Committee**, which is responsible for analyzing and approving the **Strategic Sustainability Management** of the company. Meeting sustainability goals is the responsibility of each of the business areas and the cross-business areas.



Our **Sustainability Strategy** is focused on five pillars integrated in the business strategy, which are intended to carry out responsible operations and strengthen the company's long-term competitiveness.




Pillars	Focus	Priorities	SDG
<b>Environmental Commitment</b>	We focus on efficient thermal power generation that streamlines the use of gas and minimizes its environmental impact, and on renewable energy. We seek to reduce CO <sub>2</sub> emissions from our operations through technology improvements and energy efficiency. We help our clients implement energy solutions with low environmental impact.	<ul style="list-style-type: none"> <li>→ Energy efficiency</li> <li>→ Water and effluents</li> <li>→ Efficient thermal power</li> <li>→ Renewable energy</li> <li>→ Biodiversity</li> <li>→ Waste</li> </ul>	     
<b>Our People</b>	Our people's health, safety and development are our priority. We actively strive to embrace diversity and inclusion. We promote social engagement of our employees through a corporate volunteer program.	<ul style="list-style-type: none"> <li>→ Training and development</li> <li>→ Health and Safety</li> <li>→ Diversity</li> <li>→ Corporate volunteer actions</li> <li>→ Corporate Culture</li> <li>→ Organizational climate</li> </ul>	   
<b>Operational Excellence</b>	We seek to generate highly reliable, available and efficient energy through operational excellence in the management of our assets. We prioritize financial discipline to ensure the company's economic sustainability and profitability.	<ul style="list-style-type: none"> <li>→ Financial discipline</li> <li>→ Operational excellence</li> <li>→ Reliable energy</li> <li>→ Focus on quality</li> </ul>	     
<b>Social Commitment</b>	We maintain fluid communication with the communities where we operate. We manage the impacts of our activities on the community. We contribute through programs that support education, the environment and the infrastructure of the communities where we operate. We promote adoption of high standards in our value chain.	<ul style="list-style-type: none"> <li>→ Relation with communities</li> <li>→ Social investment in education and energy</li> <li>→ Grievances and queries mechanism</li> </ul>	   
<b>Integrity</b>	Compliance and integrity are at the core of all our activities. We apply these standards to our value chain. We promote a compliance culture among our employees	<ul style="list-style-type: none"> <li>→ Integrity</li> <li>→ Compliance</li> <li>→ Transparency</li> <li>→ Credibility</li> </ul>	  







We are committed to contribute to the achievement of the Sustainable Development Goals (SDGs) laid down by the United Nations at a global level. We use the SDG Compass tool to analyze and set priorities, in line with our sustainability strategy. The analysis conducted to identify the impact of YPF LUZ on the Sustainable Development Goals was based on:

- Identification of priority SDGs among stakeholders.
- Identification of priority SDGs in Argentina.
- Thorough analysis of SDGs and targets.
- Benchmark of the main sustainability initiatives of companies in the sector.



The SDGs considered to be a priority for YPF LUZ are:

Sustainable Development Goal	Associated Goals	How we contribute to the 2030 Agenda
 4 QUALITY EDUCATION Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.	<b>4.3</b> <b>4.4</b> <b>4.7</b>	<ul style="list-style-type: none"> <li>• New Professionals Program.</li> <li>• 16 talks about energy</li> <li>• 2 scholarships for university students</li> <li>• 37,483 hours of training for our employees</li> <li>• 8 improvements of electrical installations in schools</li> <li>• 2 virtual seminars with the YPF Foundation for technical secondary schools</li> </ul>
 5 GENDER EQUALITY Achieve gender equality and empower all women and girls.	<b>5.5</b>	<ul style="list-style-type: none"> <li>• 19% of women in management positions</li> <li>• 25% of women on our payroll by 2025</li> </ul>
 6 CLEAN WATER AND SANITATION Ensure availability and sustainable management of water and sanitation for all.	<b>6.3</b> <b>6.4</b>	<ul style="list-style-type: none"> <li>• 100% use of liquid effluents irrigation at Loma Campana</li> <li>• 377.53 kilotonnes of liquid effluents for irrigation of the Green Lung.</li> </ul>
 7 AFFORDABLE AND CLEAN ENERGY Ensure access to affordable, safe, reliable, sustainable and modern energy for all	<b>7.1</b> <b>7.2</b> <b>7.3</b>	<ul style="list-style-type: none"> <li>• 679,71 GWh of renewable energy generated</li> <li>• 175 MW of renewable energy under construction</li> <li>• 7 power plants with ISO 50001 Certification</li> </ul>
 8 DECENT WORK AND ECONOMIC GROWTH Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.	<b>8.5</b> <b>8.8</b>	<ul style="list-style-type: none"> <li>• New Professionals Programs.</li> <li>• 340 employees, 87 contractors with 2,921 active workers. 714 suppliers.</li> <li>• Climate and Engagement Survey</li> <li>• Code of Ethics and Conduct</li> </ul>
 9 INDUSTRY INNOVATION AND INFRASTRUCTURE Build resilient infrastructure, promote inclusive and sustainable industrialization and promote innovation.	<b>9.1</b> <b>9.4</b>	<ul style="list-style-type: none"> <li>• Continuity of operations during the pandemic</li> <li>• Innovation in remote operation and maintenance</li> <li>• 679.71 GWh renewable energy generated</li> <li>• 175 MW of renewable energy under construction</li> </ul>

Sustainable Development Goal	Associated Goals	How we contribute to the 2030 Agenda
 9 INDUSTRY INNOVATION AND INFRASTRUCTURE • Risk matrix to ensure electricity generation • High-tech application and efficiency in production processes • Supply of renewable energy to 16 industrial clients		
 11 SUSTAINABLE CITIES AND COMMUNITIES Make cities and human settlements inclusive, safe, resilient and sustainable.	<b>11.6</b>	<ul style="list-style-type: none"> <li>• USD 34,707 donations</li> <li>• USD 110,625 social and environmental investment</li> <li>• 24,000 beneficiaries</li> <li>• Focus on health needs due to Covid-19</li> </ul>
 12 RESPONSIBLE CONSUMPTION AND PRODUCTION Ensure sustainable consumption and production patterns.	<b>12.2</b> <b>12.5</b> <b>12.6</b>	<ul style="list-style-type: none"> <li>• Generation of 8,991 GWh of electric power</li> <li>• Intensity of GHG emissions 0.34</li> <li>• 7 plants with ISO 50001 certification</li> <li>• Sustainability Report</li> </ul>
 13 CLIMATE ACTION Take urgent action to combat climate change and its impacts.	<b>13.1</b> <b>13.2</b> <b>13.3</b>	<ul style="list-style-type: none"> <li>• Contribution of 100,000 trees to the Tucumán Afforestation Program.</li> <li>• 100% use of liquid effluents for irrigation in Loma Campana.</li> <li>• Issuance of emission reduction certificates from the Manantiales Behr Farm.</li> <li>• Sustainability Committee.</li> <li>• Participation in H2AR Consortium.</li> </ul>
 16 PEACE, JUSTICE AND STRONG INSTITUTIONS Promote just, peaceful and inclusive societies	<b>16.5</b> <b>16.6</b>	<ul style="list-style-type: none"> <li>• 100% High-risk third parties Due Diligence updated</li> <li>• 92% of employees trained in Compliance</li> <li>• Compliance Channel</li> <li>• Code of Ethics and Conduct</li> <li>• Social investment program</li> </ul>
 17 PARTNERSHIPS FOR THE GOALS Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development.	<b>17.7</b> <b>17.16</b> <b>17.17</b>	<ul style="list-style-type: none"> <li>• Joint work with communities, several NGOs, other companies and business chambers</li> <li>• Participation in Chambers and Associations</li> <li>• 2 virtual seminars with the YPF Foundation</li> </ul>

## 2.2 Dialogue with Stakeholders

GRI CONTENTS 102-40, 102-42, 102-43

To manage our business responsibly, we seek to know and understand the opinions of those who are impacted by our operations. For this reason, we maintain a fluid dialogue with each of our stakeholders, to identify their needs and expectations in relation to the company, and to keep them informed about our performance.

YPF LUZ's stakeholders are all those people and organizations that are linked to the company. To maintain a continuous and constructive relationship, we have developed various communication and dialogue channels, which are added to meetings (face-to-face and virtual) and to legally required mechanisms, to ensure the fluid and transparent exchange of information.

Stakeholders	Who are they?	Why are they important for YPF LUZ?	Dialogue spaces
<b>Personnel</b>	Company employees	They provide productivity, quality and leadership, which are key factors for the success of the company.	Meetings, presentations, quarterly meetings, bulletin boards, e-mailings, Intranet, LinkedIn, Workplace, Training program, Compliance Channel, Questions and Grievances Channel, Meetings with the CEO, Workplace Climate Committee, Employee Service (SAE), Corporate Website, Sustainability Report.
<b>Trade unions</b>	Trade unions representing our employees.	They represent and collectively negotiate the employees working conditions.	Meetings with union representatives, letters, formal notes, Compliance Channel, Questions and Grievances Channel, Corporate Website, Sustainability Report.
<b>Investors</b>	National and international.	They provide capital and support to the management of the company.	Annual Report and Financial Statements, Earnings Release, Investors website, Reports required by the Argentine Securities Commission (CNV), Compliance Channel, Questions and Grievances Channel, Sustainability Report.
<b>Suppliers</b>	Suppliers for productive, related and non-productive purchases of goods and services.	They make up our value chain and are part of our final product.	Meetings, Surveys, Training, Compliance Channel, Questions and Grievances Channel, Supplier Service, Corporate Website, Sustainability Report
<b>Clients</b>	CAMMESA, large users of the electricity market and other industrial clients.	Users of electricity and renewable energy.	Meetings, e-mailings, surveys, LinkedIn, talks and training, visits, Compliance Channel, Questions and Grievances Channel, Corporate Website, Sustainability Report



Stakeholders	Who are they?	Why are they important for YPF LUZ?	Dialogue spaces
<b>Government and controlling authorities</b>	National, provincial, and municipal governmental authorities, and other controlling agencies.	They develop and define the conditions of the electricity market.	Meetings, public hearings, Accountability reports under applicable laws, Annual Report and Financial Statements, letters, formal notes, E-mailings, Compliance Channel, Questions and Grievances Channel, Corporate Website, LinkedIn, Sustainability Report
<b>Media</b>	General and specialized, national or local media.	They offer data on trends in the sector and the social, economic and environmental sphere.	Press releases, Advertising, Site visits, events, interviews, responses to press inquiries, LinkedIn, Compliance Channel, Questions and Grievances Channel, corporate and investor website, Sustainability Report, Annual Report and Financial Statements, Relevant Facts.
<b>Chambers and Associations</b>	Organizations with which we maximize our activities	They channel the needs of the company. They enable joint and associative work.	Meetings, letters, formal notes, surveys, active participation in committees and commissions, Compliance Channel, Questions and Grievances Channel, corporate website, LinkedIn, Sustainability Report.
<b>Community</b>	Neighbors, communities, non-profit associations with which we work, universities, schools near the sites where we operate.	They provide a social license so that the company can operate in the different sites.	Meetings with community leaders, virtual training, volunteer activities, press releases, mentoring and webinars, surveys, Compliance Channel, Questions and Grievances Channel, corporate website, LinkedIn, Sustainability Report
<b>General public</b>	Natural or legal persons interested in the activity of the company.	They are interested in knowing the activities of the company.	Press releases and advertising in corporate web media, LinkedIn, letters, formal notes, surveys, active participation in committees and commissions, Compliance Channel, Questions and Grievances Channel, Sustainability Report

We promote a direct, transparent, integral and responsible relationship with our stakeholders, based on our corporate values: team working, passion, sustainability, focus on results, agility, integrity and commitment.

Permanent communication with our stakeholders is of utmost importance for the sustainability and development of our company. Their expectations and opinions are revealed through information from direct contacts and internal management and from the several communication and dialogue channels provided by the company. The issues that arise are followed up through the relevant areas. The Institutional Relations Department coordinates relations among the areas and different stakeholders and oversees internal and external communications, marketing, public affairs and social investment.

**Internal communication to employees** is accomplished through channels such as the Intranet, Workplace, emails and digital bulletin boards, which supplement direct communication between each employee and their leader, to ensure the Senior Management guidelines reach all. In 2020, over 200 internal communications were sent to employees, reporting new hires and relocations, organizational structure, company milestones, benefits, salary changes, performance assessments, events and relevant information on several topics as well as general company news. Some of the most relevant campaigns of 2020 were the following:

1	Energy efficiency	7	Anniversary - 7 years YPF LUZ
2	Environment month	8	Sustainability Report
3	Suggestions	9	10 Golden Rules
4	COVID-19 - Stay Home	10	Active breaks
5	COVID-19 - YPF LUZ Talents	11	Values and Integrity
6	Did you know that ... Intranet	12	COVID-19 - Prevention guidelines reminder



This year, Y-Luz, the YPF LUZ Intranet, was strengthened with valuable information on the different areas of the company, news and direct access to services and resources for the employees. At the end of the year, a survey was conducted that indicated a general evaluation of 7.5/10 points of internal communication, with email, quarterly meetings and communications by WhatsApp being the channels best evaluated by the employees, with 8.4, 8.3, and 7.3/10 points, respectively.

The relation with **trade unions** is channeled through the Human Resources Department.

**Government and controlling authorities:** The electric power sector is governed by national laws and regulations, and the business is regulated by national, provincial and local authorities. Periodic meetings are held with authorities from the provinces and municipal districts where we operate and where we have projects under construction. Regular meetings are held with CAMMESA, ENRE and the Argentine Secretariat of Electric Energy, to request access to the transmission system and as agent of the Wholesale Electricity Market. Communications take place in the form of notes and/or by phone when concerned with medium-term commercial, scheduling and operating issues. This information is handled by the commercial area.

**CAMMESA** is our largest client, for it purchases energy on account and behalf of the demand which is not met under private agreements. It is also the agency responsible for coordinating power dispatch. The company's relationship with CAMMESA is very fluid.

**YPF** is the company's principal shareholder, as well as its main industrial client, land-owner and supplier of certain supplies and services. It is also a supplier of gas and other supplies in some of the company's assets. We maintain a close relationship in constant alignment with multiple areas of the company.

As concerns the **media**, the company maintains direct and frequent communication. The Institutional Relations Department oversees reception and answering of press requests, coordinating the relation with the company's speakers and preparing and distributing formal statements to the media. In 2020, the media covered events and milestones of the company, such as the start of operations at Los Teros I, El Bracho Combined Cycle, and La Plata Cogeneration II and the inauguration event of the latter, where the President of Argentina was present. In addition, throughout the year, they communicated about the progress of works, obtaining national and international financing, as well as sustainability issues, presentation of the corporate report, new certifications, and awards achieved, among other topics.

YPF LUZ also supported the communication strategy of several of its clients who, with the start of operations at Los Teros Wind Farm, began to produce with 100% renewable energy. Such was the case of Toyota Argentina, Coca Cola FEMSA, and Nestlé. In 2020, we developed a communication strategy on LinkedIn where we disseminated milestones and news of the company. We made more than 45 posts and 15 reposts and reached 34 thousand followers.

We have expanded the [corporate website](#) with a special section on COVID-19 that includes information on the virus, prevention protocols, useful telephone numbers and frequently asked questions. We included an investors section, with financial and corporate governance information, among other content. The Sustainability section contains information about our reports and a summary of the most significant events of our management in economic, social, environmental and governance matters. We also included updated information on the projects, as well as the power plants and wind farm that came into operation in 2020.

**Community:** The company's philosophy is to maintain an open and fluent dialogue that helps identify the impact of its activities and the community needs, to jointly define a social investment program, that is implemented with the involvement of the company volunteer employees. For this purpose, meetings are held with the community at each site at least every six months.

In 2020, we published the **Policy on Relationship with Others**, which includes 4 procedures: Procedure for relations with the press, Management of internal communication, Development of institutional content, and Management of social media. In addition, we published the Stakeholders Relationship Procedure, to record and promote transparent and constructive relationships with our stakeholders.





Permanent communication with our stakeholders is of utmost importance for the sustainability and development of our company.



## QUESTIONS AND GRIEVANCES HANDLING

GRI CONTENTS 102-17, 103-2

**We have a questions and grievances handling system in place that ensures traceability, follow-up of and response to each grievance or comment received, both internally and from third parties. In 2020, 80 questions and grievances were received, and they were answered within no more than 10 days.**

In accordance with the **Questions and Grievances Policy**<sup>9</sup>, any question or grievance received must be recorded for follow-up purposes. The system ensures that any suggestion, question and grievance received is recorded in a single database, where follow-up on the issue is recorded until closure, including details about the claimant, areas involved and other relevant data.

The questions and grievances mechanism are periodically disclosed, both through the internal communication channels and through posters and notifications to the community.

The system is confidential. It is managed by the Institutional Relations Department, which grants access on a case-by-case basis to the areas that are required to take action. Efforts are made to respond all questions and grievances within 10 days. If no satisfactory response can be given within this period, the stakeholder is informed on progress. Each question or grievance received is assigned a case number and all documentation related to it is filed in the Database of Questions and Grievances.

- Any third party can make a question or grievance through the form available at <https://ypfluz.com/HomeEnglish> by email to sugerenciasypfluz@dypf.com, or they can leave a note in the suggestion boxes available at the reception of each of our sites.
- Employees may make questions or grievances writing to the same email, using the website form or an anonymous form available on the Intranet or the suggestion boxes available at each of our sites.

<sup>9</sup> Questions or grievances are all contacts made by our stakeholders in which a question, request for information, or grievance is made to the company, including press contacts, requests for donations, information inquiries, and grievances. Spontaneous offers of services or products, or spontaneous applications to work in the company are not considered questions. These contacts are answered, but not recorded with a case number

In 2020, we reinforced communication with the employees so that they can send their questions and grievances. A campaign was carried out through emails, workplace publications, prominent access from the Intranet, digital screens and posters.

**We responded to 100% of grievances and questions received.**

Questions received by site	2020			2019		
	Total	Internal	External	Total	Internal	External
CABA	4	1	3	-	-	-
Tucumán Power Generation Complex	12	8	4	31	1	30
La Plata Cogeneration	1	-	1	2	-	2
Loma Campana	2	-	2	3	-	3
Los Teros Wind Farm	2	1	1	13	-	13
Manantiales Behr Wind Farm	10	9	1	4	-	4
Cañadón León Wind Farm	3	-	3	1	-	1
General	46	4	41	65	1	64
<b>Total</b>	<b>80</b>	<b>24</b>	<b>56</b>	<b>119</b>	<b>2</b>	<b>117</b>

Questions & Grievances received by type	2020	2019
Grievances	11%	15%
Questions	89%	85%

Questions & Grievances received by type	2020	2019
<b>Grievances</b>	<b>14</b>	<b>3</b>
<b>Questions</b>	<b>66</b>	<b>116</b>
Questions related to renewable energies and energy efficiency	5	9
Questions about projects under construction	2	13
Other questions	59	94
<b>Total</b>	<b>80</b>	<b>119</b>

## 2.3 Report and Material Topics

GRI CONTENTS 102-21, 102-44, 102-45, 102-46, 102-47, 102-50, 102-52, 102-54, 102-56, 103-1

Our third annual Sustainability Report covers the period from January 1 to December 31, 2020. It has been prepared in accordance with the Global Reporting Initiative (GRI) standards, core option, and the standards for the Electric Companies and Electric Power Generators Sector of the Sustainability Accounting Standards Board (SASB). The report includes the activities of the business group comprised by the parent company YPF Energía Eléctrica S.A. and its subsidiaries Y-GEN, Y-GEN II, Y-GEN III, Y-GEN IV, LUZ del Cerro S.A., LUZ del Valle S.A., LUZ del León S.A., Y-LUZ Inversora S.A.U., YPF-EE Comercializadora S.A.U., Luz del Río S.A. and its associate Inversora Dock Sud S.A. This Report was subject to external assurance performed by Deloitte & CO S.A., whose report is attached at the end of the Report.

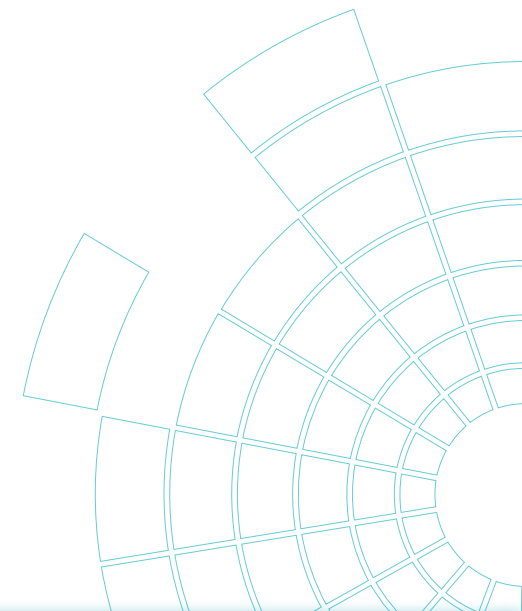
To define the contents of the Report, a materiality analysis was carried out with the following process:



1. Identification of impacts, risks and opportunities arising from:

- Issues considered by Management and business strategy (including issues proposed by the shareholders).
- Aspects arising from the GRI and SASB Standards.
- Material issues identified by other businesses from the sector and the region.
- Other guidelines and documents specialized in different issues addressed by corporate Sustainability.

2. After identifying the potential material topics, we conducted an assessment survey among our stakeholders, to identify and validate the most relevant issues and impacts of our business that should be included in the Report. We received 131 responses, including feedback of all stakeholders described in section 2.3 of this Report.



The following material aspects were determined where the main impacts take place:

Material Topic	Definition	Explanation, Impact and Scope	Associated GRI Standard
<b>System Efficiency</b>	The management, development and promotion of renewable energies and the generation of efficient and reliable thermal power contribute to improving the efficiency of the system and improve sustainability.	We seek to generate highly reliable, available and efficient energy through operational excellence in the management of our assets.	SASB- GHG Emissions and Energy Resource Planning
<b>Energy use</b>	Use of energy in the course of our operations.	We work to reduce energy consumption in our operations by optimizing our processes, identifying, assessing and responsibly managing significant energy consumption to optimize our energy performance.	GRI 302 Energy
<b>Power Generation Efficiency</b>	Ensure power generation and availability to clients.	We endeavor to lead the development of renewable energies and efficient and reliable thermal energy power generation, using state-of-the-art technology to supply YPF, industrial clients and the Argentine electricity market.	SASB End-use Efficiency and Demand
<b>Occupational Health and Safety</b>	Impacts of company activities and policies in relation to occupation health and safety of employees and contractors.	Our employees and that of our contractors are exposed to health and safety risks in the tasks they carry out on our assets.	GRI 403 Occupational Health and Safety
<b>Water and Effluents</b>	Impacts on water resources through extraction, water use and discharge of effluents.	In our electric power generation processes, large volumes of water are used in the cooling processes of our thermal power plants.	GRI 303 Water and Effluents
<b>Gas and Greenhouse Gas Emissions</b>	Impacts of GHG emissions and other significant emissions into the air, which are defined as the discharge of substances into the atmosphere.	Electric power generation represents a major source of greenhouse gas (GHG) emissions. Mitigating and reducing these emissions through the generation of electric power from renewable sources is a priority for YPF LUZ.	GRI 305 Emissions
<b>Customer Satisfaction</b>	Customer perception and satisfaction about products or services supplied by YPF LUZ.	We generate electric power with safety, efficiency, technology, and quality standards to supply power to important industries and promote the energy development of Argentina. We provide our industrial clients with reliable, efficient and sustainable energy solutions, adapting them to their needs.	Own Indicators

Material Topic	Definition	Explanation, Impact and Scope	Associated GRI Standard
<b>Profitability</b>	Reference to the economic value generated and distributed (EVG&D), among other direct economic impacts	We prioritize financial discipline to ensure the company's economic sustainability and profitability.	GRI 201 Economic Performance
<b>Employee Training and Education</b>	Training and Professional Development of our Employees.	We encourage the development of the professional careers of our employees and generate value because we believe the success of organization depends on what people build. We train our collaborators, guaranteeing the level of training and technical means necessary for the effective development of their activities.	GRI 404 Training and Education
<b>Risk Management and Regulatory Compliance</b>	Management of risks inherent to the business and compliance with laws and/or regulations in the social, economic and environmental spheres.	We ensure compliance with the laws, regulations, procedures and standards applicable to our activity, as well as the commitments we assume as an organization.	GRI 307 Environmental Compliance
<b>Diversity and Equal Opportunity</b>	Diversity and Equal Opportunity at work.	YPF LUZ seeks to promote a corporate culture open to diversity, integration of multicultural visions consistent with the company's behavioral values and the Code of Conduct.	GRI 405 Diversity and Equal Opportunity
<b>Employment</b>	Creation of direct and indirect jobs, and the employment conditions we offer.	Our people's energy is a differentiating value, which is reflected in their commitment, teamwork, and passion for their day-to-day activities to achieve results. We build high-performance teams in a cooperative environment that fosters open discussion and aims to create a suitable workplace climate.	GRI 401 Employment
<b>Biodiversity</b>	Maintain a healthy and balanced ecosystem, in and around the communities where we operate, to prevent the loss of biodiversity.	Electric power generation can impact biodiversity, and ecosystems. We undertake a sustainable management that includes preventive, control, mitigation and compensatory measures in the early stages of development of our projects.	GRI 304 Biodiversity
<b>Waste Management</b>	Generation, treatment and disposal of waste at the sites where we operate.	As an electricity power generation company, we must safely manage and dispose of hazardous waste from our operations, as well as reuse as much general waste as possible.	GRI 306 Waste
<b>Anti-corruption</b>	Impacts in relation to corruption and relevant management.	Compliance and integrity are at the core of all our activities. We apply these standards to our value chain and promote a compliance culture among our employees.	GRI 205 Anti-corruption

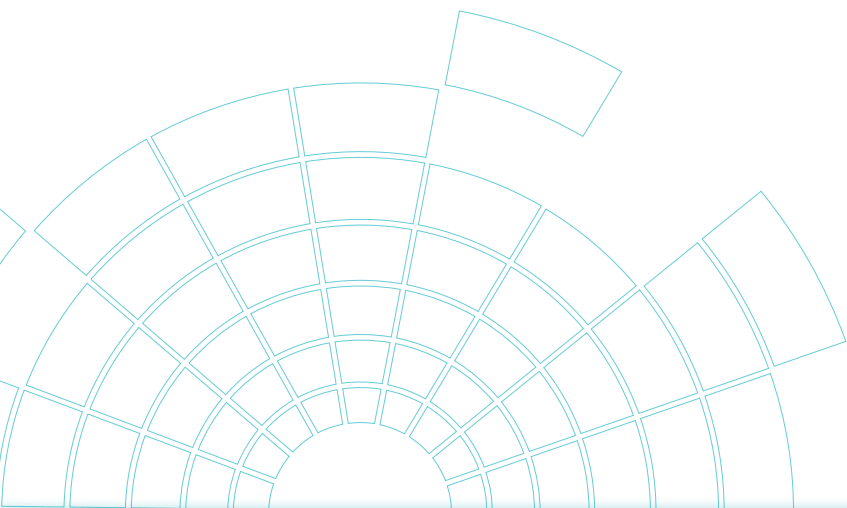


3. Based on collected information, we developed a **Materiality Matrix** to disclose the material issues, according to the following variables:

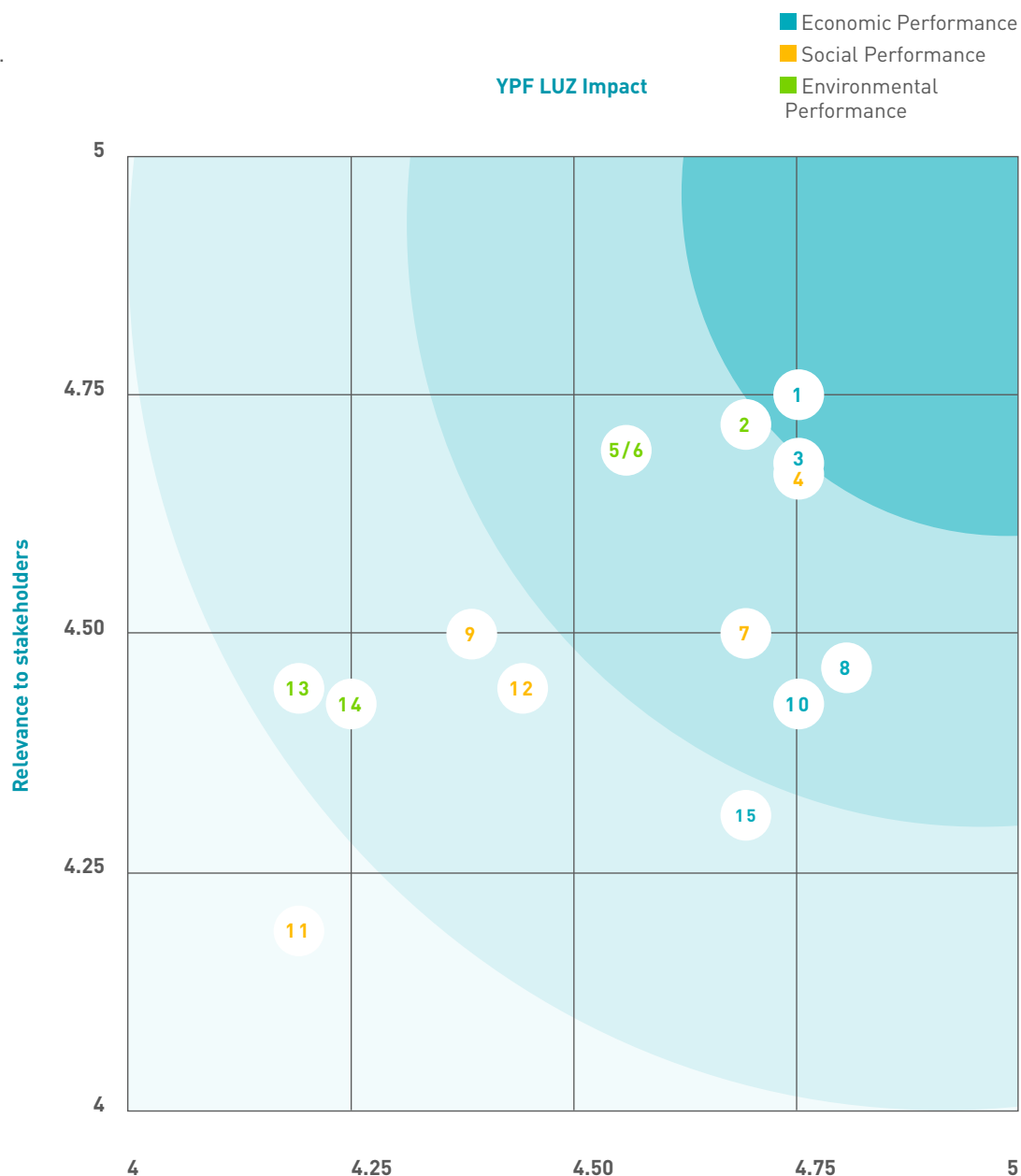
- Material economic, environmental and social impacts of the company (X axis).
- Substantial influence on stakeholders' assessments and decisions (Y axis).

### Material Topics

1. Energy Efficiency
2. Energy Use
3. Power Generation Efficiency
4. Occupational Health and Safety
5. Water and Effluents
6. Gas and Greenhouse Gas Emissions
7. Customer Satisfaction
8. Profitability
9. Employee Training and Education
10. Risk Management and Regulatory Compliance
11. Diversity and Equal Opportunities
12. Employment
13. Biodiversity
14. Waste Management
15. Anti-corruption



MATERIALITY MATRIX





**SDG**

16 and 17



**GOALS**

16.5, 16.6, 17.7



**GRI CONTENTS**

102-16, 102-17, 102-18, 102-19, 102-22, 102-23, 102-25, 102-26, 102-28, 102-29, 102-30, 102-31, 103-2, 103-3, 205-1, 205-2, 205-3, 405-1



**MATERIAL TOPICS**

Diversity and Equal Opportunities, Risk Management and Regulatory Compliance, Anti-corruption

03

# Governance, Ethics and Integrity



# 3.1 Mission, Vision and Values

GRI CONTENTS 102-16, 102-26

## Our Mission

We are a profitable, efficient and sustainable power generation company, focused on streamlining natural resources and contributing to the energy development of Argentina and the markets where we operate.

## Our Vision

To become one of the leading companies in the electric power generation sector, leader in renewable energies, operating under internationally renowned safety, technology, efficiency, and quality standards

## Our Values<sup>10</sup>

			
<b>SUSTAINABILITY</b>	<b>TEAMWORK</b>	<b>AGILITY</b>	<b>PASSION</b>
Sustainability is in our DNA	We complement each other to add value	We are on the move	We are passionate about what we do
			
<b>INTEGRITY</b>	<b>FOCUS ON RESULTS</b>	<b>COMMITMENT</b>	
We do what we say	We are oriented to clear goals	We take charge	

<sup>10</sup> The first 6 values of YPF LUZ (Teamwork, Sustainability, Focus on results, Passion, Commitment and Agility) were defined in 2018 through a collective exercise that involved all the company's personnel. In 2020, as part of the review of the Corporate strategy, the Steering Committee decided to add the Integrity value, which had previously been included in the Commitment value, to highlight it and complement the existing values.

## Strategic guidelines

To achieve our mission and vision, YPF LUZ's activities are conducted within the framework of the following strategic guidelines that have been defined by the Board of Directors:

		
Sustainable growth with <b>financial profitability and discipline.</b>	Leadership in the power generation market, with focus on <b>renewable energies.</b>	<b>Competitive energy solutions</b> for our clients.
		
Efficient, reliable, transparent, and safe <b>operations and processes.</b>	<b>Develop and strengthen our people</b> as a differentiating element.	<b>Social and environmental sustainability and corporate governance</b> in our operations.

**Through the vision, mission and values, and the strategic guidelines, the company's Board of Directors defines the course for the executive team to implement the company's Strategic Plan.**

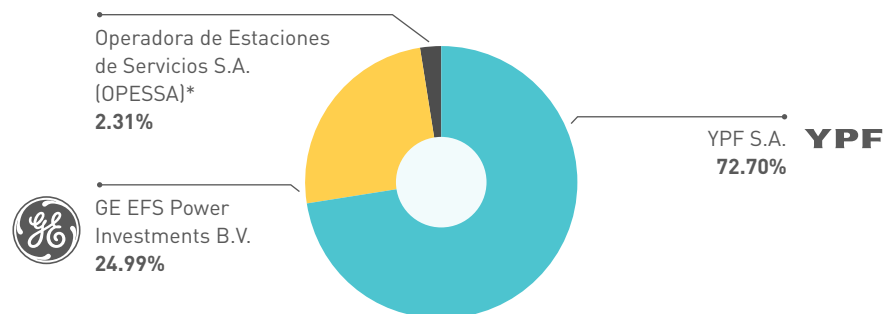
# 3.2 Corporate Governance and Capital Structure

MATERIAL TOPIC DIVERSITY AND EQUAL OPPORTUNITIES

GRI CONTENTS 102-18, 102-19, 102-22, 102-23, 102-25, 102-28, 103-3, 405-1

## CAPITAL STRUCTURE

As of December 31, 2020, the share capital of YPF LUZ consisted of:



\* OPESSA is a company controlled by YPF S.A.



## CORPORATE GOVERNANCE

The pillars of YPF LUZ's corporate governance system are transparency, shareholder involvement, adequate functioning of the Board of Directors and the independence of the external auditor. Together with the Bylaws, the Sustainability Report, the Code of Corporate Governance<sup>11</sup> and the [Code of Ethics and Conduct](#) highlight the company's determination to provide for good corporate governance, transparency and sustainability.

Our management model is based on a scheme of division of functions between the Chairman of the Board of Directors and the Chief Executive Officer (CEO). The Chairman is focused on strategic and investment decision-making, and the CEO is focused on implementation of this strategy and the company's management. The General Management annually submits to the Board of Directors' consideration a Strategic plan that includes goals, initiatives and key performance indicators<sup>12</sup>.

As of the date of publication of this report, the Board of Directors consisted of the following members:

### Board of Directors<sup>13</sup>

Name	Position	Nationality	Age
Santiago Martínez Tanoira	Chairman	Argentinian	48
Patrick Meier Leahy	Vice Chairman	American	52
Patricio Da Re	Regular Director	Argentinian	41
Santiago Julián Fidalgo	Regular Director	Argentinian	57
Mauricio Alejandro Martín	Regular Director	Argentinian	49
Noelia Soledad Chuma	Regular Director	Uruguayan	39
John David Dewar	Regular Director	British	56
Pedro Kearney	Regular Director	Argentinian	39
Ana Cecilia Patroni	Alternate Director	Argentinian	46
María Eugenia Bianchi Pintos	Alternate Director	Argentinian	35
Carlos Alberto San Juan	Alternate Director	Argentinian	51
Fernando Gómez Zanou	Alternate Director	Argentinian	49
Gastón Laville Bisio	Alternate Director	Colombian	36
Roberto Javier Arana	Alternate Director	Argentinian	50
Cody Branden Castaneda	Alternate Director	American	38
Gabriela Dietrich	Alternate Director	Brazilian	35

For more information about our Board of Directors, [click here](#).

## Audit Committee

**Luis Rodolfo Bullrich**, Regular Statutory Auditor  
**Marcela Inés Anchava**, Regular Statutory Auditor  
**Santiago Carregal**, Regular Statutory Auditor  
**Nicolás Perkins**, Alternate Statutory Auditor  
**Francisco Muruzeta**, Alternate Statutory Auditor  
**Diego Agustín Chighizola**, Alternate Statutory Auditor

For more information about our Audit Committee, [click here](#).

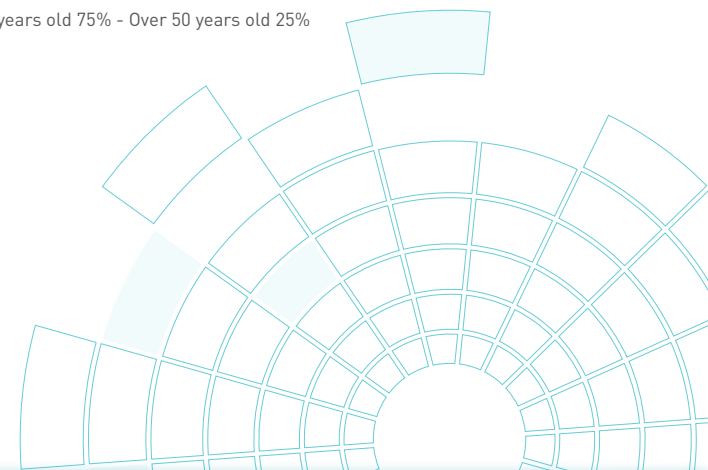
At the Annual Shareholders Meeting, the shareholders review the Board's performance in relation to legal requirements. In accordance with the Shareholder Agreement, YPF LUZ does not allocate any remuneration to its Board of Directors. All members of the Board of Directors of YPF LUZ are professionals with an extensive career in energy, finance and administration, who hold executive senior offices in the controlling shareholding companies, i.e. YPF S.A. and GE EFS.

The Board of Directors assesses the performance of the Steering Committee and ensures compliance with the **Interest Conflict Policy** (included in the company's Code of Ethics and Conduct), for which a procedure has been designed and published. This procedure is intended to prevent conflicts that may arise in this area with respect to employees, directors and third parties related to the company.

<sup>11</sup> To comply with the provisions of CNV General Resolution No. 797/2019, YPF LUZ annually issues its Report on the Corporate Governance Code.

<sup>12</sup> See details of this process in section 1.2.4 of this Report.

<sup>13</sup> Men 75% - Women 25%  
 Under 30 years old 0% - Between 30 and 50 years old 75% - Over 50 years old 25%



## Management Committees

### Steering Committee

The organization's executive functions are delegated to the Steering Committee, consisting of:

For more information about our Steering Committee members, [click here](#).



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**Héctor Martín  
Mandarano**  
CEO



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**Santiago  
Sajaroff**  
COO



---

**Alejandro Aníbal  
Avayú**  
Human Resources Manager



---

**Carlos Dionisio  
Ariosa**  
Legal Services Manager



---

**Mariana  
Iribarne**  
Institutional Relations  
Manager



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**Julio Omar Francisco  
Temen**  
Supply Chain Manager



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**Jorge Esteban  
Ravlich**  
Electricity Business  
Manager



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**Sebastián  
Torres**  
Chief Compliance Officer &  
Head of Internal Audit



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**Luis Miguel  
Sas**  
CFO

The Committees in charge of decision making with economic, environmental, social and governance impact are listed below:

Committee	Objective	Frequency
<b>Steering Committee</b>	Approves the procedure and defines matters to be presented to the Board.	Monthly, as needed.
<b>Appointments and Remuneration Committee</b>	Ensures the definition of competitive compensation and benefits practices and guarantees their application. Substantial modifications of the remuneration system, as a whole or of any of its components, must be approved by the Committee.	Four (4) times a year and as needed.
<b>Sustainability Committee</b>	Analyzes and approves the strategic sustainability management. It seeks to promote the best practices in this area, set objectives, goals and plans of the company that include performance indicators for the management of the organization, which involve periodic review and continuous improvement mechanisms.	Every 4 months.
<b>Business Committee</b>	Analyzes the progress of the company's results.	Monthly.
<b>Projects Committee</b>	Analyzes the progress of the company's projects.	Monthly.
<b>Social Investment Committee</b>	Approves donations and social investment actions.	Quarterly, as needed.

Committee	Objective	Frequency
<b>QEHS Committees</b>	Defines QEHS objectives, goals and progress based on QGAP, ESGAP and SHGAP*. Shares experience, difficulties, solutions and improvement opportunities among sites, thus favoring integration and team coordination.	Every two months with the CEO's participation.
<b>Workplace Climate Committee</b>	Discusses workplace climate surveys and proposes improvements. It is coordinated by HR and includes representatives from all sites.	Monthly.
<b>Energy Efficiency Committees</b>	Sets and reviews energy efficiency objectives and goals. Detects process improvement opportunities.	Quarterly, at each site.
<b>Climate Action Committee</b>	Assesses environmental performance and contribution to climate change. Raises opportunities for improvement of environmental care processes and projects.	Biannual.
<b>COVID Crisis Committee</b>	Manages the particular situation of the pandemic, analyzes regulations and published recommendations, and applies measures to take care of the company, its operations and, mainly, its employees.	Daily.

\* Health and Safety Goal and Action Plan (SHGAP)  
 Environment and Social Goal and Action Plan (ESGAP)  
 Quality Goal and Action Plan (QGAP)



YPF LUZ is a leading electric power generation company whose mission is to generate profitable, efficient and sustainable energy.





## 3.3 Risk Management

MATERIAL TOPIC RISK MANAGEMENT AND REGULATORY COMPLIANCE

GRI CONTENTS 102-29, 102-30, 102-31, 103-2, 103-3

Our **Internal Control System** has control mechanisms in place that contribute to assuring compliance with current laws and regulations, reliability of financial information and efficiency of our operations.

In 2020, we completed the creation of YPF LUZ's **Risk and Associated Control Matrix**. Its development was led by the Compliance and Internal Audit Department through different surveys conducted in relation to each of the company's departments. Inherent risks were identified, which were subdivided into **Strategic, Financial, Operational** and **Compliance**, in turn, their relevance was determined according to the probability of occurrence and the impact for YPF LUZ. The respective control activities were established, more than 180 mitigating controls were defined and the adaptation of the supporting documentation began to ensure the traceability, support and integrity of each of the processes. This is a significant milestone that allows greater visibility, management and mitigation of the company's critical risks and processes.

In 2021, the identified controls will be assessed to verify their design and effectiveness, thus determining the resulting residual risk.

## 3.4 Business Ethics and Integrity

MATERIAL TOPICS RISK MANAGEMENT AND REGULATORY COMPLIANCE, ANTI-CORRUPTION

GRI CONTENTS 102-16, 102-17, 102-25, 103-2, 103-3, 205-1, 205-2, 205-3

At YPF LUZ, we have set goals related to Compliance and Internal Audit to assure the highest standards of regulatory compliance and transparency and integrity in our key operations and processes, with the commitment from our employees and third parties on the activities they carry out. We are committed to protecting our good name and reputation, and that of our partners, clients, and employees. We abide by a Compliance culture which is not limited to observing the "letter" (rules, policies, regulations, and processes), but also the "spirit" of the law, where the company's leaders play a key role in building and strengthening this culture.

Regarding our Internal Audit process, despite the additional challenges imposed by the global pandemic, during 2020 we managed to execute 100% of the audit plan remotely, meeting the scheduled times. This enabled us to validate processes in critical areas of the company and identify opportunities for improvement, with the aim of reinforcing control mechanisms and day-to-day processes. In addition, 100% of the action plans defined in the 2019 audit were successfully closed. All the actions resulting from the audits included in the plan were jointly managed by the Compliance & Internal Audit Department and the Departments involved, to implement the recommended actions.



## CODE OF ETHICS AND CONDUCT

**The Code is a tool that provides guidance on the values promoted by the company.**

We have a Code of Ethics and Conduct in place that guides our people’s day-to-day actions. It applies to directors and employees of YPF LUZ, as well as to third parties related to the company. We have several mechanisms for dissemination of the Code and its policies, which include publication on the website, the Intranet, the Compliance portal, emails to employees, training and digital bulletin boards, among others.



## COMPLIANCE PROGRAM

The main areas that comprise our Compliance Program are: risk management, training program, reporting channels, third party control, communication and a training program with a special focus on anti-corruption.

Its purpose is to ensure that YPF LUZ’ employees are aware of the risks of Compliance that are proper to their specific area and contribute to prevention and mitigation, with solid ethical values. The company’s leaders play an essential role in building and strengthening the organizational Compliance culture.

In developing our Compliance Program, we considered the industry we are engaged in and the size of our operations. Each element of the Program has been developed in line with the ethical values that we promote, and it is divided into four major pillars, which represent the areas to be more careful about, not only from the point of view of Compliance risk prevention, detection and mitigation, but also from the standpoint of the organizational culture we foster. These pillars are:

<b>RISK MANAGEMENT</b>	<b>CULTURE</b>
<ul style="list-style-type: none"> <li>→ Risk assessments</li> <li>→ Policies and procedures</li> <li>→ Regulatory repository</li> <li>→ Automatic controls</li> <li>→ Contact with regulators</li> </ul>	<ul style="list-style-type: none"> <li>→ Face-to-face and online trainings</li> <li>→ Communication schedule</li> <li>→ Scheduled activities</li> <li>→ Initiatives</li> </ul>
<b>COMPLIANCE CHANNEL</b>	<b>LEADERSHIP</b>
<ul style="list-style-type: none"> <li>→ Case management system</li> <li>→ Investigations</li> <li>→ Automatic metrics and monitoring</li> </ul>	<ul style="list-style-type: none"> <li>→ Lead-by-Example culture</li> <li>→ Leaders’ communications</li> </ul>

In 2020, we delivered training to **90% of the personnel** in Compliance policies, with a focus on the fight against corruption related to Law 27,401 on Corporate Criminal Liability, reinforcing the ethical values and the importance of compliance with internal and external rules. The trainings were delivered remotely, where referents from all operations participated, including the members of the Steering Committee.

Trained Personnel by category	2020	2019
Management Departments	22	22
Office Heads	40	42
Coordination/Supervision	50	53
Professionals, Analysts and Operators	120	106
Technicians	72	64
Interns	-	4
<b>Total</b>	<b>304</b>	<b>291</b>

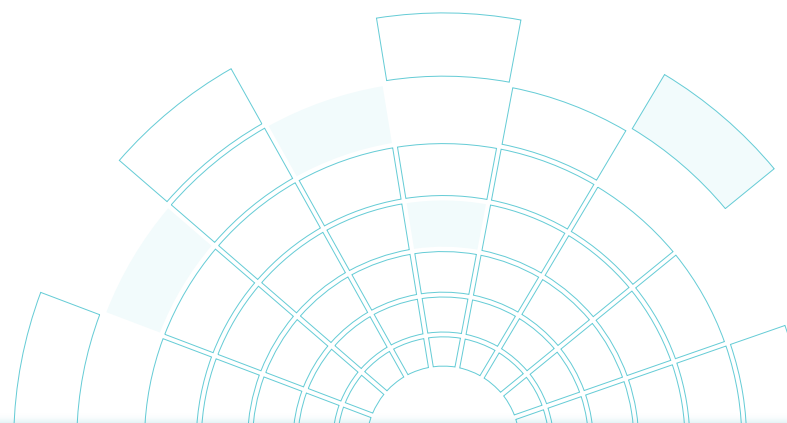
Trained Personnel by location	2020	2019
Neuquén	31	28
Tucumán	95	89
Manantiales Behr	23	23
Buenos Aires	49	37
City of Buenos Aires	106	115
<b>Total</b>	<b>304</b>	<b>291</b>

In 2020, **Third Party Compliance** training was carried out, with the main focus on the Code of Ethics and Conduct, Law 27,401 and YPF LUZ's compliance policies.

**The Compliance Program is intended to prevent, detect and correct improprieties or situations that do not conform to the company's Code of Ethics and Conduct, applicable policies and procedures and current regulations, and it establishes zero tolerance against corruption.**

Regarding the **Third-Party Control Procedure**, which the company uses to determine the parameters for efficient risk management in relationships with third parties, and to prevent or mitigate situations that may damage the image and reputation of the company, tools were implemented for the management and automation of this process. Through the different control and approval workflows, greater agility and in-depth control was achieved, thus achieving: more interaction between the different areas affected in the process, the consolidation of information and greater traceability and control of all third parties who interact with the company. The procedure establishes in general lines that all third parties that are related to the company must have a Compliance assessment prior to their registration as a supplier and undergo a due diligence process, if needed.

Through the due diligence processes, the company seeks to prevent and mitigate risks associated with corruption, fraud and Human Rights, among others, establishing adequate control and monitoring actions to this end. In 2020, 100% of the high-risk third-party due diligence processes were updated.



In 2020, improvements were made to the **Conflict of Interest Management Procedure** that includes a disclosure and monitoring process through an automatic tool, to ensure update of information and immediate control of each case.

#### THIRD PARTY CONTROL

- 100% of the high-risk third-party due diligence processes updated.
- New Third-Party Control Tool.
- Digitization of the Third-Party Control process and workflow.
- +45 Due Diligence processes performed.

#### RISK MANAGEMENT

- Completion of the YPF LUZ Risk Matrix.
- +180 Associated controls → Definition and design of mitigating controls
- 100% of risks mapped.

#### INTEREST

- Tool for disclosure and management of conflicts of interest.
- 100% of received statements reviewed.

#### TRAINING

- 90% of personnel received training on anti-corruption and Law 27,401.
- 92% of critical third parties received training on the YPF LUZ Code of Ethics and Conduct (12/13 critical suppliers. 100% of them correspond to domestic suppliers).
- 25% of the personnel received training on Risk identification and control design.
- 88% of the Management Committee received training.

#### COMMUNICATION

- More than 30 Compliance communications on various topics.
- 100% of Management members and employees informed on anti-corruption policies and procedures.
- 90% of our critical suppliers received training on the Code of Ethics and Conduct, Compliance policies and procedures with a special focus on preventing corruption.
- Compliance Website redesigned and updated.
- New section *"Our Leaders are protagonists"* with messages from the Management on Compliance policies.

#### Compliance Channel

The company offers various channels for its employees and related third parties to make questions or potential complaints if they detect violations of the Code of Ethics and Conduct, applicable laws or potential improper behaviors affecting the company. In addition to the conventional channels, such as the Compliance and Internal Audit Department and the Human Resources Department, the company also makes available the Compliance Channel. We encourage YPF LUZ employees and third parties to use this channel, and we take the necessary measures to keep anonymity and confidentiality to ensure that they are protected from retaliation. The Compliance Channel can be accessed through the following tools:

**Access from the Intranet** of YPF LUZ

**Email:** [canalcompliance.ypfluz@kpmg.com.ar](mailto:canalcompliance.ypfluz@kpmg.com.ar)

**Phone:** 0800-122-0278

**Website:** [www.ypfluz.com/canalcompliance](http://www.ypfluz.com/canalcompliance)

Questions or potential grievances may be raised through leaders or the Compliance and Internal Audit Department.

**In 2020, we had no confirmed cases of corruption or discrimination.**



**SDG**

7, 8, 9, 11, 12, 13, 17



**GOALS**

7.1, 7.2, 7.3, 8.5, 8.8, 9.1, 9.4, 11.6, 12.2, 13.1, 13.2, 17.7, 17.16, 17.17



**GRI CONTENTS**

102-2, 102-3, 102-4, 102-6, 102-7, 102-8, 102-9, 102-10, 102-11, 102-15, 102-45, 103-2, 103-3, 201-1



**MATERIAL TOPICS**

Power Generation Efficiency, Profitability, Risk Management and Regulatory Compliance, Energy Efficiency, Customer satisfaction



**SASB**

IF-EU-000.D, IF-EU-000.A, IF-EU-000.B, IF-EU-110a.4



04

# Economic Performance

# 4.1 The Electric Market in Argentina

MATERIAL TOPIC POWER GENERATION EFFICIENCY  
GRI CONTENT 103-2

**Our strategy is intended to reach a leading position in the electric power generation market in Argentina. For this purpose, we are developing projects and business structuring.**

The activity of YPF LUZ and its subsidiaries is focused on the Argentine market, so its evolution is determined by the macroeconomic context and the country's electricity sector. From a demand standpoint, in 2020 electric consumption reached 127,306 GWh, a 1.3% fall compared to 2019 (128,946 GWh). In 2020, household demand accounted for 47% of total system demand, large users 28%, and small-sized commercial and industrial users 28%.

Household demand grew 8.1%, due to a higher percentage of people in their homes since March 2020, due to the measures taken in response to the pandemic. In addition, both the limitation of activities and the change in consumption patterns had an impact on a drop in other demands compared to 2019. Commercial users registered a 5.2% fall and large Wholesale Electric Market (WEM) users 11.5%, as a consequence of the fall in economic activity that began in 2019 and increased with the pandemic.

In December 2020, Argentina had an installed capacity of 41,951 MW, 5.6% more than in 2019. 60.5% corresponds to thermal power plants, 25.8% to hydroelectric power plants, 9.5% to non-conventional renewable energies (NCRE: wind, solar, renewable hydroelectric and biofuels) and 4.2% to nuclear power plants.

In 2020, 2,445.2 MW were incorporated to the system, mostly from renewable sources (1065.6 MW from wind power, 311.7 MW from solar energy, 11.6 MW from renewable hydroelectric plants and 62.5 MW from biogas). On the other hand, 971.7 thermal MW entered. Finally, 22 MW entered the system due to the expansion of Futaleufú (hydroelectric power plant). 213 MW of inefficient thermal machines went out of operation.

Although the demand for electricity decreased compared to 2019, generation increased 2.3% compared to the previous year, reaching 134,177 GWh. This is mainly due to the increase in exported energy (multiplied by 11.8). Thermal (61.4%) and hydroelectric (21.7%) power generation continued to be the main sources of energy used to satisfy demand. NCRE represented 9.5% of the total generation in 2020, reached 11.3% in the last quarter of the year (the goal for 2020 was 12%) and increased 65% compared to 2019. Finally, nuclear energy represented 7.5% of the total.

Wind power was the main source of non-conventional renewable energy in the country (73.9%), followed by solar (10.6%), renewable hydroelectric power (9.9%), and biofuels (5.7%). The capacity factor for each technology was 49% for wind power, 28.3% for power from renewable hydroelectric sources and 25.5% for solar.

Natural gas is the main fuel used for thermal power generation, accounting for 89.9% of total in 2020. Consumption reached 16,287 MMm<sup>3</sup> or 44.5 MMm<sup>3</sup>/d, 5.6% lower than consumption in 2019, due to the drop in the supply of local natural gas and the addition of renewables energies. Thermal power generation was supplemented by consumption of liquid fuels and carbon, which reached 5 MMm<sup>3</sup>/d of equivalent gas, 127% more than in 2019.

## 4.2 Economic Results

### MATERIAL TOPIC PROFITABILITY

GRI CONTENTS 102-7, 102-10, 102-45, 103-2, 103-3, 201-1

Measures derived from the COVID-19 pandemic significantly affected the national, regional and global economy, due to difficulties in supply chains and increased economic uncertainty, as evidenced by higher volatility of asset prices and exchange rates, and a decrease in long-term interest rates.

Some impacts of the pandemic were as follows:

- Decrease in sales due to the general fall in the demand for electricity.
- Complications with the collection of electricity distributors by CAMMESA affecting its ability to pay.
- Deterioration of the financial conditions of wholesale clients, reducing their payment capacity.
- Delays in project execution, derived from contractor mobilization problems and higher construction costs.
- Difficulties in the value chain, due to reduction or suspension of the production of inputs used in our production process.

At YPF LUZ, we created a **COVID Crisis Committee** to manage the particular situation of the pandemic. This committee took sanitary measures -with prevention, operational and works protocols- to ensure the continuity of its activities, guaranteeing production and trying to minimize delays in works. In addition, decisions were made to minimize costs, optimize current contracts and ensure revenues.

	2020		2019		2018	
	Million \$	Million USD	Million \$	Million USD	Million \$	Million USD
<b>Sales revenues*</b>	21,416.23	301.48	16,113.90	331.6	7,124.90	243.0
<b>Total Assets**</b>	179,043.63	2,130.2	123,157.87	2,054.5	57,914.88	1,540.3
<b>Total Liabilities**</b>	108,248.83	1,287.9	77,619.11	1,292.9	32,393.60	861.5
<b>Total Shareholders' Equity**</b>	70,794.80	842.29	45,538.76	761.6	25,521.28	678.8

\* Argentine pesos were converted to dollars at the average exchange rate published by Banco Nación for each period: 1Q18: 19.6 ARS/USD; 2Q18: 23.6 ARS/USD; 3Q19: 32.0 ARS/USD; 4Q18: 37.0 ARS/USD; 1Q19: 39.1 ARS/USD; 2Q19: 43.8 ARS/USD; 3Q19: 50.1 ARS/USD; 4Q19: 59.3 ARS/USD; 1Q20: 61.3 ARS/USD; 2Q20: 67.5 ARS/USD; 3Q20: 73.2 ARS/USD; 4Q20: 80.2 ARS/USD.

\*\* Argentine pesos were converted into dollars as of the end of each period at the average seller/buyer exchange rate prevailing as of the year end and published by Banco Nación: 2020: 84.05 ARS/USD; 2019: 59.8 ARS/USD; 2018: 37.6 ARS/USD.

We seek to capture market opportunities with the most cost and technology-efficient proposals. We take a forward-looking approach, considering the new markets trends: renewable energies, electric mobility, energy storage (batteries), hydrogen, and the complementarity between renewable and conventional energies. We leverage the existing synergies with our shareholders: in the case of YPF, in respect of natural gas and Vaca Muerta production; in the case of General Electric, regarding its technology know-how to drive and accelerate power generation projects. To execute this plan, our economic and financial strategy was based the following principles:

- Strict allocation of capital to investment projects above the target profitability.
- Achieve sustained positive cash flows.
- Maintain financial discipline.
- Add value to our shareholders.

To achieve a leading position in the power generation market in Argentina, we work towards project development and business structuring. Accordingly, in 2020 we made investments for approximately USD 225.59 million, mainly focused on construction of projects that will contribute an additional capacity of 233 MW.

	2020		2019		2018	
	Million \$	Million USD	Million \$	Million USD	Million \$	Million USD
<b>EBITDA* &amp; **</b>	16,175.73	224.32	10,743.19***	218.69	7,246.88	185.7
<b>Investments**</b>	14,985.20	225.59	24,296.31	493.89	9,817.86	376.6

\* EBITDA = operating result + amortization and depreciation - income from re-measurement of pre-existing shares - participation in associated companies and joint ventures - results after income tax for the year corresponding to discontinued operations

\*\* Argentine pesos were converted to dollars at the average exchange rate published by Banco Nación for each period: 1Q18: 19.6 ARS/USD; 2Q18: 23.6 ARS/USD; 3Q18: 32.0 ARS/USD; 4Q18: 37.0 ARS/USD; 1Q19: 39.1 ARS/USD; 2Q19: 43.8 ARS/USD; 3Q19: 50.1 ARS/USD; 4Q19: 59.3 ARS/USD; 1Q20: 61.3 ARS/USD; 2Q20: 67.5 ARS/USD; 3Q20: 73.2 ARS/USD; 4Q20: 80.2 ARS/USD.

\*\*\* The Company's Management understands that the concepts corresponding to default interest in the pay off of credits for sale for late payment of CAMMESA provide relevant information on the operation and operating flows of the business, instead of being representative of the financial performance of the company. For this reason, as of fiscal year 2020, they are disclosed under the heading "Other operating income". The Management considers that this presentation better reflects the impacts of the operating cycle, allowing a unified presentation together with other expenses that are already included in the operating results, particularly considering the current context that deepened the delay in payment terms to generators and distributors of electric power. Consequently, the figures corresponding to commercial interest presented on a comparative basis were reclassified from the caption "Income from financial investments" to the caption "Other operating income" for 71,337, to maintain consistency with the 2020 figures.

In 2020, financing for USD 230 million was obtained:

→ **Luz del Leon S.A. signed a loan agreement:** On January 14, 2020, Luz del León S.A., signed a financing agreement with United States International Development Finance Corporation and BNP Paribas Fortis SA/NV for the Cañadón León Wind Farm project for up to USD 150 million. Said contract falls within the "Project Finance" modality and the tranche corresponding to BNP Paribas will be guaranteed by the German export credit agency Euler Hermes Aktiengesellschaft; to date BNP Paribas has disbursed a total of USD 80 million.





→ **YPF Energía Eléctrica S.A. signs a loan agreement for up to USD 30 million:**

On February 28, 2020, the financing agreement between YPF Energía Eléctrica S.A. and HSBC Bank USA, N.A. ("HSBC") entered into force. This contract is guaranteed by the export credit agency Finnvera plc.

→ **Issuance of Series III Notes:** On June 24, 2020, the Company placed Series III Notes under the Global Program for the Issuance of Notes. The placement reached USD 50 million, at a fixed rate of 1.49%, due in December 2021 and interest payable quarterly as of September 24, 2020. The financing obtained is intended for investment projects. Total demand was over USD 67 million.

→ **Issuance of Series IV and V Notes:** On October 28, 2020, the Company placed Series IV and V Notes under the Global Program for the Issuance of Notes. Class IV and V Notes placements reached USD 30 million and USD 20 million, at a fixed rate of 0% and 1%, due in October 2022 and October 2023, respectively. Interest is payable quarterly as of January 28, 2021. The financing obtained will be used for investment projects that the Company is developing and or the refinancing of liabilities, including the payoff of the loan signed with Inter-American Investment Corporation (IIC) and Inter-American Development Bank (IDB) on December 2, 2016 for USD 200 million.

## DIRECT ECONOMIC VALUE GENERATED AND DISTRIBUTED

In compliance with current legal provisions and bylaws, we issued our Annual Report and Financial Statements under the International Financial Reporting Standards, for YPF Energía Eléctrica S.A. as of December 31, 2020. The main entities included in our Financial Statements are: Y-GEN, Y-GEN II, Luz del León S.A., YPF-EE Comercializadora S.A.U., Central Dock Sud and Inversora Dock Sud.

The table below shows the direct economic value generated and distributed, as proposed by GRI, to report on the company's economic performance.

Direct economic value generated and distributed*	2020		2019	
	Million \$	Million USD	Million \$	Million USD
<b>Economic Value Generated</b>	<b>26,280.5</b>	<b>371,1</b>	<b>18,577,1</b>	<b>378,6</b>
Sales revenues	21,416.2	301.5	16,113.9	331.6
Income from financial investments**	1,136.7	16.3	445.2	11.0
Equity income in affiliates	355.9	4.9	778.2	15.0
Other operating income **	2,068.4	26.4	784.2	13.5
Other financial results	1,303.3	22.0	455.7	7.5
<b>Economic Value Distributed</b>	<b>20,369.8</b>	<b>287.6</b>	<b>14,350.5</b>	<b>291.4</b>
Operating costs	9375.3	131.9	7,265.2	147.7
Payroll and employee's benefits	1,779.9	25.1	1,098.3	22.9
Payments to the government (taxes, duties and contributions) and Income tax	4,749.9	67.1	3,017.2	61.5
Cost of interest accrued on loans	4,454.8	63.3	2,961.0	59.1
Community investments	9.9	0.2	8.8	0.2
<b>Economic Value Retained</b>	<b>5,910.7</b>	<b>83.5</b>	<b>4,226.6</b>	<b>87.2</b>

\* The table arises from the Audited Consolidated Financial Statements of YPF Energía Eléctrica S.A. as of December 31, 2020 and 2019 issued in thousands of Argentine pesos, with its corresponding Audit Report without observations, signed by Deloitte & Co. S.A. The amounts in dollars in this table were calculated from Argentine pesos that were converted into dollars at the average exchange rate for each quarter published by Banco Nación: 1Q18: 19.6 ARS/USD; 2Q18: 23.6 ARS/USD; 3Q19: 32.0 ARS/USD; 4Q18: 37.0 ARS/USD; 1Q19: 39.1 ARS/USD; 2Q19: 43.8 ARS/USD; 3Q19: 50.1 ARS/USD; 4Q19: 59.3 ARS/USD; 1Q20: 61.3 ARS/USD; 2Q20: 67.5 ARS/USD; 3Q20: 73.2 ARS/USD; 4Q20: 80.2 ARS/USD.

\*\* The Company's Management understands that the concepts corresponding to default interest in the pay off of credits for sale for late payment of CAMMESA provide relevant information on the operation and operating flows of the business, instead of being representative of the financial performance of the company. For this reason, as of fiscal year 2020, they are disclosed under the heading "Other operating income". The Management considers that this presentation better reflects the impacts of the operating cycle, allowing a unified presentation together with other expenses that are already included in the operating results, particularly considering the current context that deepened the delay in payment terms to generators and distributors of electric power. Consequently, the figures corresponding to commercial interest presented on a comparative basis were reclassified from the caption "Income from financial investments" to the caption "Other operating income" for 71,337, to maintain consistency with the 2020 figures.

# 4.3 Operations

MATERIAL TOPICS RISK MANAGEMENT AND REGULATORY COMPLIANCE, ENERGY EFFICIENCY  
 GRI CONTENTS 102-2, 102-3, 102-4, 102-6, 102-9, 102-10, 102-11, 102-15, 103-2, 103-3  
 SASB IF-EU-000

**We comply with high safety and technology standards to produce reliable and efficient electric power and contribute to the energy development of Argentina.**

YPF LUZ’s management system is focused on mitigating occupational, industrial and process-related risks, operating within the framework of the company’s Operational Excellence Policy, the main purposes of which include:

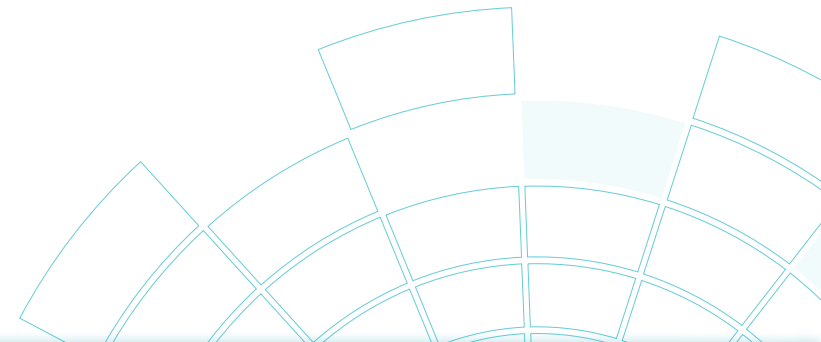
	
<p>Ensure people’s wellbeing and protect our assets.</p>	<p>Maximize production and efficiency, streamlining the use of available resources.</p>
	
<p>Honor our commitments to our internal and external clients.</p>	<p>Ensure safe and environmentally-friendly production processes.</p>

Our commitment to ongoing improvement policies compels us to revise the suitability of our **Operational Excellence Policy** and goals for constant adjustment to the changes required by the market and applicable laws.

In conducting all our operations, we monitor fuel consumption, air quality, water, waste and noise emissions. We implement strict quality, safety, environment and energy efficiency programs. We pursue international certifications to ensure sustainability and safety across all our operations, with an extensive internal and external auditing program to ensure compliance with those standards.

Given the limitations of the pandemic, for the first time remote audits were carried out with very good results. The audits conducted were the following:

- QEHS Internal Audit (Cañadón León)
- Mott External Audits on Y-GEN and Y-GEN II (El Bracho, Tucumán)
- External audit on the environmental and social plan at YGEN (Loma Campana)
- QEHS Cross Internal Audit at Loma Campana Complex
- QEHS Cross Internal Audit at La Plata Cogeneration
- QEHS Cross Internal Audit at Manantiales Behr Wind Farm



With commitment, agility, and efforts focused on achieving results, we successfully reached the 2020 Audit Plan.

Power generation (in GWh)	2020		2019		2018	
<b>Thermal power</b>	<b>8,311.26</b>	<b>92.4%</b>	<b>5,924.7</b>	<b>92%</b>	<b>7,510</b>	<b>98%</b>
Tucumán Generation Plant	4,147.79	-	3,714.2	-	5,232.1	-
Loma Campana I	628.93	-	705.6	-	432.4	-
Loma Campana Este	41.92	-	45.4	-	34.0	-
La Plata Cogeneration	891.72	-	818.7	-	873.4	-
Loma Campana II - Y-GEN	514.85	-	503.9	-	395.4	-
El Bracho Thermal Power Plant - Y-GEN II	738.28	-	136.9	-	542.7	-
La Plata Cogeneration II	10.32	-	-	-	-	-
Dock Sud	1,337.44	-	-	-	-	-
<b>Renewable energy</b>	<b>679.71</b>	<b>7.6 %</b>	<b>526.6</b>	<b>8%</b>	<b>148.6</b>	<b>2%</b>
Manantiales Behr Wind Farm	514.66	-	526.6	-	148.6	-
Los Teros I Wind Farm	165.06	-	-	-	-	-
<b>Total</b>	<b>8,990.96</b>		<b>6,451.3</b>		<b>7,658.6</b>	

**5.3%**  
of the national renewable electricity

**10%**  
of the national thermal electricity

Total, YPF LUZ*	YPF LUZ			Market		
	2020	2019	2018	2020	2019	2018
Availability (without scheduled maintenance)	84.0%	84.6%	90.0%	82%	80.0%	81.0%
Fuel Consumption Gas Eq (M nm <sup>3</sup> /day)	4.28	3.67	4.56	49.50	49.61	54.80
Specific Consumption Kcal/KWh **	1,887.27	1,869.5	1,844.1	1,850.0	1898.2	1,918

\* Excluding Dock Sud.

\*\* Weighted average consumption by generated energy.

Source: Data calculated from CAMMESA data as of March 2021. The generation data differs in GWh from that reported in reports from previous years, since CAMMESA updates the data from previous reports with the output of each report.



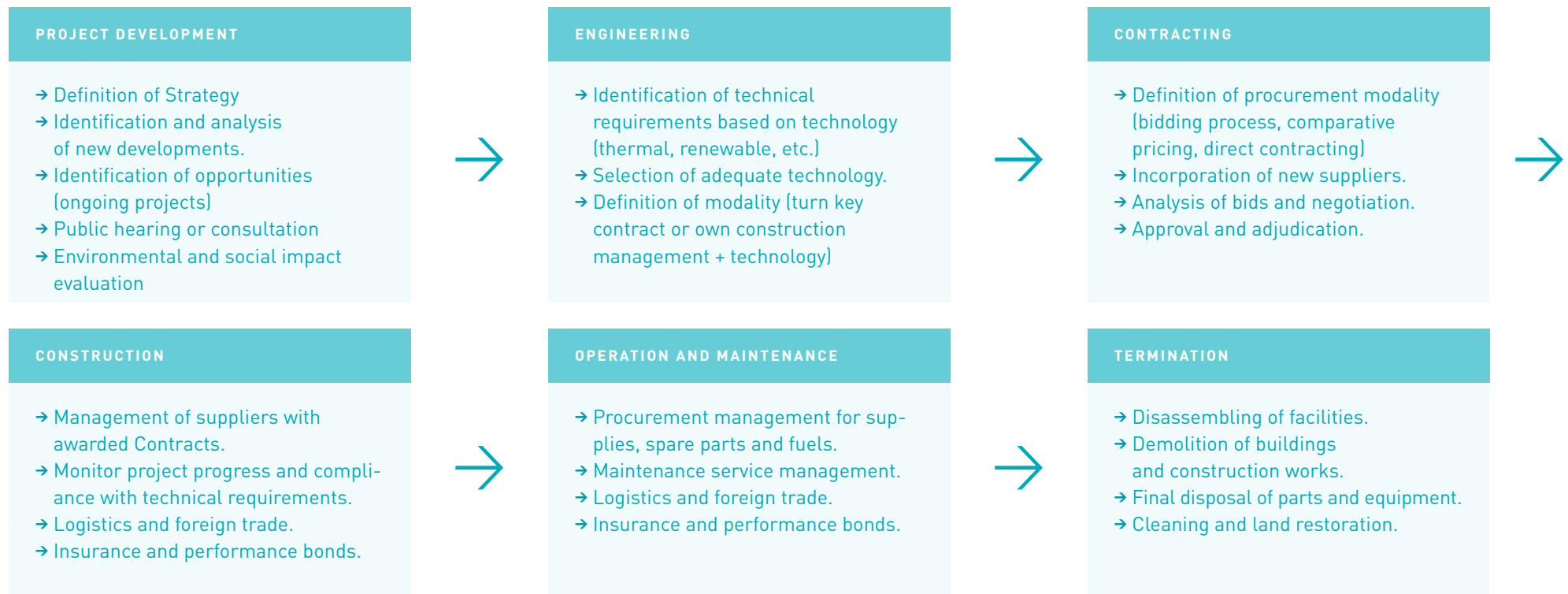
We have 2,250 MW of power intended for the industry and efficient energy development, generated at high-technology facilities distributed nationwide.

YPF LUZ Generation Results	2020	2019	2018
<b>Loma Campana I</b>			
Generation (in GWh)	628.93	705.56	432.40
Availability (without scheduled maintenance)	0.69	80.3%	59.3%
Fuel Consumption Gas Eq (M nm <sup>3</sup> /day)	0.42	0.44	0.28
Kcal/KWh	2,038.7	1,964	1,964
<b>Loma Campana II</b>			
Generation (in GWh)	514.849	503.93	395.40
Availability (without scheduled maintenance)	92.70%	82.6%	87.0%
Fuel Consumption Gas Eq (M nm <sup>3</sup> /day)	0.34	0.33	0.26
Specific Consumption Kcal/KWh	2,017.6	2,011	2,011
<b>La Plata Cogeneration</b>			
Generation (in GWh)	891.724	818.75	873.40
Availability (without scheduled maintenance)	95%	78.9%	95.9%
Fuel Consumption Gas Eq (M nm <sup>3</sup> /day)	0.58	0.54	0.56
Specific Consumption Kcal/KWh	2,008.9	1,976	1,976
<b>San Miguel de Tucumán</b>			
Generation (in GWh)	1565.398	1480.73	2,208.10
Availability (without scheduled maintenance)	91.40%	76.7%	96.7%
Fuel Consumption Gas Eq (M nm <sup>3</sup> /day)	0.95	0.91	1.28
Specific Consumption Kcal/KWh	1,868.97	1,790	1,790
<b>Tucumán</b>			
Generation (in GWh)	2,582,387	2233.47	3,024.00
Availability (without scheduled maintenance)	97%	91.6%	99.2%
Fuel Consumption Gas Eq (M nm <sup>3</sup> /day)	1.54	1.34	1.75
Specific Consumption Kcal/KWh	1,830	1,786	1,786
<b>El Bracho</b>			
Generation (in GWh)	738.284	136.88	542.70
Availability (without scheduled maintenance)	93%	89.5%	97.4%
Fuel Consumption Gas Eq (M nm <sup>3</sup> /day)	0.34	0.11	0.43
Specific Consumption Kcal/KWh	1,737,34	2,449	2,449

YPF LUZ Generation Results	2020	2019	2018
<b>Manantiales Behr WF</b>			
Generation (in GWh)	514.656	526.65	148.64
Availability (without scheduled maintenance)	99.20%	99.2%	95.4%
Fuel Consumption Gas Eq (M nm <sup>3</sup> /day)	0	0	0.00
Specific Consumption Kcal/KWh	0	0	0
<b>Los Teros I WF</b>			
Generation (in GWh)	165.056	-	-
Availability (without scheduled maintenance)	91.70%	-	-
Fuel Consumption Gas Eq (M nm <sup>3</sup> /day)	0	-	-
Specific Consumption Kcal/KWh	0	-	-
<b>La Plata Cogeneration II</b>			
Generation (in GWh)	10.318	-	-
Availability (without scheduled maintenance)	27.90%	-	-
Fuel Consumption Gas Eq (M nm <sup>3</sup> /day)	0.028	-	-
Specific Consumption Kcal/KWh	2,218	-	-
<b>Loma Campana Este</b>			
Generation (in GWh)	41.92	-	-
Availability (without scheduled maintenance)	-	-	-
Fuel Consumption Gas Eq (M nm <sup>3</sup> /day)	0.032	-	-
Specific Consumption Kcal/KWh	2,400.91	-	-
<b>Dock Sud</b>			
Generation (in GWh)	1,337.44	-	-
Availability (without scheduled maintenance)	83.64%	-	-
Fuel Consumption Gas Eq (M nm <sup>3</sup> /day)	0.72	-	-
Specific Consumption Kcal/KWh	1,647.2	-	-



## Power Generation Project Life Management



## Corporate Materials and Services



Hardware



Software



Foreign trade



Audits



Certifications



Insurance and others

## THERMAL POWER GENERATION

Regarding thermal power generation, we aimed to incorporate assets that make efficient use of gas, since gas is the least environmentally impactful fossil fuel in electric power generation. In 2020, YPF LUZ's 99.97% thermal generation was based on gas, while national gas utilization by thermal power producers was 89.7%.

### Tucuman Power Generation Complex

Tucumán Power Generation Complex, located in El Bracho, province of Tucumán, is comprised by **Tucumán Combined Cycle**, with an installed capacity of 447 MW, **San Miguel de Tucumán Combined Cycle**, with a capacity of 382 MW, and **El Bracho Thermal Power Plant**, with a capacity of 274 MW. On October 23, 2020 CAMMESA granted the commercial authorization of the Steam Turbine of the El Bracho Thermal Power Plant up to a total maximum power of 199 MW. Thus, the **El Bracho Combined Cycle** of 473MW of installed capacity was completed.

The new combined cycle allows a significant increase in the efficiency level of electric power generation, which until then was 38% to reach 57%, thus achieving one of the highest levels of thermal efficiency in the country. With the completion of this work, the Tucumán Generation Complex becomes the largest combined cycle generation center in Argentina, with an installed capacity of 1,302MW, capable of supplying 2.7 million households.

### TUCUMÁN POWER GENERATION COMPLEX

Installed Capacity: 1,302MW  
3 thermal power plants

**Tucumán Combined Cycle**  
Installed Capacity:  
447MW

**San Miguel de Tucumán Combined Cycle**  
Installed Capacity:  
382MW

**El Bracho Thermal Power Plant**  
Installed Capacity:  
473MW



## Loma Campana Power Generation Complex

The **Loma Campana Thermal Power Generation Complex**, located in Añelo, province of Neuquén, includes two thermal power plants with aeroderivative gas turbines: **Loma Campana I**, with an installed capacity of 105 MW, and **Loma Campana II**, with an installed capacity of 107 MW. The complex also includes **Loma Campana Este Thermal Power Plant**, located within the Loma Campana oil & gas production concession area, 18 km away from Loma Campana I and II, with an installed capacity of 17 MW.

### LOMA CAMPANA POWER GENERATION COMPLEX

Installed Capacity: 229MW  
3 thermal power plants

**Loma Campana I**  
Installed Capacity:  
105MW

**Loma Campana II**  
Installed Capacity:  
107MW

**Loma Campana  
Thermal Power Plant**  
Installed Capacity:  
17MW



## Central Dock Sud S.A.

YPF LUZ owns a 30% equity interest in this company and is responsible for the Commercial Department. However, Enel is responsible for the operations and relationships with third parties. The Dock Sud Power Plant, located in Avellaneda, province of Buenos Aires, has a total installed capacity of 870 MW, of which 279 MW<sup>15</sup> are attributable to the stake held by YPF LUZ.

<sup>15</sup> Including the indirect stake in Central Dock Sud of 30% and the indirect stake in MBTPP, SMTTP and VOTPP of 0.14%, 0.13% and 1.92%, respectively



## La Plata Cogeneration Complex

This complex is located in Ensenada, province of Buenos Aires, within YPF's La Plata Industrial Complex. It includes **La Plata Cogeneration I Thermal Power Plant**, with an installed capacity of 128MW, and **La Plata Cogeneration II Thermal Power Plant**, with a capacity of 90MW, which began operations in October 2020. Both plants provide electric power to CAMMESA and up to 400ton/h of steam to the Industrial Complex of YPF.

The plant, which was inaugurated in 2020, required an investment of 166 million dollars. It will have a thermal efficiency of 82% that will benefit the country's energy matrix since with the same gas that is used today to produce only steam, electricity will also be generated for thousands of Argentines. It will have the capacity to generate

up to 605 GWh/year of power for the Argentine electrical system which, through modern technology and efficient processes, will also increase the reliability and availability of electric energy in the region. Both plants form the largest Cogeneration complex with the highest installed capacity in Argentina.

**La Plata Cogeneration II Thermal Power Plant will have the capacity to generate 605 GWh/year of power for the Argentine electricity system and will enable it to supply power to 210 thousand households in Argentina.**

For more information on our operation sites, [click here](#).

### LA PLATA COGENERATION

Installed Capacity: 128MW  
1 cogeneration plant



### LA PLATA COGENERATION II

Installed Capacity: 90,2MW  
Type: Thermal power. Cogeneration





## RENEWABLE GENERATION

The Manantiales Behr Wind Farm was the most efficient in Argentina in 2020. It reached an average capacity factor of 61%, the highest in the country<sup>16</sup>.

We strive to develop reliable, efficient and sustainable energy, with world-class technology, so industries can rely on this CO<sub>2</sub> emissions-free resource. We have two operational wind farms and one wind farm under construction to supply renewable energy to Argentina's leading companies.

Renewable Generation Results (in GWh)*	2020	2019	2018
<b>YPF LUZ</b>			
Renewable Generation	679.71	526.6	148.64
MATER Generation	679.71	526.6	148.64
<b>Market</b>			
Renewable Generation	12,737.15	7,812.14	3,350.22
MATER Generation	2618.71	0.19	0.25
<b>Market share</b>			
Renewable Generation	5.34%	6.7%	4.5%
MATER Generation	25.96%	35.3%	58%

\* Own information based on CAMMESA's data.

Loading Factor and Availability Renewable Energy	2020	2019	2018
<b>Manantiales Behr Wind Farm</b>			
Capacity factor	61.0%	61.7%	50.3%
Availability factor*	99.2%	97.7%	87.5%
<b>Los Teros Wind Farm</b>			
Capacity factor	47.2%	-	-
Availability factor*	91.70%	-	-

\* Calculated as remunerated capacity/installed capacity.

<sup>16</sup> Data provided by CAMMESA. The capacity factor, which indicates the percentage of efficiency to capture the renewable resource with respect to the installed capacity, averages 45.7% for wind energy in Argentina and around 34% worldwide.

<sup>17</sup> Renewable Energy Forward Market.

## Parque Eólico Manantiales Behr

The **Manantiales Behr Wind Farm**, located in Manantiales Behr, province of Chubut, is built on a currently operational oil & gas reservoir owned by YPF, has 30 Vestas wind turbines with a capacity of 3.3 MW each, and a total installed capacity of 99 MW. The wind farm is connected to the Argentine Grid Transmission System (SADI) and CAMMESA has assigned it priority dispatch for the sale of renewable energy in the MATER<sup>17</sup>.

### MANANTIALES BEHR WIND FARM

Installed Capacity: 99MW  
Type: Renewable Energy. Wind



## Los Teros I Wind Farm

Since September 2020, the first stage of the **Los Teros Wind Farm**, located in Azul, province of Buenos Aires, began to generate renewable energy and to contribute energy to the national interconnected system. Los Teros I has an installed capacity of 123MW and 32 GE wind turbines of 3.83MW each. Upon completion of the second stage (Los Teros II), the farm will have a total installed capacity of 175MW equivalent

to the power of 228,000 households. It will require a total investment of 200 million dollars, and it will be one of the largest wind farms in the country and very close to the center of electricity consumption in Argentina.

The renewable energy generated in Los Teros supplies the industrial plants of Toyota, Coca-Cola FEMSA, Nestlé and Profertil, among others.

### LOS TEROS I WIND FARM

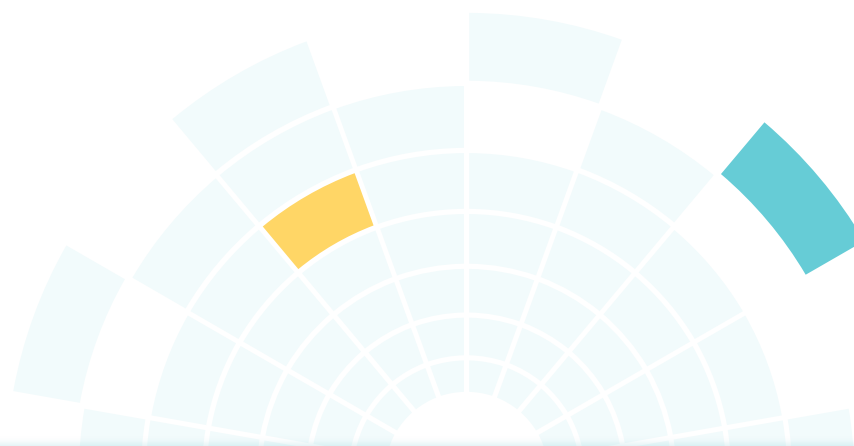
Installed Capacity: 123MW

Type: Renewable Energy. Wind



“Los Teros is today a reality thanks to the effort, coordination and joint work of many people inside and outside YPF LUZ, faced with the challenge posed by the context of COVID-19”.

**Martín Mandarano**  
CEO of YPF LUZ



## DIGITAL TRANSFORMATION

**We are innovating to generate increasingly reliable, efficient and sustainable energy. We develop infrastructure to operate remotely at all company sites and ensure electric power generation for Argentina.**

Due to the impact of the pandemic, measures were implemented to safeguard the continuity of operations and communication, minimizing the limitations of remote work and making our processes more efficient.

As a first measure, in early 2020 we implemented remote operation at our Loma Campana and La Plata Cogeneration Thermal Power Plants, Tucumán Power Generation Complex and Manantiales Behr Wind Farm. We installed hardware, software and cybersecurity configurations at each site that allow our operators to access site systems and perform their work as if they were in the control room.

We also implemented remote maintenance. For this purpose, we equipped our operators with helmets with cameras connected to our networks to follow the operation in real time. This technology that enables the transmission of audio and video between the operator and a remote assistant allows to accelerate response times, increase the decision-making process, and improve the efficiency and safety of our operations.

In addition, we expanded the use of OSIsoft PI System, an intelligent tech-platform that monitors power generation and processes of all our assets in real time and allows access from mobiles. This platform has enabled improved optimization in maintenance processes at sites (thermal power plants and wind farms).

**We guarantee our operational results by managing our processes, developing adequate management systems and applying new technologies with innovation criteria, which enable operational sustainability.**

## SAP S/4 HANA

Since 2020, we have our own SAP system, with independent accounting and technological innovation. In January, the migration and start-up of the new SAP LP3 and ARIBA YPF LUZ systems were completed. We expanded the functionality and integration with other tools in Purchasing, Finance and Accounting modules and completed Phase II of the SYLUZ Project with the implementation of the SAP Success Factors suite and 100% virtual Concur.

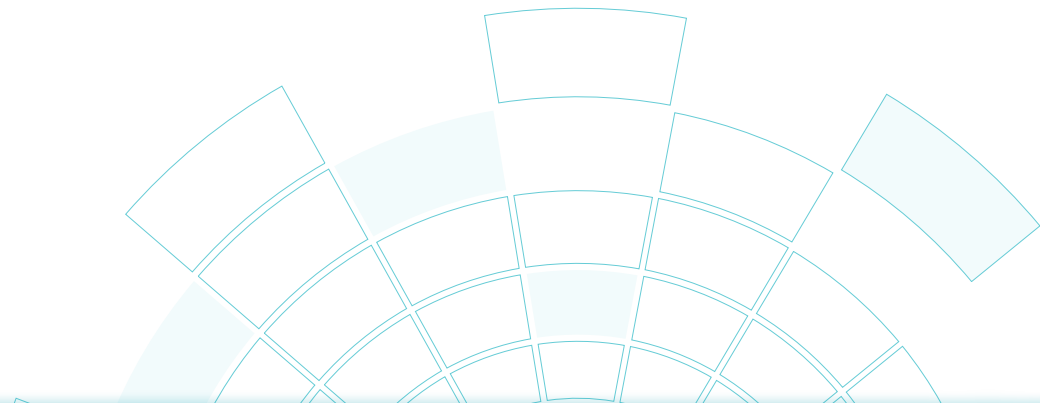
**We developed an app for the monitoring and epidemiological record of COVID-19 of the entire company to promote the health of all our employees.**

Other outstanding initiatives:

- SAP Hana modules: AxI (Adjustment for Inflation) and TRM (Extended Treasury).
- Esker: Supplier invoice processing platform.
- 4BUY: Online minor shopping system.
- Toyota Production System (TPS) project: we began training in the methodology and pre-analysis to improve Supply Chain processes.

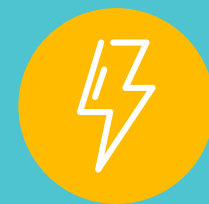
## Process Mapping

In 2020, we reviewed and improved the mapping of processes in the different areas of the company where we defined new policies, standards and procedures to improve our way of operating and drive continuous improvement. This transformation will allow us to optimize our processes and add value to our clients, promoting a culture of innovation to offer new business models and improve their experience.





In 2020, we innovated with new technologies to achieve remote operations and maintenance.



## 4.4. Projects

GRI CONTENTS 102-10, 102-11, 102-15

Our strategy to contribute a larger volume of highly efficient and renewable energy generation to the energy matrix is reflected in the construction of new projects. In 2020, works were planned for a total of 645 MW distributed in 7 projects, of which 347 MW relate to high-efficiency thermal power projects and 298 MW to wind power projects. Therefore, construction increased by 30% compared to 2019.

In 2020, we put into operation three new works that added 412 MW of installed capacity, equivalent to the power consumption of 850,000 households. The projects put into operation were the following:

- First stage of the Los Teros Wind Farm, 123 MW
- La Plata Cogeneration II, 90 MW
- El Bracho Combined Cycle Steam Turbine, 199 MW, which makes up a Combined Cycle with 473 MW of installed capacity.

We made progress in the construction of the following own projects:

- Manantiales Behr thermal power plant, 58 MW
- Second stage of the Los Teros II Wind Farm, 52 MW
- Cañadón León Wind Farm: 123 MW

Finally, YPF LUZ was the construction company of the following projects:

- LAT 132KV Pico Truncado-Caleta Olivia: new 53km long line.
- Closure of the Ensenada Barragán Cycle (280 MW).



**6 own projects + 2 third party works**  
**5 Provinces**



**645 MW**  
**347 MW of thermal power**  
**298 MW of wind power**



**+1,700 People employed**



**We invest in the generation of profitable, efficient and reliable energy, by building new thermal generation plants and renewable energy farms, with world-class technology, to supply YPF and other industries and to commercialize in the Wholesale Electricity Market (MEM).**

Projects under construction as of 12/31/2020	Location	Installed Capacity	Client or counterparty	Technology	Progress	Start year	Start date of operations
Manantiales Behr Thermal Power Plant	Manantiales Behr, Chubut	57.73 MW	YPF	Engine-driven generation	97%*	2019	1T 2021
Los Teros II Wind Farm	Azul, Buenos Aires	52.39 MW	MATER	Wind	82%*	2019	2T 2021
Cañadón León Wind Farm**	Cañadón León, Santa Cruz	122.67 MW	CAMMESA and MATER	Wind	85%*	2019	2T 2021
<b>Third party projects under construction as of 12/31/2020</b>							
Santa Cruz Norte Line	Pico Truncado-Caleta Olivia, Santa Cruz	N/A	CAF/Prov. Santa Cruz	132Kv Line	63%	2019	2T 2021
Ensenada Barragán	Ensenada, Buenos Aires	280 MW	Ensenada Barragán TPP	Combined cycle	19%	2019	2T 2022

\* Extent of physical progress as of January 2021.

\*\* Renovar 2.0 Program, 101.52MW to supply CAMMESA and 21.15 MW for MATER.

To ensure health and safety in the context of a pandemic, we implemented protocols and prevention measures following the current recommendations of the National Ministry of Health, as well as provincial and local regulations. In addition, we contemplated specific measures for workers who moved between endemic and non-endemic jurisdictions, such as separate transfers and accommodation of workers residing in the area, isolation to comply with local regulations, and the use of eye and respiratory protection at all times. To reinforce prevention measures, in some places Testing Plans agreed with local authorities were implemented. On the other hand, a direct channel for questions was made available to the communities to handle questions or grievances regarding our projects.

## OWN THERMAL POWER GENERATION PROJECTS

### Manantiales Behr Thermal Power Plant

The new plant, which will have a capacity of 58 MW in a first stage, with the possibility of expanding to 90 MW, will generate firm power that will complement the renewable energy of the Manantiales Behr Wind Farm, forming a hybrid electric power generation system.

It is a thermal power plant with an installed capacity of 58MW, located in Manantiales Behr, in the same node where the Manantiales Behr Wind Farm is located. It consists of five state-of-the-art engines and an efficiency of 42% with the capacity to operate in adverse weather conditions, ideal to supplement the wind farm output. It is YPF LUZ's first **hybrid electric power generation complex** where wind energy can be produced when the wind blows and thermal power when the weather is not good, thus guaranteeing a more stable, constant and efficient supply in the area.

The natural gas that will be used as fuel in the engines is produced by YPF in the same Manantiales Behr reservoir.

The electricity generated by the Hybrid Complex will improve the availability of energy in the regional electricity system and in the YPF reservoirs, given the complementarity of thermal wind power with natural gas and the operational flexibility, which allows to increase load and supplement the wind very quickly.

Progress in 2020:

- We completed the civil works for the engine buildings.
- We completed all the electrical works of the plant and began the pre-commissioning tests.

### MANANTIALES BEHR ENGINE PLANT

Installed capacity: 58MW  
Type: Thermal power. Engines



## Ensenada Barragan<sup>18</sup>

The Ensenada Barragán Thermal Power Plant is located in Ensenada, province of Buenos Aires, Argentina. It currently operates on an open cycle, and YPF LUZ is in charge of the project management and works supervision so that it operates as a combined cycle. This work will add 280 MW so that the plant reaches a total capacity of 840 MW. The complete project will supply more than 800,000 clients and will be one of the most efficient plants in the country. The work will employ more than 900 people at peak of activity and its completion is scheduled for the second quarter of 2022.

<sup>18</sup> The Project belongs to the Ensenada Barragán Thermal Power Plant, whose shareholders are Pampa + YPF. YPF LUZ is in charge of the project management and construction supervision.



## OWN RENEWABLE GENERATION PROJECTS

**With the addition of the Los Teros and Cañadón León Wind Farms, greenhouse gas emissions will be reduced by 740,000 tons of CO<sub>2</sub> eq each year.**

### Los Teros II Wind Farm

**The wind power generated at Los Teros I and II will avoid emissions of 8.5 million tons of CO<sub>2</sub> over 20 years, compared to the same power generation by a thermal power plant, accounting for diesel savings of 81,800 m<sup>3</sup> or natural gas savings of 130 million m<sup>3</sup>.**

The second stage of the Los Teros Wind Farm is located in Azul, province of Buenos Aires. We will contribute an additional 52.4MW, from 13 wind turbines of 4MW each, distributed in a field of 1,000 hectares. The farm will be interconnected at the same point as Los Teros I and will supply, exclusively, MATER. The work began in 2019 and progress in 2020 was as follows:

- We completed the internal roads, the internal medium voltage network.
- We completed all the foundations and transported 50% of the main components of the wind turbines to site.

### LOS TEROS WIND FARM - STAGE II

Installed capacity: 52.4MW  
Type: Renewable Energy. Wind.





## Cañadón León Wind Farm

With a USD 160 million investment, the Cañadón León Wind Farm will supply 600,000MWh/year of renewable energy that will meet a demand equivalent to 150,000 households and will avoid emissions of 312,000 tons of CO<sub>2</sub> each year.

The Farm is located in the town of Cañadón Seco, Santa Cruz. It will have 29 wind turbines of 4.23 MW each. Its 122.67MW will be marketed as follows: 101.52MW for the provision of CAMMESA and 21.15MW for the MATER. The project has financing for up to USD 100MM from BNP Paribas with a guarantee from Euler Hermes

The project started in 2019 and progress in 2020 was as follows:

- 29 wind turbines already assembled and all the equipment received in the farm.
- We completed the platforms and roads of all the wind turbines.
- Progress in the electrical substation and medium voltage lines.
- We assembled the power transformers on site

“We are very satisfied because we are progressing rapidly with the construction work of the Cañadón León Wind Farm and taking concrete steps to generate wind energy from Santa Cruz for all Argentines”.

**Martín Mandarano**  
CEO of YPF LUZ

## CAÑADÓN LEÓN WIND FARM

Installed capacity: 123 MW

Type: Renewable Energy. Wind.



## INFRASTRUCTURE PROJECTS

### High-Voltage Line Santa Cruz Norte

We began construction of a 53-km high-voltage line to interconnect the towns of Pico Truncado and Caleta Olivia. This line will enhance the service infrastructure in the region, and it will also allow to channel the power output from the Cañadón León Wind Farm through an interconnection in the area of Cañadón Seco. The work was assigned to YPF LUZ by the CAF, and it is financed by the Province of Santa Cruz.

Progress in 2020:

- Assembly of 100% of the concrete structures.
- More than 30 km of lines laid.
- Progress in the expansion of 1 field at 132 kV at the Santa Cruz Norte Substation.
- Progress in the expansion of 1 field at 132 kV and 1 field at 66 kV at the Caleta Olivia Substation.



## 4.5 Development of Projects and New Businesses

As part of our strategic plan, we have evaluated and developed projects to continue increasing the portfolio of projects in execution. In 2020, we evaluated renewable and thermal energy generation projects for around 1,800 MW. Each of them is focused on meeting different demands, ensuring environmental and business sustainability.

YPF LUZ joined the [H2Ar Hydrogen Consortium](#) and is analyzing the possibilities of this new technology. Globally, the use of green and blue hydrogen as an energy vector with low carbon emissions to the atmosphere is expected to accelerate and spread in the next decade, making it a fundamental piece to meet industrial decarbonization goals. Argentina has excellent natural conditions for the generation of green hydrogen, through highly competitive renewable resources and blue hydrogen from its natural gas reserves.

## 4.6 Clients

MATERIAL TOPICS CUSTOMER SATISFACTION, ENERGY EFFICIENCY

GRI CONTENTS 102-2, 102-6, 103-2, 103-3

SASB IF-EU-000.A, IF-EU-000.B, IF-EU-110A.4

We produce electric power from thermal and renewable sources, and sell the power produced to our clients, which are classified into two main segments: CAMMESA<sup>19</sup> and industrial private clients.

	2020	2019	2019
<b>Industrial Clients*</b>	<b>16</b>	<b>15</b>	<b>12</b>
Industrial Clients - % of energy sold	17%	19%	16%
<b>CAMMESA</b>	<b>1</b>	<b>1</b>	<b>1</b>
CAMMESA - % of energy sold	83%	81%	84%

\* As of December 31, 2020.

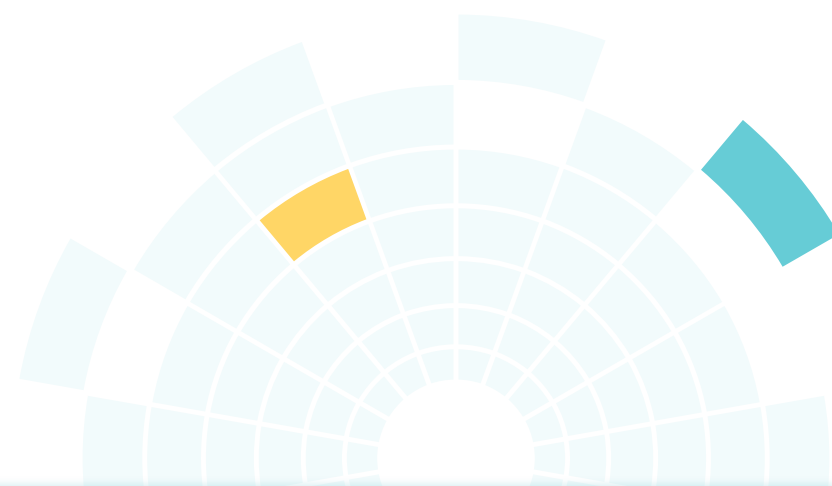
The energy sold to CAMMESA in 2020 was derived 100% from thermal sources and was produced by Tucumán Power Generation Complex (Resolution No. 1/2019), El Bracho Combined Cycle (Resolution No. 21/2016), La Plata I (Resolution No. 31/2020), La Plata II (Resolution No. 287/2017), Loma Campana (Resolution No. 21/2016), and Central Dock Sud (Resolution No. 31/2020).

The main industrial client in 2020 was YPF, which bought 1,0833 GWh for its operations, of which 58% corresponds to thermal energy and the remaining 42% to renewable energy. The energy acquired by YPF from the Manantiales Behr and Los Teros I Wind Farms represented 67% of the total renewable energy produced by YPF LUZ. This energy allowed it cover 22% of its renewable energy needs and to become one of the first companies to comply with the requirements of Law 27,191 on Renewable Energies. The rest of YPF LUZ's clients are large industrial users, which in 2020 acquired renewable energies produced at Manantiales Behr and Los Teros I Wind Farms, through the MATER.

<sup>19</sup> Compañía Administradora del Mercado Mayorista Eléctrico Sociedad Anónima.

Regarding our commercial strategy, we are making progress to develop a world-class client portfolio, to supply power from renewable energy derived from our wind farms in operation and under construction, through long-term contracts that assure low risk and predictability.

The pandemic negatively affected the activity of many of our clients. That is why we made the strategic decision since March 2020 to stay close to clients, understand their needs, maintain a permanent dialogue, thus building and improving our relationship with them in the long term. These actions were always aimed at maintaining the bond with them, understanding the interests of both. We also focused on meeting energy delivery commitments, maintaining the availability and generation of equipment in operation, and delivering projects completion.



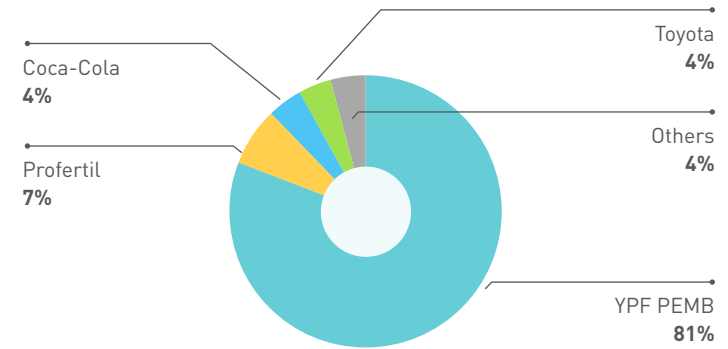
Through the generation of renewable energy, we contribute to our clients in achieving their sustainability goals.

Client	Term Of Renewable Energy Contracts (Years)	Renewable Energy Supplied (Gwh)	
		2020	2019
YPF	15 years	454	423
PROFERTIL	21 years	78	39
TOYOTA	10 years	33	20
COCA-COLA	15 years	29	24
HOLCIM	10 years	26	-
NESTLE	5 years	18	9
INDURA	5 years	9	5
FORD	5 years	6	-
ECO DE LOS ANDES	5 years	5	3
CLADD	10 years	5	-
ROCA	10 years	4	2
SANTANDER	10 years	3	-
MERANOL	20 years	1.43	-
HYATT	10 years	0.8	-
SLOTS *	←3 years	0.4	2
MINERA AGUILAR	←3 years	0.2	0.2
VARTECO**	←3 years	-	-
<b>Total</b>		<b>672.83</b>	<b>527.2</b>

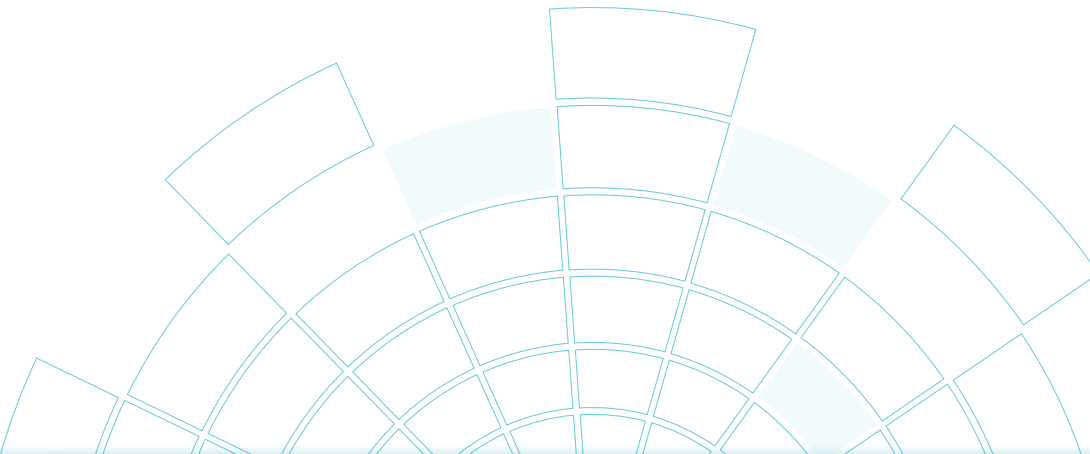
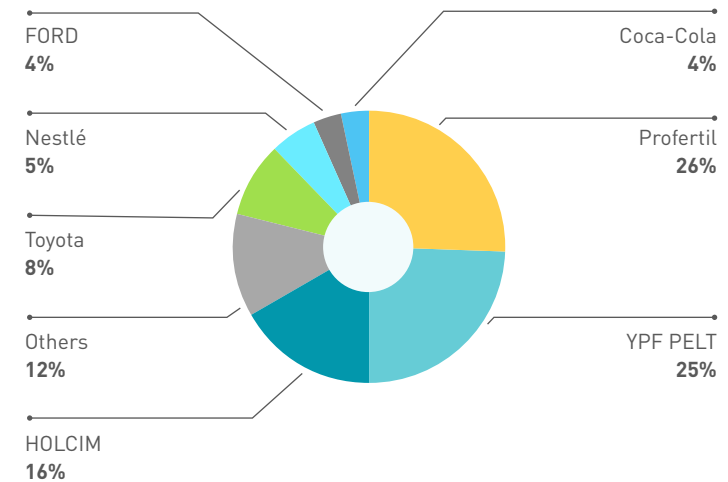
\* The Slots client contract ended in November 2020.

\*\* Contract signed in 2020.

RENEWABLE ENERGY SUPPLIED FROM MANANTIALES BEHR WIND FARM  
YEAR 2020 (GWH)



RENEWABLE ENERGY SUPPLIED FROM LOS TEROS I WIND FARM  
YEAR 2020 (GWH)



We provide our industrial clients with reliable, efficient and sustainable energy solutions, adapting them to their needs.

**Varteco executed an agreement with YPF LUZ for the supply of Renewable Energy for its chemical plants in San Luis**

Varteco Química Puntana executed an agreement for one year, with the possibility of an extension for 20 years, for 100% of its production to be carried out with renewable energy. This will enable the company to achieve a reduction of more than 1,000 tons of CO<sub>2</sub> emissions by replacing thermal energy with wind power.

**Toyota, Coca Cola Femsa, Nestlé and Eco de los Andes produce with 100% Renewable Energy**

With the start of operations of the first stage of the Los Teros Wind Farm, the companies managed to supply all of their operations with renewable energy.

“We are honored to accompany Toyota as a strategic partner in this significant milestone of environmental sustainability and to be able to collaborate with national production to export to the world. We are proud that the Los Teros Wind Farm is today a reality given the challenge posed by the context this year. Our commitment is to continue generating the energy that mobilizes the country”.

**Martín Mandarano**  
CEO of YPF LUZ

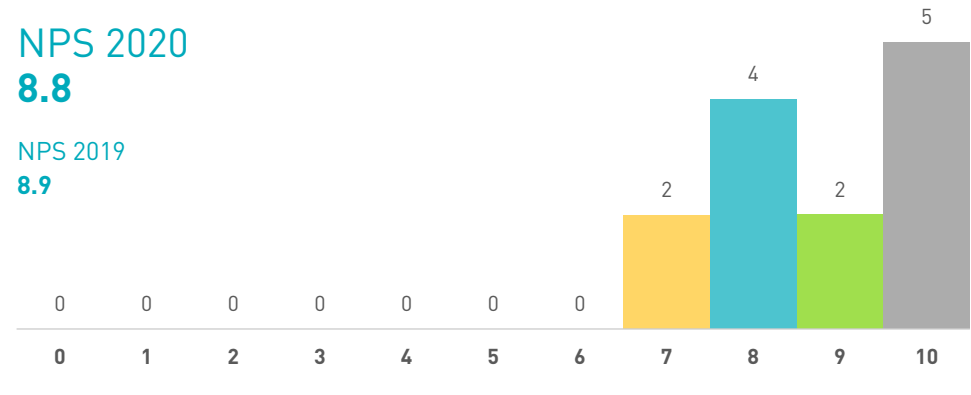
**Customer Satisfaction Survey**

Every year, we conduct a customer satisfaction survey to evaluate our service. 2020 was a particular year, in which the pandemic affected the activity of almost all of our clients. Despite the unfavorable context, our clients' assessment was very good: indicating a Net Promoter Score<sup>20</sup> of 8.8 in 2020, slightly lower than the 8.9% obtained in 2019. 10 companies responded to the survey (55% of total clients).

SCORE

**NPS 2020**  
**8.8**

NPS 2019  
**8.9**



54% indicated they were satisfied with the service provided by YPF LUZ, and 46% very satisfied. Among our renewable energy clients, the main reasons for hiring RES were the commitment to sustainability (62%), compliance with the RES law (23%) and economic savings (8%).

<sup>20</sup> The NPS is an indicator to measure customer loyalty and satisfaction. It is measured on a scale of 1 to 10, where the evaluations of 1 to 6 are detractors, 7 and 8 are passive and 9 and 10 are promoters.

## Events with our Clients

### Training session on wind power generation for Toyota Argentina S.A.

As part of the activities carried out during the month of the Environment at Toyota, we participated in a virtual session where we delivered a talk about renewable energy generation for its employees and value chain. Today, 100% of Toyota Argentina's output in the plant of Zarate is produced using YPF LUZ's renewable energy.



## Eduardo Kronberg General Manager of Sustainability of Toyota Argentina



### -What impact did the alliance with YPF LUZ have on Toyota in terms of achieving the goals proposed in its Environmental Challenges?

-The alliance with YPF LUZ has a great positive impact on the achievement of Toyota Argentina's environmental goals. Goal 3 of Toyota Environmental Challenge 2050 involves achieving zero CO<sub>2</sub> emissions in plants by 2050 through three pillars: continuous improvement in processes, incorporation of innovative low-emission technologies and introduction of renewable energy. Today, 100% of the electric energy that supplies the Zárate plant comes from wind farms that YPF LUZ developed in Comodoro Rivadavia and Azul. In this way, we have achieved compliance with one of the three pillars of Toyota's environmental goals of zero CO<sub>2</sub> emissions in our production process.

### -Toyota has a goal of zero CO<sub>2</sub> emissions in the product life cycle. How can YPF LUZ contribute to this challenge?

-Our suppliers have a very important role within Goal 2 of the Environmental Challenge, to achieve zero CO<sub>2</sub> emissions in the product life cycle. In this sense, it would be interesting to approach a joint strategy with YPF LUZ for the supply of electric energy from renewable sources to our value chain, and thus extend a sustainable production model.

On the other hand, the new electrification technologies, complying with Goal 1 of Carbon Neutrality in new vehicles, makes us, as an automotive company, generate strategic public-private alliances for the development of networks and charging infrastructure that allow circulation with renewable energy throughout the country.

## 4.7 Suppliers

GRI CONTENTS 102-8, 102-9, 102-10

Our supply chain is governed by guidelines and policies to align the technical, tax, legal, and cost requirements, with ethical values and environmental, labor, and social security requirements as might be applicable. In this regard, our [Code of Ethics and Conduct](#)<sup>21</sup>, and our commitment to sustainability, are applicable to all contractors, subcontractors, suppliers of goods and services, and business partners.

In 2020, the relationship with our clients developed in a challenging context, in which the pandemic affected our activity and that of almost all of our suppliers. For this reason, we reinforced communication and permanent dialogue. We identified strategic suppliers willing to work long-term, and those whose situation could affect our ability to keep our operations active and make progress with our projects.

At the beginning of 2020, the deployment of the SAP Ariba system was launched, through which we have our own Supplier Master and a platform of all the company's supplier companies, to facilitate the registration of new suppliers allowing traceability and integration of purchasing processes.

With the aim of acquiring reasonable confidence about the skills of our value chain, as of 2020, YPF LUZ has a qualification process where, prior to each contract, it comprehensively analyzes the supplier, focusing on economic-financial and commercial aspects, management and quality skills. Based on the service or good offered to YPF LUZ, it is classified in one or more item groups, and based on its criticality -low, medium or high-, the level of demand that will be taken into account when carrying out the analysis is defined.

<sup>21</sup> The Code of Ethics and Conduct has a Human Rights clause that all suppliers are required to sign: "Human Rights: Respect for Human Rights is an essential requirement to develop the activities of the Company, which ensures its protection in its scope of action".



As a result of this analysis, the supplier is assigned a qualification status for a specific geographical area, which enables it to be awarded the management by the Procurement team. In September 2020, we published the **Supplier Qualification Procedure** and in the last quarter, 167 suppliers were qualified in one or more item groups.

Suppliers according to level of criticality	2020	
	Q	%
High	38	22%
Medium	63	38%
Low	66	40%
<b>Total</b>	<b>167</b>	<b>100%</b>



**No suppliers have been identified with risks related to freedom of association and collective bargaining, child labor and forced or compulsory labor.**

Prior to each adjudication, all suppliers are scanned for Compliance to assess integrity and minimize risks. In general, the Procedure establishes that all suppliers related to the company must have a Compliance assessment prior to their registration and undergo a due diligence process, if needed.

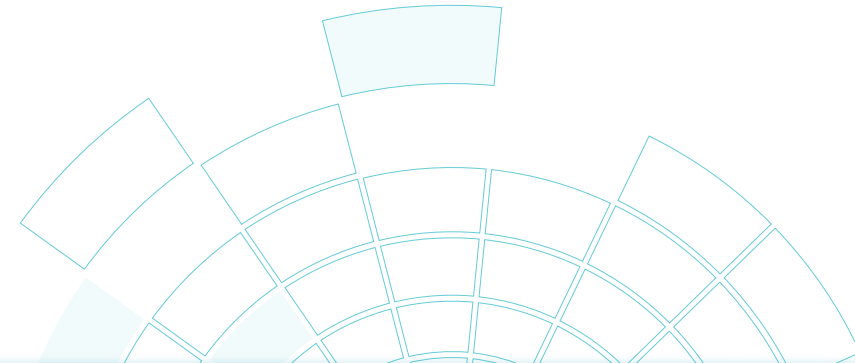
These requirements are included in the various stages of our procurement process – pre-selection, validation, adjudication, and assessment– which in 2020 involved all suppliers defined as critical to preserve the reliability of our operations. We have a supplier service through different channels enabled for this purpose, which is also in charge of managing new registrations and updates for all suppliers in the system.

**We have a large number and diversity of suppliers. During 2020, we had 714 active suppliers, of which 649 were domestic and 65 were foreign.**



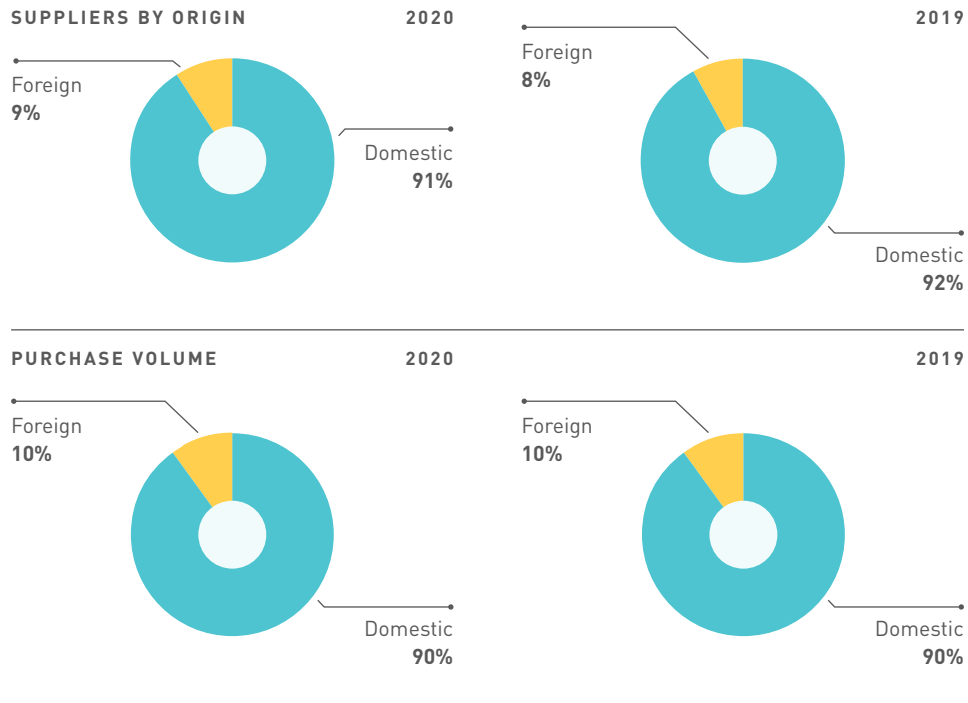
Email  
[consultaspagosypfluz@proveedoresypf.com](mailto:consultaspagosypfluz@proveedoresypf.com)

Phone  
**0810-122-9681 (option 2)**





To guarantee compliance and reduce the risk of our contractors, YPF LUZ carries out a permanent control throughout the contract period, where the fulfillment of the labor and social security obligations of our suppliers of services is reviewed on a monthly basis.



**YPF LUZ worked with 87 contractors, which employed 2,921 active people.**

In 2020, we began to develop **Responsible Inclusive Procurement Procedures** to continue adding new suppliers to our value chain promoting access, participation and opportunity to all those companies and productive organizations with members in vulnerable situations.

	2020	2019
<b>Contractors</b>	<b>87</b>	<b>72</b>
<b>Active people*</b>	<b>2,921</b>	<b>1,874</b>
Loma Campana	82	200
Manantiales Behr - Base Los Teros	1,808	1,150
City of Buenos Aires	68	12
Tucumán	405	408
Buenos Aires	558	137

\* The aggregate number of active people on our sites employed by contractors was 1,874. Note that some of them have worked at more than one site.

**SDG**

6, 7, 11, 12, 13 and 17

**GOALS**

6.3, 6.4, 7.1, 7.2, 7.3, 11.4, 11.6, 12.2, 12.5, 13.1, 17.7

**GRI CONTENTS**

102-11, 103-2, 103-3, 302-1, 302-3, 302-4, 303-1, 303-2, 303-3, 303-4, 303-5, 304-2, 304-4, 305-1, 305-4, 305-7, 306-1, 306-2, 306-3, 403-1, 403-2, 403-4, 403-7

**MATERIAL TOPICS**

Energy Use, Water and Effluents, Gas and GHG Emissions, Waste Management, Biodiversity, Occupational Health and Safety, Risk Management and Regulatory Compliance

**SASB**

IF-EU-110a.1, IF-EU-120a.1, IF-EU-140a.1

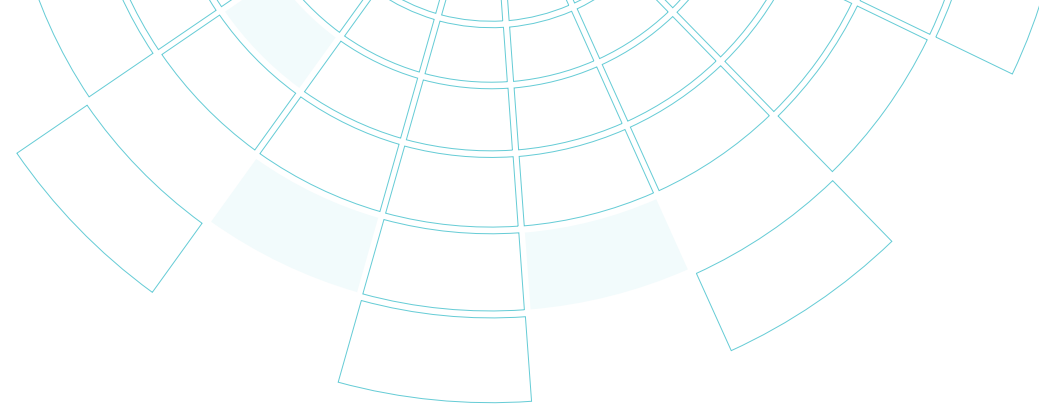
05

# Environmental Performance



# 5.1 Comprehensive Quality, Environment, Health & Safety Management

MATERIAL TOPICS ENERGY USE, WATER AND EFFLUENTS, GAS AND GHG EMISSIONS, WASTE MANAGEMENT, BIODIVERSITY, OCCUPATIONAL HEALTH AND SAFETY  
GRI CONTENTS 103-2, 103-3, 403-1, 403-2, 403-4, 403-7



We have a **QEHS policy in place that reinforces our commitment to operate in harmony with our environment.**

Quality, environment, health and safety (QEHS) management is based on three principles that guide our commitment and corporate culture:

1. Ensure safe working conditions by embracing local and internationally renowned best practices.
2. Minimize our environmental impact.
3. Maintain a healthy workplace for all workers and the communities at which we develop our activities.

These principles are fulfilled through 11 strategic vectors:

1. Leadership
2. Management System
3. Incident Management
4. Audits
5. Risk Management
6. Regulatory Compliance
7. Emergency Management
8. Contractor Management
9. Health
10. Prevention of Negative Environmental & Social Impact
11. Training

GAP= SHGAP /  
ESGAP / QGAP

The vectors are implemented through the **Goals and Actions Plans (GAPs):**

- Health and Safety Goal and Action Plan (SHGAP).
- Environment and Social Goal and Action Plan (ESGAP).
- Quality Goal and Action Plan (QGAP).

Our **Quality, Environment, Health and Safety Policy** lays the groundwork to build upon our strategic guidelines and QEHS plans. Our integrated QEHS management helps streamline resources and deliver better results to become one of the leading companies in the electric power generation sector, leader in renewable technologies, embracing internationally recognized safety, technology, efficiency, and quality standards.



## 5.2 Integrated Management System

MATERIAL TOPICS ENERGY USE, WATER AND EFFLUENTS, GAS AND GHG EMISSIONS, WASTE MANAGEMENT, BIODIVERSITY, OCCUPATIONAL HEALTH AND SAFETY  
GRI CONTENTS 102-11, 103-2, 103-3, 403-1

Our certifications represent a significant sustainability milestone, in line with our goal of becoming one of the leading companies engaged in power generation in the country, with world-class safety, technology, efficiency and quality standards.

We have a quality program in place that centralizes monitoring on all QEHS certifications and compliance with the quality requirements of our internal procedures, current laws and regulations and stakeholders. As of 2020, we have the following certifications:

<b>El Bracho Thermal Power Plant (Open cycle)</b>	ISO 9001	ISO 14001	ISO 50001	ISO 45001	
<b>San Miguel de Tucumán Thermal Power Plant</b>	ISO 9001	ISO 14001	ISO 50001	ISO 45001	
<b>Tucumán Thermal Power Plant</b>	ISO 9001	ISO 14001	ISO 50001	ISO 45001	
<b>Central La Plata Cogeneration</b>	ISO 9001	ISO 14001	ISO 50001	ISO 45001	
<b>Central La Plata Cogeneration II</b>	ISO 9001	ISO 14001		ISO 45001	
<b>Loma Campana I</b>	ISO 9001	ISO 14001	ISO 50001	ISO 45001	ISO 55001
<b>Loma Campana II</b>	ISO 9001	ISO 14001	ISO 50001	ISO 45001	ISO 55001
<b>Loma Campana Este</b>	ISO 9001	ISO 14001	ISO 50001	ISO 45001	ISO 55001
<b>Manantiales Behr Wind Farm</b>	ISO 9001	ISO 14001			
<b>Los Teros Wind Farm</b>	ISO 9001	ISO 14001		ISO 45001	

**The Loma Campana Complex achieved the recertification under the international standards ISO 9001 Quality; ISO 14001 Environment; ISO 45001 Occupational Health and Safety; ISO 50001 Energy Management and ISO 55001 Asset Management. Loma Campana is the first operating complex in the country to have certifications under these 5 international standards, which reflects the company's strong commitment to its policy of Operational Excellence in search of continuous improvement.**

All operations of YPF LUZ have implemented an Environmental Management System. They are certified under ISO 14001 and ISO 9001 and have an audit plan (internal and external) in place to monitor management systems and indicators.

To optimize energy output, improve and streamline processes and reduce greenhouse gases, seven thermal power plants have been certified under ISO 50001 Energy Management Systems.

Monthly follow-up is performed on all operational sites through **QGAP (Quality Goal and Action Plan)**. In turn, we have weekly meetings of the QEHS Committees, at which we complete an integrated follow-up, considering quality, the environment, health and safety, and at which the relevant events of the week are discussed, including achievements and those pending or to be completed soon.

## 5.3 Environmental Management

MATERIAL TOPICS RISK MANAGEMENT AND REGULATORY COMPLIANCE,  
ENERGY USE, WATER AND EFFLUENTS, GAS AND GHG EMISSIONS,  
BIODIVERSITY, WASTE MANAGEMENT  
GRI CONTENTS 102-11, 103-2, 103-3

### We drive actions to enhance environmental sustainability.

We strive to care for the environment and to achieve ongoing improvement in our day-to-day management processes, to be a profitable, efficient and sustainable energy company that streamlines the use of natural resources and contributes to energy development in Argentina.

QEHS Management is a process that begins at the very first stage of each project's life cycle. This allows for an early risk identification so that preventive, control, mitigating, and/or compensation actions can be planned.

We also engage in the identification of applicable legal requirements (national, provincial, and municipal) and international best practices and standards. Several of our projects were subject to environmental and social audits which we implement following the standards of the International Finance Corporation (IFC), as in the case of the Manantiales Behr Wind Farm, funded by BID Invest. We leveraged this experience by raising our internal QEHS standards, including:

- Monitoring birdlife throughout the entire life cycle of wind projects.
- Enhancing the environmental baselines of our environmental impact assessments, including archeological and paleontological surveys.
- Taking a coordinated approach to the management of environmental and social aspects, communicating our projects and future operations to the community and to our stakeholders to ensure environmental and social sustainability.

Environmental management at YPF LUZ is contained in its **Operational Excellence Policy**, and its implementation follows the guidelines of OHSAS 18001 (Safety), ISO 14001 (Environment) and ISO 9001 (Quality). One of the central aspects of this Policy is environmental care and it includes guidelines such as prevention, rational energy use, efficiency in use of resources, reduction of emissions into the atmosphere, and an adequate management of waste and surplus resources focused on reduction. [See Policy \(in Spanish\)](#).

As part of the management system, we receive regular audits (both internal and external), to see to its implementation, identifying deviations and opportunities for improvement. We implement **Environmental Management Programs**, which are reviewed by oversight authorities every six months. Monitoring is also performed through the **QEHS Committees**, while ongoing reviews are handled by the **Management System Department**. Each member of YPF LUZ has a strong commitment, driven by the leadership of our Management Team.

**During 2020, the training on QEHS continued, adapted to a virtual modality due to the context of the health emergency of COVID-19. A review of the QEHS process mapping was conducted and general procedures were updated, with the participation of the different managements.**

## ENERGY AND EMISSIONS

MATERIAL TOPICS ENERGY USE, GAS AND GEG EMISSIONS

GRI CONTENTS 103-2, 103-3, 302-1, 302-3, 302-4, 305-1, 305-4, 305-7

SASB IF-EU-110A.1, IF-EU-120A.1

At YPF LUZ, we are committed to contribute to the achievement of Sustainable Development Goals (SDGs). We are focused on those SDGs that relate to reduction of carbon emissions and sustainable production. We strive to reduce energy consumption in our operations. As a result of a permanent optimization of our processes, we received the ISO 50001 certification in seven thermal generation plants, an international standard that certifies improvement of the energy management system of each organization.

During 2020, YPF LUZ's environmental performance indicators (Energy Intensity and GHG Emissions Intensity) improved. Energy Intensity is a measure of how efficient we are in terms of energy consumption for energy produced and is directly related to the intensity of GHG emissions, which considers the equivalent tons of CO<sub>2</sub> emitted in our processes. The annual evolution of both indicators demonstrate our commitment to the environment:

	2020	2019	2018
<b>Energy intensity*</b>	6.113	6.125	6.297

\* Energy consumption (GJ) / Energy produced (MWh)

	2020	2019	2018
<b>GHG Emissions intensity*</b>	0.343	0.345	0.358

\* Emissions of CO<sub>2</sub> equivalent (ton)/Energy produced /MWh

Energy consumption by the company (in GJ)*	2020	2019	2018
<b>Total fuel consumption</b>	<b>54,732,511</b>	<b>47,563,235</b>	<b>53,103,389</b>
Total fuel consumption from non-renewable sources	54,690,779	47,521,042	53,083,728
Total fuel consumption from renewable sources	41,733	42,193	19,661
<b>Electricity, heating and steam purchased for consumption</b>	<b>59,310</b>	<b>44,755</b>	<b>31,093</b>
<b>Self-generated electricity, heating, cooling and steam</b>	<b>32,206,514</b>	<b>27,928,812</b>	<b>30,350,075</b>
<b>Electricity, heating, cooling and steam sold</b>	<b>30,978,796</b>	<b>27,199,654</b>	<b>29,675,671</b>
<b>Total energy consumption**</b>	<b>56,019,539</b>	<b>48,337,148</b>	<b>53,808,886</b>

\* Methodology and calculations: APA guide (Application of environmental parameters - Corporate tool) of YPF S.A

\*\* Total energy consumption (in GJ) = Consumed non-renewable fuel + Consumed renewable fuel + Electricity, heating, cooling and steam purchased to be consumed + Self-generated electricity, heating, cooling, and steam - electricity, heating, cooling and steam sold.

Direct emissions of GHG - Scope 1 (in tCO <sub>2</sub> eq)*	2020	2019	2018
Tucumán**	1,916,174	1,547,355	2,189,607
Loma Campana	541,603	566,358	366,781
La Plata Cogeneration	606,079	559,751	460,246
<b>Total</b>	<b>3,063,856</b>	<b>2,673,464</b>	<b>3,016,636</b>

\* For the CO<sub>2</sub>eq calculation, only the significant gaseous emission streams of the activity are considered: CO<sub>2</sub>, CH<sub>4</sub> and N<sub>2</sub>O, as established in the APA guide. As it is natural gas combustion, the rest of the gases does not apply. The calculation uses the factors (GWP) of: CO<sub>2</sub>: 1; CH<sub>4</sub>: 25; N<sub>2</sub>O: 298

\*\* In the case of the Tucumán Thermal Complex, the emissions generated only by NG combustion were considered as it is the only fuel consumed in turbines for the generation of electricity (main activity). As an opportunity for improvement, in the new APA tool to be implemented in 4Q2021, these values will be reported.

Other significant air emissions (in Kg)	2020	2019	2018
Nitrogen oxides (NOx)	5,471,320	5,175,810	5,262,874
Volatile organic compounds (VOC)	305,460	272,730	295,337
Particles (PM)	95,810	82,370	63,865

**YPF LUZ has 7 facilities certified under ISO 50001 and works strongly on the efficiency of its generation processes, with a focus on saving energy and reducing emissions, contributing to economic and environmental sustainability.**

Since the implementation of the Energy Management System, the company's energy consumption could be reduced, resulting in an energy intensity of 2.86% over 2018<sup>22</sup>. Some measures implemented to enhance energy performance in power generation assets were:

- Increased awareness and training in energy efficiency.
- Reviewed and upgraded process control and measuring equipment.
- Reviewed equipment maintenance plans and procedures to streamline efficiency.
- Implemented new energy efficiency standards in the energy service and product procurement process.
- Replaced lighting fixtures with LED.
- Monitored and measured energy performance based on energy efficiency indicators.
- Regular meetings of the Energy Efficiency Committees.

Energy savings (in GJ)			
Plant	Asset	2020	2019
Tucumán	EBTPP	3,810.2	2,014.2
	SMTTPP	3,906.5	341.7
	TTPP	5,267.6	-
	<b>Subtotal energy saved</b>	<b>12,984.3</b>	<b>2,355.9</b>
La Plata	LPC	539.0	44,383.0
	<b>Subtotal energy saved</b>	<b>539.0</b>	<b>44,383.0</b>
Loma Campana	Regional Oeste	-	-
	<b>Subtotal energy saved</b>	<b>-</b>	<b>-</b>
<b>Total energy saved</b>		<b>13,523,3</b>	<b>46,738,8</b>

<sup>22</sup> Baseline.



## Energy saving goals and objectives

Plant	Goal	Objective
Tucumán	<ul style="list-style-type: none"> <li>→ When the EBTPP GT is out of service, save at least 10% of electric energy in the consumption of auxiliary equipment.</li> <li>→ During the initial start-ups of the plants that are carried out year after year, verify that the consumption of their Energy (Natural Gas and Electric Energy) does not exceed between 2-35% of the usual energy consumption during the start-ups.</li> <li>→ Perform the Major Maintenance of AGP (Advanced Gas Path) to the SMTTPP Combined Cycle and improve the Heat Rate of said plant by 0.7%.</li> <li>→ Replace the existing lighting fixtures in the operating plant with Led technology (achieving a reduction of up to 85%).</li> <li>→ Replace old air conditioners located in areas with the inverter technology.</li> <li>→ Operating the combined cycle gas turbine was an opportunity for improvement raised during 2018, officially completed on 10/23/2020. The El Bracho Thermal Power Plant went from a simple cycle operation with an efficiency of approximately 36%, to a combined cycle operation, achieving an efficiency of approximately 55%, consolidating an improvement in its performance of more than 50%.</li> </ul>	<ul style="list-style-type: none"> <li>→ Save electrical energy in auxiliary equipment.</li> <li>→ Improve the performance of the SMTTPP combined cycle and, therefore, the consumption of natural gas and electricity.</li> <li>→ Reduce the consumption of electric energy in the operating plant.</li> <li>→ At EBTPP, take advantage of the hot gases from the gas turbine to generate energy with a steam turbine (Closing of Cycle).</li> </ul>
La Plata	<ul style="list-style-type: none"> <li>→ Analyze the quality of water and optimize the opening of the loss, control and analysis to maintain the change achieved before 2023.</li> <li>→ Improve the energy efficiency of the administration building. Improved distribution of jobs and energy efficiency in electricity consumption in 2021.</li> <li>→ Reduce electricity consumption in bathroom and changing room lighting. Install solar water heaters before 2022.</li> </ul>	<ul style="list-style-type: none"> <li>→ Reduce the consumption of feedwater for steam generation with daily monitoring to achieve a 50% reduction in the opening of the blowdown in 2021.</li> <li>→ Participate in 3 activities per year to raise awareness about the use of energy for employees and the community.</li> <li>→ Change 50% of current incandescent, sodium to LED lighting fixtures in 2021 and 50% in 2022, conduct a survey on the lighting status and analyze the time of their replacement and consumption</li> </ul>
Loma Campana	<ul style="list-style-type: none"> <li>→ Achieve a reduction in the energy consumption of outdoor plant lighting.</li> </ul>	<ul style="list-style-type: none"> <li>→ Objective: to implement in 2021 the replacement of 50% of the equipment by LED lighting fixtures estimating a reduction of 40%, extending the project to Loma Campana II. Engineering, technology and cost study. Purchase of equipment. Implementation of change.</li> <li>→ Analyze the implementation of a new compressed air line using the compressor discharge, saving electricity and consumables by 2021; an improvement of 50% is expected by 2022 and further optimization by 2023.</li> </ul>

**Our Manantiales Behr Wind Farm has been validated for the issuance of Emission Reduction Certificates under the standards of the VCS (Verified Carbon Standard), which allows companies that so wish to offset their carbon footprint with the clean energy generated by the farm. [Read more.](#)**

In February 2019, the Manantiales Behr Farm obtained the validation of emission reduction certificates (255,976 tCO<sub>2</sub>eq per year) under the standards of the Verified Carbon Standard (VCS), the main voluntary bond market worldwide. This ensures the quality and compliance of the project to commercialize the certificates in the international voluntary market. Today, YPF LUZ can issue 601,698 certificates for the year 2020, which corresponds to 601,698 equivalent tons of CO<sub>2</sub> avoided. The farm has the capacity to generate certificates for an amount close to 250,000 equivalent tons of CO<sub>2</sub> per year.





The Manantiales Behr Farm obtained the validation of emission reduction certificates (255,976 tCO<sub>2</sub>eq per year) under the standards of the Verified Carbon Standard (VCS).



## BIODIVERSITY

MATERIAL TOPIC BIODIVERSITY

GRI CONTENTS 103-2, 103-3, 304-2, 304-4

We transform wind into energy,  
and we do it while caring for biodiversity.



We develop our projects outside of protected areas. In addition, to improve our management of biodiversity in the sites and communities where we develop them, we have a General Biodiversity Management Procedure.

In addition to the **Environmental Management Plans** which include preventive, control, mitigation and compensation actions, we implemented a **Bird and Bat Monitoring Plan** in the early stages of development of our wind projects, designed in accordance with international standards.

At Manantiales Behr, Cañadón León, Los Teros I y Los Teros II Wind Farms, we have established birdlife monitoring plans to survey the specific richness, variety and nesting of birds and bats. In addition, in the wind farms currently in operation (Manantiales Behr and Los Teros), we keep a record of wind-related mortality. These monitoring programs will continue throughout the life cycle of the wind farms, to minimize the impact on biodiversity in the area.

Species on the IUCN Red List and national conservation lists whose habitats are in areas affected by operations	2020	
	IUCN	Res. 795/17 Argentine Rep.
Critically Endangered	-	-
Endangered	-	2
Vulnerable	-	5
Near Threatened	-	-
Least Concern	1	-
<b>Total species on the Red List</b>	<b>1</b>	<b>7</b>

It should be noted that the species classified as "endangered" and "vulnerable" do not present flight behaviors that are considered risky based on the activity we carry out. That is, they can collide with wind turbine blades.

## Biodiversity Management Plan at Manantiales Behr Wind Farm

The plan has three objectives:

- To establish methodologies for restoration of the affected areas.
- To monitor birdlife on an ongoing basis.
- To take measures to reduce the impact on wildlife.

Studies were carried out to assess the extent of plant coverage in locations with oil-related activities to obtain indicators of passive rehabilitation processes developed in the wind farm. In view of the arid and semiarid characteristics of the Patagonian ecosystems, periodic monitoring and observations are conducted to assess the ability of these ecosystems for natural restoration and the time required for ecological succession. As a result of these plant surveys, plant coverage recovery can be estimated. This recovery was achieved with tilling works on lands under recovery, following the construction stage.

Surveys were initiated on birdlife 20 months before the start of operations at the wind farm. As a result of these early surveys, action could be taken regarding the design of the overhead transmission lines, with specific measures taken since the construction stage to reduce the bird mortality impact due to collision and electrocution. There was no evidence of bats at the site. Passive monitoring was carried out in areas surrounding the site through ultrasonic detection systems and using mist nets, at preliminary project stages.



## Tree Nursery

**At the Tucumán Power Generation Complex, YPF LUZ has a nursery based on seedling production to comply with the environmental commitments assumed with the province.**

We have implemented a cooperation strategy with Tucumán's Environment Secretariat (SEMA, for its Spanish acronym), as part of the Provincial Re-forestry Program, with a final scope of 1,090,000 trees that will be planted province-wide in a period of 10 years.

In this context, SEMA has prioritized forestry and re-forestry efforts in certain degraded areas of the province of Tucumán, primarily, floodable areas. This program is carried on by producing 100,000 trees of native and exotic species per year, coordinating efforts for the sustainable development of trees, their breeding at nurseries at Tucumán Power Generation Complex, and their subsequent delivery to SEMA.

In 2020, we made the third delivery of 100,000 trees and we began preparing the fourth afforestation campaign, which will consist of the following species, in accordance with what was agreed with the SEMA:

- Native: Aguaribay, White Carob Tree, Fresno, Jacaranda, Yellow and Pink Lapacho.
- Exotics: Hybrid Poplar, Casuarina, Red/White Eucalyptus, Pinus, Hybrid Willow.

	Res.338/16 EBTPP Open Cycle	Res.429/17 EBTPP Combined Cycle
Number of trees	90,000	100,000/year * 10 years = 1,000,000
Status	Completed	In the process of being completed
Delivery dates	Approx. delivered as of 2020:	January 2019 - October 2027

## WATER AND EFFLUENTS

MATERIAL TOPICS RISK MANAGEMENT AND REGULATORY

COMPLIANCE, WATER AND EFFLUENTS

GRI CONTENTS 103-2, 103-3, 303-1, 303-2, 303-3, 303-4, 303-5

SASB IF-EU-140A.1

**Trees symbolize life. They transform carbon dioxide, promote soil fixation and biodiversity. In Loma Campana, Neuquén, we irrigate a green lung of 100,000 trees daily with wastewater from the generation process of our thermal power plants that is reused to contribute to environmental sustainability.**

YPF LUZ's **Environmental Monitoring Plans** encompass periodical monitoring of its liquid effluents, by permanently monitoring compliance with permissible discharge limits<sup>23</sup>.

Our thermal power plants consume water mainly for the cooling process<sup>24</sup>. The water that we use in the electricity generation processes can be divided by the source of origin. Within them, we find: superficial and underground. In the case of Tucumán, it is from an underground source and it is where the highest water consumption is found.

<sup>23</sup> Applicable legal regulations and, if applicable, IFC standards.

<sup>24</sup> For the wind farms, water is not considered as the main input of the process.

Water withdrawal by source (in Kton)*	2020		2019	2018
	All areas	Water-stressed areas	All areas	All areas
<b>Surface water</b>	<b>872.62</b>	<b>872.61</b>	<b>1,043</b>	<b>769</b>
Fresh water (total dissolved solids ≤1000mg/l)	872.61	872.61	-	-
Other water (total dissolved solids >1000mg/l)	-	-	-	-
<b>Underground water</b>	<b>4,283.95</b>	<b>-</b>	<b>3,703</b>	<b>4,844</b>
Fresh water (total dissolved solids ≤1000mg/l)	4,283.95	-	-	-
Other water (total dissolved solids >1000mg/l)	-	-	-	-
<b>Third-party water</b>	<b>1,464.96</b>	<b>-</b>	<b>-</b>	<b>-</b>
Fresh water (total dissolved solids ≤1000mg/l)	1,464.96	-	-	-
Other water (total dissolved solids >1000mg/l)	-	-	-	-
<b>Total water extraction **</b>	<b>6,621.52</b>	<b>872.61</b>	<b>4,746</b>	<b>5,613</b>

\* During 1Q 2020, the water consumption of La Plata Cogeneration was considered by YPF S.A. Calculated according to the unit used in our environmental reporting corporate tool (APA).

\*\* Fresh water.

Water discharge (in kton)	2020	2019	2018
Surface water	573.05	157.00	734.00
Water for reutilization (irrigation)*	377.53	260.74	192.00
<b>Total water discharge</b>	<b>950.58</b>	<b>417.74</b>	<b>926.00</b>

\* Total liquid effluents already treated are reused for irrigation of the forestation named "Green Lung", located within a water-stressed area

Water consumption (in kton)*	2020	2019	2018
Total water consumption	5,670.94	4,328.00	4,687.00
Total water consumption in water-stressed areas**	495.08	-	-

\* Water consumption was calculated according to the following formula: WATER CONSUMPTION = WATER WITHDRAWAL (LESS) DISCHARGE.

\*\* Total water consumption in water-stressed areas (only Loma Campana) = Consumed surfaced water (only attributable to Loma Campana) - Water discharged at Loma Campana (reused for irrigation in its entirety).

## Loma Campana Green Lung

The Green Lung was developed as a sustainable solution for the management of liquid effluents from the Loma Campana Power Generation Complex. The Green Lung is a part of the Loma Campana power generation process, in which 100,000 trees use 100% of the complex's liquid effluents for irrigation. It is located in the Añelo meseta, an area of great agronomic difficulty.

This project, agreed upon with the Añelo Municipality and Neuquén's Bureau of Water Resources, allows to reuse the plant's controlled liquid effluents to irrigate a 132-hectare area of poplars. This action provides multiple environmental and social benefits, such as: preventing water and wind erosion, capturing CO<sub>2</sub> by means of the poplars' photosynthesis process favoring a suitable environment for the development of local fauna, and enhancing the visual impact of this arid area. It operates 365 days a year.

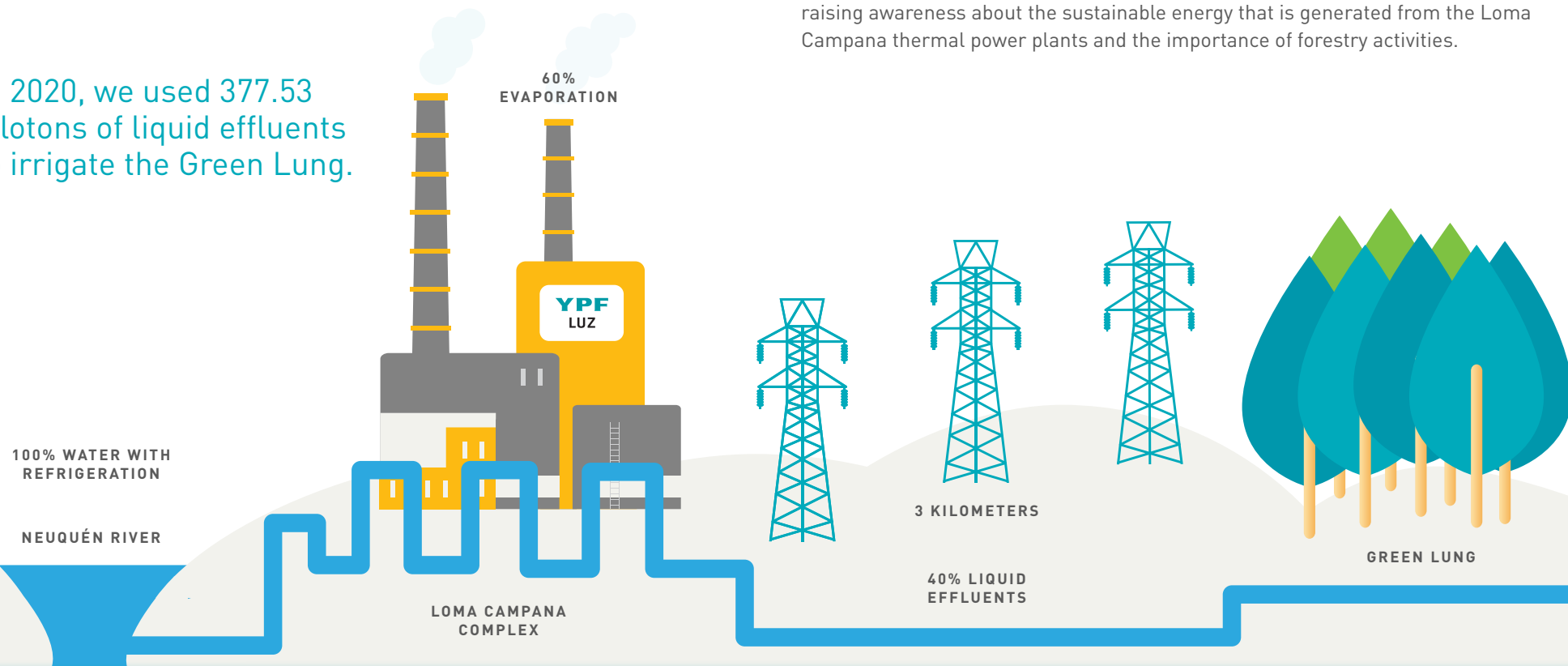
The Green Lung is a part of the Complex power generation process.

In 2020, we used 377.53 kilotons of liquid effluents to irrigate the Green Lung.

Its environmental and social benefits are:

- Reuse of 100% of the effluents for irrigation (about 377.53 Kton per year).
- Contributes to the fixation of approximately 3,024 tons of CO<sub>2</sub> per year (estimate based on 72 hectares of plantation, with a fixation of 42 t/ha/year).
- Prevents water and wind erosion.
- Captures CO<sub>2</sub> through the photosynthesis process of poplars.
- Favors a suitable environment for the development of native fauna, promoting biodiversity.
- Enhances the visual impact of this arid area.
- Establishes a natural wind barrier for the population of Añelo.
- Provides the future possibility of a natural recreational space for the local population.

We carried out dissemination activities with the local community, such as forestry days with the families of the employees and with local schools, and we contributed to raising awareness about the sustainable energy that is generated from the Loma Campana thermal power plants and the importance of forestry activities.



## COMPREHENSIVE SURPLUS RESOURCES AND WASTE MANAGEMENT

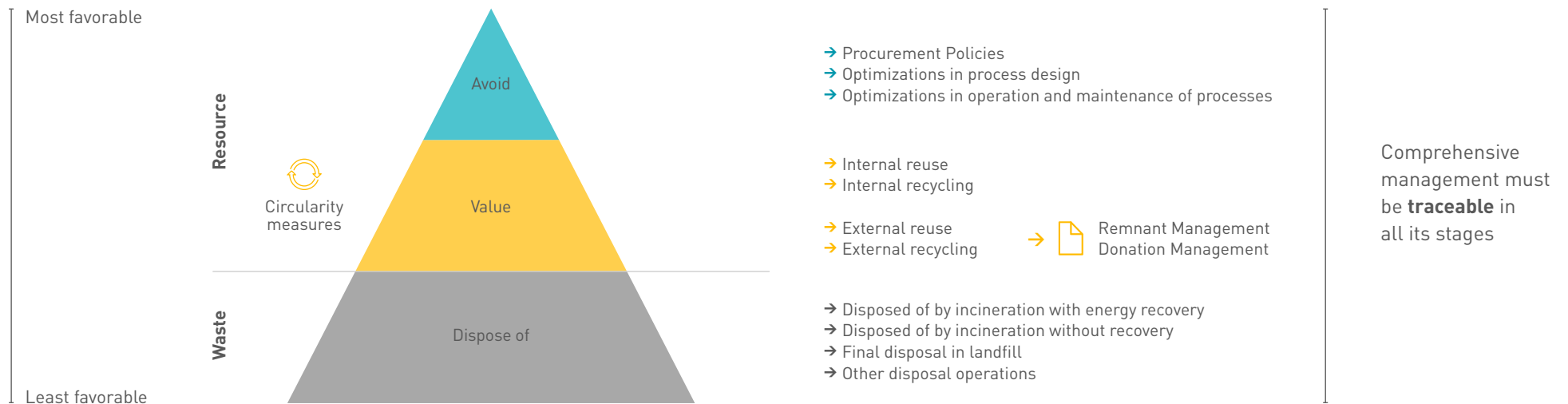
MATERIAL TOPIC WASTE MANAGEMENT

GRI CONTENTS 103-2, 103-3, 306-1, 306-2, 306-3,

The **Comprehensive Surplus Resources and Waste Management** procedure focuses on minimizing the generation of waste, promoting the efficient use of all resources, promoting the reduction at source and the valorization of surplus resources, considering the principles of circular economy as a basis.

Waste by type [in kg]	2020	2019	2018
Hazardous Waste	43,971	55,459	44,622
Non-hazardous Waste	217,242	115,095	192,867
<b>Total Waste</b>	<b>261,213</b>	<b>170,554</b>	<b>237,489</b>

### COMPREHENSIVE SURPLUS RESOURCES AND WASTE MANAGEMENT



All generated hazardous waste is transported, treated and disposed of in accordance with current laws.

**SDG**

4, 5, 7, 8, 11 and 17

**GOALS**

4.3, 4.4, 4.7, 5.5, 7.1, 8.5, 8.8, 11.4, 11.6, 17.7

**GRI CONTENTS**

102-8, 102-41, 103-2, 103-3, 401-1, 401-2, 401-3, 403-1, 403-2, 403-3, 403-5, 403-6, 403-7, 403-8, 403-9, 403-10, 404-1, 404-2, 404-3, 405-1

**MATERIAL TOPICS**

Employment, Employee Training and Education, Diversity and Equal Opportunity, Occupational Health and Safety

**SASB**

IF-EU-320a.1

**06**

# Social Performance



# 6.1 Our People

The COVID-19 pandemic posed us the triple challenge of ensuring electric power generation when the population needed it most, ensuring the health and safety of those who had to work in person, and keeping those who had to work remotely connected and motivated in a context of high uncertainty. We understood that the key to continue operating safely was to train and raise awareness about the prevention and care of our employees. The main actions include:

- In March 2020, we created the COVID-19 Committee, which holds daily meetings to monitor the situation, discuss published regulations and recommendations and to implement measures to protect the company, its operations and, most importantly, its people. The Committee has published a series of Protocols and Procedures to prevent COVID-19, to ensure sanitary conditions of the facilities and continued operations. It has also published a Works and Services Protocol that applies to all personnel involved in construction projects, including contractors' and subcontractors' personnel.
- Hygiene measures were adapted with distance between workstations, kits of protection and personal hygiene elements, greater frequency in cleaning and disinfection of spaces in our sites.
- We implemented a remote operation system to minimize the potential impact of COVID-19, focused on the health and safety of employees for all jobs that allowed it.
- We adapted the training and education programs to an online mode and developed new content, such as cross-area talks and online training.
- Employees were kept continuously updated of prevention measures and protocols through different internal communication channels. (Intranet, SharePoint, emails, WhatsApp). A dedicated section on COVID-19 was created on the Intranet, where employees have access to all information available on: protocols, rules, news and advice. A section on COVID-19 was added to the website [www.ypfluz.com](http://www.ypfluz.com) with information relevant to communities and stakeholders. [Read more.](#)
- We developed an app with statistics of COVID-19 cases of company employees and contractors.

## DIVERSITY AND EQUAL OPPORTUNITY

MATERIAL TOPICS EMPLOYMENT, EMPLOYEE TRAINING AND EDUCATION, DIVERSITY AND EQUAL OPPORTUNITY

GRI CONTENTS 102-8, 102-41, 103-2, 103-3, 401-1, 401-2, 401-3, 404-2, 405-1

**We seek to create a corporate culture open to diversity, integration of multicultural visions consistent with the company's values.**

Our **Human Resources Policy and Strategy** sets out the guiding principles for human relations at YPF LUZ, namely:

- |   |   |   |   |
|---|---|---|---|
| 1 | Respect and Trust   | 4 | Open and Fluid communication at all levels      |
| 2 | Transparency and Honesty                                    | 5 | Cooperation, Teamwork and Help to achieve goals |
| 3 | Integrity, Inclusion and Ethical Conduct in all our actions | 6 | Employees' Safety and Wellbeing                 |



People management is a non-delegable duty of leaders and managers, who must support the professional development, offer opportunities, listen and communicate, care for individual comments, and respond to every request. The Human Resources team provides the necessary tools and helps define consistent criteria to take better actions and make better decisions; it supports leaders and managers in the development of their management and leadership skills. In addition, it implements each people-related action, as well as all practices that help position YPF LUZ as a recognized company in the employment market. These actions encompass those required to:

- Develop and empower our employees, building a work and corporate culture.
- Retain the best technicians and professionals.
- Develop young professionals and internship programs.
- Implement initiatives aimed at fostering integration, inclusion, diversity, gender equality, and non-discrimination on any basis.
- Offer competitive salaries and wages.
- Ensure an adequate value proposition for each employee.
- Be a leading company in implementing lines of work to achieve these goals and strengthen our employer brand at the local and regional levels.

Fostering a diversity and inclusion-driven culture is one of the strategic initiatives embedded in the human resources management that will help achieve our strategic goals. We work to ensure mutual respect and a comfortable, healthy and safe working environment. The **Code of Ethics and Conduct** requires employees not to discriminate against anyone based on race, religion, political or union-related beliefs, national origin, language, sex, marital status, age, disability or any other individual difference. Under no circumstances will the company tolerate any conduct of harassment, abuse of authority, threats, intimidation, moral harassment, offensive behavior or any other form of aggression or hostility resulting in an intimidating environment. The company has made channels and mechanisms available to make any relevant complaints in case of a breach, ensuring that not retaliation takes place. [Read our Code of Ethics and Conduct \(in Spanish\)](#).

We have a **Recruitment Policy** in place, which establishes the general guidelines for hiring, including non-discrimination of any nature. In all events, the recruitment policy must be consistent with technical and generic qualifications required for the position and must be oriented to be as inclusive as possible in terms of candidates that are best suited to the profile and needs of the company. Applications from young people are encouraged through visits to technical schools.

Employees by sex*	2020	2019	2018
	<b>340</b>	<b>338</b>	<b>297</b>
Men	79%	80%	79%
Women	21%	20%	21%

\* 100% of our employees work permanently and full time.

Employees by location	2020	2019	2018
<b>Neuquén</b>	<b>31</b>	-	-
Men	100%	100%	100%
Women	0%	0%	0%
<b>Tucumán</b>	<b>116</b>	-	-
Men	86%	89%	89%
Women	14%	11%	11%
<b>City of Buenos Aires</b>	<b>113</b>	-	-
Men	56%	56%	57%
Women	44%	44%	43%
<b>Buenos Aires (including Los Teros and La Plata)</b>	<b>55</b>	-	-
Men	93%	92%	92%
Women	7%	8%	8%
<b>Manantiales Behr</b>	<b>25</b>	-	-
Men	96%	96%	92%
Women	4%	4%	8%

Employees by job category, sex and age group	2020	2019	2018
<b>Managers</b>	<b>24</b>		
Men	88%	96%	91%
Women	12%	4%	9%
Under 30 years old	0%	-	-
Between 30 and 50 years old	79%	-	-
Over 50 years old	21%	-	-
<b>Head Offices</b>	<b>41</b>		
Men	80%	80%	80%
Women	20%	20%	20%
Under 30 years old	0%	-	-
Between 30 and 50 years old	80%	-	-
Over 50 years old	20%	-	-
<b>Coordination/Supervision</b>	<b>54</b>		
Men	80%	80%	79%
Women	20%	20%	21%
Under 30 years old	2%	-	-
Between 30 and 50 years old	85%	-	-
Over 50 years old	13%	-	-
<b>Professionals, Analysts and Operators</b>	<b>133</b>		
Men	66%	63%	65%
Women	34%	37%	35%
Under 30 years old	14%	-	-
Between 30 and 50 years old	80%	-	-
Over 50 years old	6%	-	-
<b>Technicians</b>	<b>88</b>		
Men	95%	96%	96%
Women	5%	4%	4%
Under 30 years old	15%	-	-
Between 30 and 50 years old	74%	-	-
Over 50 years old	11%	-	-

New Hires	2020	2019	2018
<b>New hires by sex</b>	<b>16</b>	<b>63</b>	<b>169</b>
Men	13	49	123
Women	3	14	46
<b>New hires by location</b>	<b>16</b>	<b>63</b>	<b>169</b>
Neuquén	1	3	5
Tucumán	2	23	15
City of Buenos Aires	6	24	95
Buenos Aires (including Los Teros and La Plata)	5	11	39
Manantiales Behr	2	2	15
<b>New hires by age group</b>	<b>16</b>	<b>63</b>	<b>169</b>
Under 30 years old	3	20	31
Between 30 and 50 years old	12	43	124
Over 50 years old	1	0	14
<b>Rate of new hires</b>	<b>5%</b>	<b>19%</b>	<b>57%*</b>

\* All hires were taken into account, including transfers from YPF S.A.

Employee Turnover	2020	2019	2018
<b>Turnover by sex</b>	<b>10</b>	<b>17</b>	<b>14</b>
Men	9	13	12
Women	1	4	2
<b>Turnover by location</b>	<b>10</b>	<b>17</b>	<b>14</b>
Neuquén	1	2	1
Tucumán	5	3	4
City of Buenos Aires	3	7	4
Buenos Aires (including Los Teros and La Plata)	0	3	3
Manantiales Behr	1	2	2
<b>Turnover by age group</b>	<b>10</b>	<b>17</b>	<b>14</b>
Under 30 years old	1	5	3
Between 30 and 50 years old	7	11	7
Over 50 years old	2	1	4
<b>Rate of employee turnover</b>	<b>3%</b>	<b>5%</b>	<b>5%</b>

To promote equal opportunities across all processes and spaces of the company, in 2020, a diversity program focused on the socio-labor inclusion of people with disabilities was designed together with the Inclúyeme Organization, to include people with disabilities based on the need for the job position to be filled to identify the functional capacities required by the position and thus to be able to conduct the search and hiring of the person. This program will be implemented in 2021. 2 women were incorporated to management positions and another 2 women were promoted to coordination positions with teams in charge.

## The company's Succession Plan was carried out, seeking equal opportunities and the inclusion of women.



### Relationship with Trade Unions

51% of employees hold non-represented positions, while the remaining 49% are represented by the following unions, by function and geographic area:

- Federación Argentina de Trabajadores de Luz y Fuerza (FATLyF): 51 employees.
- Sindicato de Luz y Fuerza de Capital Federal (LyF Cap.): 28 employees.
- Sindicato Regional de Luz y Fuerza de la Patagonia (LyF Pat.): 4 employees.
- Asociación de Profesionales Universitarios del Agua y la Energía (APUAYE): 53 employees.
- Asociación del Personal Jerárquico del Agua y la Energía (APJAE): 22 employees.
- Asociación del Personal Superior de Empresas de Energía (APSEE): 6 employees.

Permanent employees by province and union-related status	2020	2019	2018
<b>Non-bargaining</b>	<b>172</b>	<b>177</b>	<b>160</b>
Tucumán	23	23	23
Buenos Aires	17	20	98
City of Buenos Aires	113	115	16
Neuquén	5	4	6
Chubut	14	15	17
<b>Bargaining</b>	<b>168</b>	<b>159</b>	<b>132</b>
Tucumán	93	93	78
Buenos Aires	38	32	24
City of Buenos Aires	0	0	0
Neuquén	26	26	23
Chubut	11	8	7
Interns	<b>0</b>	<b>2</b>	<b>5</b>
<b>Total</b>	<b>340</b>	<b>338</b>	<b>297</b>

100% of our employees who are part of a trade union are under the collective bargaining agreements. Employees are given a two week notice in case of any significant changes that may substantially impact their employment.

## Compensation and Benefits

We implement competitive, attractive, motivating and fair compensation structures. Our employees' compensation has a fixed component, comprising wages and additional items according to applicable bargaining agreements, and a variable portion, which is linked to performance and goal achievement, and social security benefits, making up an employee's total compensation.

We monitor the changes in the market's macroeconomic variables to calculate the annual cost-of-living adjustment to salaries. This adjustment is applicable to non-bargaining and bargaining employees, according to their respective collective negotiations.

Management of compensation is based on pay bands for non-bargaining personnel and wage scales for bargaining employees, depending on each case. In this way, the company ensures higher internal equity among all employees.

In 2020, our performance-linked compensation included a bonus for 175 non-bargaining employees and 164 bargaining employees. Aimed at motivating and rewarding people for the annual achievement of the business goals, the program was based on a set of measurable, specific goals and indicators established at corporate level under YPF's Management-by-Objectives Program for each business unit and individual.

### Bonus and Incentive Plans

YPF LUZ has a short-term variable incentive program, involving cash payments to the participating employees. It is based on the achievement of company and business unit performance goals, and/or individual goals on each employee's performance appraisal, depending on their bargaining status. Inclusion in one program or another will depend on the area and professional category of each employee.

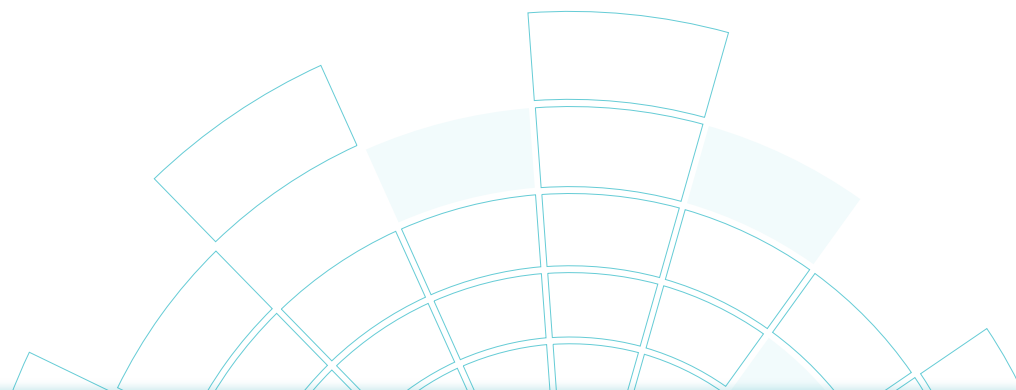
**We offer a series of corporate benefits, to meet the needs of all our employees and accompany them in the different stages of their personal and professional life.**

Concerning benefits, the policy and scope were strengthened to improve the quality of life of our employees. These benefits include:

- Short- and long-term bonuses.
- Family health insurance plans.
- Personal loans up to 3 salaries.
- Saving and pension plans with company matching contributions.
- Optional life insurance, additional to the statutory life insurance, which provides coverage in case of an incapacitating accident or disease.
- Transportation for employees engaged in operations.
- Cafeteria and meals at sites, and discounts in lunch for employees.
- Discounts at fitness centers for employees and their families.

The workplace quality of life was enhanced, with benefits that promote balance between job and personal life:

- Stipend for child day care for children up to 4 years old.
- Child Birth gift.
- School kit for parents with school age children.
- Flexible working hours and home-office option arranged with each leader, if the function allows it.
- Reduced working hours and unpaid extended maternity leaves.
- Additional paternity leave days.
- Vacation time in addition to the time established by law.
- Discounts on products and services and for the purchase of vehicles.
- Birthday benefit.



In 2020, new employees' services were implemented and consolidated:

- Vending - snack card - edible supplies
- Protection elements related to the COVID-19 context: face masks, alcohol, etc.  
In addition, services were provided for those who had to go to the workplace (garages, parking coverage, remises).

Parental Leave	2020	2019	2018
<b>Employees who had leave rights</b>	<b>340</b>	<b>336</b>	<b>292</b>
Men	269	267	234
Women	71	69	58
<b>Employees who used their leave</b>	<b>9</b>	<b>4</b>	<b>7</b>
Men	6	3	6
Women	3	1	1
<b>Employees who returned to work after leave</b>	<b>8</b>	<b>4</b>	<b>6</b>
Men	6	3	6
Women	2	1	0
<b>Active employees after 12 months</b>	<b>4</b>	<b>6</b>	<b>6</b>
Men	3	6	6
Women	1	0	0
<b>Rate of return to work</b>	<b>89%</b>	<b>100%</b>	<b>86%</b>
Men	100%	100%	100%
Women	67%	100%	0%
<b>Retention rate</b>	<b>100%</b>	<b>100%</b>	<b>94%</b>
Men	100%	100%	-
Women	100%	-	-

## TRAINING AND DEVELOPMENT

MATERIAL TOPIC EMPLOYEE TRAINING

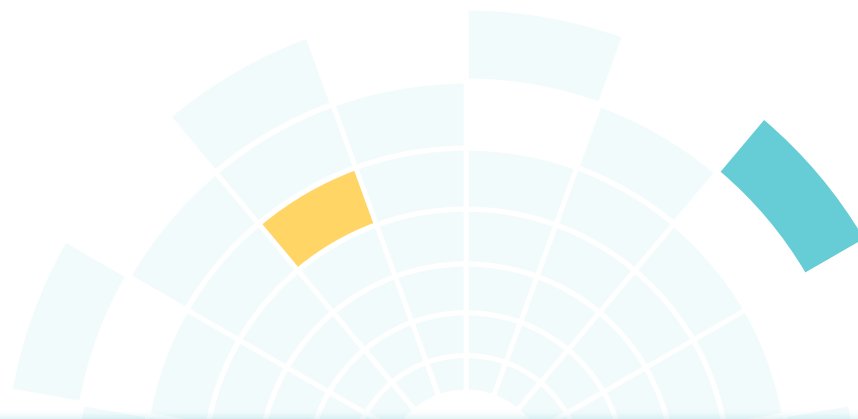
GRI CONTENTS 103-2, 103-3, 404-1, 404-2, 404-3

**Our Training Program includes trainings and talks delivered by internal trainers where YPF LUZ's own employees share their knowledge and experiences, transmitting our DNA to the entire company.**

Training is an important part of our company's culture. All employees, regardless of their level or seniority, are aware of the need to constantly improve their competences, abilities, and skills. Each sector leader understands and commits to supporting their team members along their individual career development plans and will establish the necessary actions to ensure everyone's professional development. These plans must contain specific technical training actions (inherent to the respective discipline, supplementary, or horizontal), generic and/or management-related, and as applicable to an employee's current or future position.

We develop training road maps establishing the main, but not all, contents an employee needs to know and deal with according to his or her position. On the other hand, we have career coaches and mentors, particularly for new professionals or interns joining the company. All these actions are subject to review on an ongoing basis, and annually, at the time of performance appraisal to update each employee's requirements and needs.

**We surveyed the training needs of all our employees distributed across 5 sites.**



Due to the context of the COVID-19 pandemic, one of the focuses of the area was the virtualization of internal and external training. We adapted the "cross-area talks" program to create a space in which all employees had the possibility of sharing information, tools, techniques or useful strategies for professional and business development. In addition, a digitization space called "Virtual Classroom" was created where employees could access both the recordings of the talks and the digital content. Other programs adapted to the virtual modality were group and individual English classes, in-company programs, such as the ITBA Leadership and Energy program and the Post-technical program with the UTN.

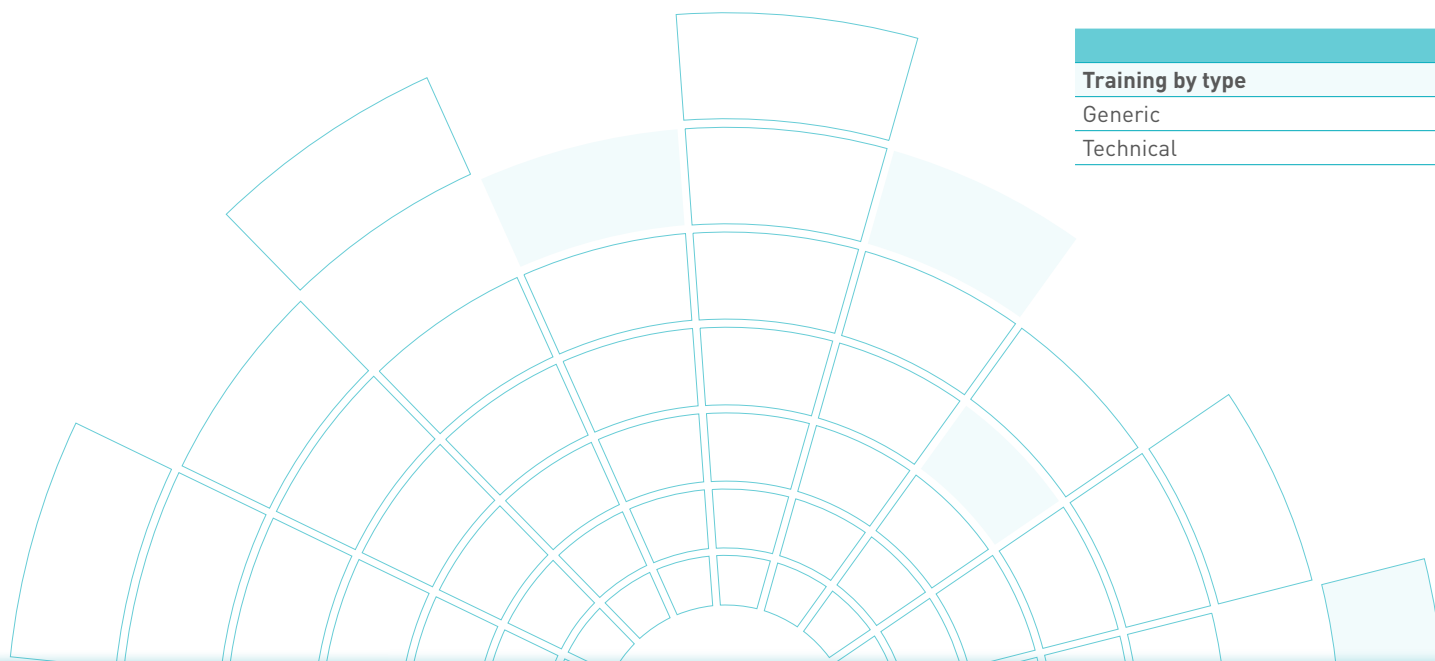
**With 1,890 participations in 90 training sessions and virtual cross-area talks, it was possible to adapt and promote different learning experiences on topics related to business, in the use of tools that add value to daily work, as well as on health and well-being issues.**

More than 300 trainings developed, of which 200 were technical or horizontal (external) trainings and more than 90 were virtual talks (among them cross-areas, management tools and mandatory: QEHS and the Compliance Channel). Priority was given to technical training for critical operations employees.

**All permanent employees were subject to performance appraisal, in which training needs are also assessed.**

	2020	2019	2018
<b>Total training hours</b>	<b>37,483</b>	<b>21,224</b>	<b>12,542</b>
Tucumán	9,774	7,424	6,506
Neuquén	3,186	2,023	1,595
City of Buenos Aires	16,312	8,199	2,323
Buenos Aires	5,571	2,198	928
Chubut	2,641	1,382	1,190
<b>Average training hours by individual</b>	<b>110</b>	<b>63</b>	<b>42</b>
Men	104	63	42
Women	133	59	42
<b>Average training hours by category</b>			
Management	100	158	31
Head Offices	177	76	39
Coordination/Supervision	112	70	63
Professionals, Analysts and Operators	112	50	50
Technicians	77	45	30

	2020	2019	2018
<b>Training by type</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
Generic	57%	27%	15%
Technical	43%	73%	85%



## 2,053 hours of training in Human Rights policies and procedures, delivered to all our employees<sup>25</sup>.

In addition to trainings related to promoting respect for Human Rights, several activities were developed with this approach. Our in-company workshops on diversity and inclusion are 100% oriented to strengthen mutual respect, promote equal opportunities and raise emerging matters that may help us grow as a company in the direction of inclusion.

**Employee training in 2020 increased more than 70% compared to the previous year, mainly due to the increase in cross-area virtual training for the entire company due to the pandemic. 37,483 hours of training were achieved, equivalent to 110 hours of average training per employee.**

We finished the third year of the Energy Post-Graduate Course that was jointly developed with ITBA, and in which 30 students participated in 2020. The course promotes concept integration of the business and market among professionals in different areas of the company, focused on the energy industry and the characteristics and management of the electric market.

We continued with the first edition of the in-company Post-Technical Program together with Universidad Tecnológica Nacional, a one-and-a-half year program addressed to technical, maintenance and operations employees, mainly intended to professionalize the personnel across all locations. Twenty-two employees participated in the program, who in 2020 completed the subjects in the initial module intended to balance the level of technical knowledge, to continue attending our industry-specific courses in 2021.

In addition, we started two in-company programs: the Post-Technical Program with UTN and the Leadership for the 21st Century Program with ITBA.

### Internship Program

Under this program, interns have an opportunity to gain on-the-job experience, which helps them supplement their academic education. Throughout the program, the intern receives support from a mentor who will guide the onboarding process, convey our culture and business practices, and conduct assessments and follow-up during this first stage of an intern's professional career. This experience provides a global business vision and helps acquire differentiating management and leadership tools.

For more information, [visit](#).

### New Professionals

For nine months, we support our new hires to help them acquire a deep understanding of the company and its operating sites. We also deliver trainings on technical, management and generic skills. At the end of this period, the new professionals will continue their job on a business position according to their profile. Professional careers at our company are developed based on an individual plan, in line with personal interests and the company's needs. Compensation is differentiated and will increase according to established guidelines and on merit, both the fixed and the variable portions of an employee's remuneration.

For more information, [visit](#).

In 2020, YPF LUZ's own **New Professionals Plan** was designed, the objective of which is to develop in a planned way professionals so that in the medium or long term they become leaders ambassadors of the company's values, aware of all aspects of the business and its operations. From the recruitment, we identify the profile of the NP who, after a selection process, will begin a tour of the different operations and cross-cutting areas. The initial implementation date is 2021, evaluating the possibilities according to the COVID-19 context<sup>26</sup>.

<sup>25</sup> Workshops directly related to Human Rights, as well as talks about Compliance and related QEHs.

<sup>26</sup> Due to the COVID-19 situation, in 2020 no interns or young professionals were incorporated as the context did not provide the necessary conditions to carry out these programs. New employee recruits were postponed to make the experience complete and beneficial for those who are taking their first steps in the world of work and in the Energy Industry.

## ORGANIZATIONAL CLIMATE

**Our people's energy is a differentiating value, which is reflected in their commitment, teamwork, and passion for their day-to-day activities to achieve results.**

Based on our annual **Climate and Commitment Survey**, we gathered actions and suggestions from our work team. In 2020, the survey encompassed 90% of employees and the general level of satisfaction with the company was 76%.

Results by dimension	2020		2019	
	Brand YPF LUZ	Commitment	Brand YPF LUZ	Commitment
<b>% Favorable. Percentage of respondents who agreed with a dimension or item.</b>	80%	76%	84%	82%
<b>% Neutral. Percentage of respondents who neither agreed nor disagreed with a dimension or item.</b>	17%	16%	13%	13%
<b>% Unfavorable. Percentage of respondents who disagreed with a dimension or item.</b>	3%	8%	3%	5%

**We build high-performance teams in a cooperative environment that fosters open discussion and aims to create a suitable workplace climate**

### Workplace Climate Committee

The Workplace Climate Committee is formed by representatives from all sites and is coordinated by the Human Resources team. All employees are invited to join the Committee. Representatives from each site are selected through a draw among candidates on an annual basis. A regular member and an alternate member are designated for each site. The Committee analyzes the results of the Workplace Climate Survey and proposes actions and initiatives to improve workplace climate, which are assessed by the management team.

### Meetings with the CEO

Due to the context, virtual meetings were held with the CEO, replacing the face-to-face lunches, to maintain closer and personal dialogues. Initiatives and proposed improvements that were later worked on by the Management Team resulted from these meetings with an "open agenda".

**We continue to strengthen spaces to be closer and more connected. Adapted to the new context, we held Virtual meetings with the CEO, a space in which employees from different sites and YPF LUZ teams could openly converse with the CEO.**

### YPF LUZ Quarterly Meetings

Four YPF LUZ Meetings were held throughout the year. These quarterly meetings are attended by all employees to provide them with updates on the company. The Meetings include a space for questions and comments made directly to the CEO and the Management Team.

### YPF LUZ Recognition

At Quarterly Meetings, teams that have shown outstanding performance for achieving any goal in line with the company's values receive a special recognition. In 2020, four quarterly recognitions were granted, and special recognition to the employees who maintained their presence in the workplace, thus ensuring the continuity of the company's operation in the context of a pandemic.

### Internal Communication Campaigns

We seek to promote our employee's commitment to engaging in responsible conduct. In 2020, due to the context, we sought to accompany employees and provide support on Human Resources processes as well as make communication channels available to be close to people's needs. The main campaigns to be noted included: "Efficient meetings", "Cross-area talks", "Emotional health channel", "Corporate discounts", among others.

**In 2020, we celebrated the 7<sup>th</sup> anniversary of YPF LUZ through a virtual meeting in which more than 200 employees participated.**





Our people's energy is a differentiating value, which is reflected in their commitment, teamwork, and passion for their day-to-day activities to achieve results.



# 6.2 Occupational Health and Safety

MATERIAL TOPIC OCCUPATIONAL HEALTH AND SAFETY

GRI CONTENTS 103-2, 103-3, 403-1, 403-2, 403-3, 403-5, 403-6,

403-7, 403-8, 403-9, 403-10

SASB IF-EU-320A

The wellbeing of our work team is an essential pillar of our corporate culture, with special focus on prevention.

Our [QEHS Policy](#) and our internal procedures are applicable to both our employees and contractors and set out, as core principles, ensuring safe working conditions and maintaining a healthy work environment for all workers and the communities where we operate. To observe these principles, our occupational health and safety management seeks to preserve the integrity of people, our own and third party's property, assuming that:

- All occupational incidents, accidents and diseases can be prevented.
- Compliance with all applicable occupational health and safety standards is the \*responsibility of all individuals developing activities at all areas of the company.
- Raising awareness among individuals contributes to the welfare at the workplace, and to the better individual and collective development of the workplace community.

	2020	2019	2018
<b>Hours worked</b>	<b>5,172,847</b>	<b>4,052,003</b>	<b>1,671,345</b>
YPF LUZ	718,105	645,274	489,166
Contractors	4,454,742	3,406,729	1,182,179
<b>Participants in Training Sessions</b>	<b>13,638</b>	<b>16,069</b>	<b>6,021</b>
YPF LUZ	617	994	749
Contractors	13,021	15,075	5,272
<b>Safety Training Hours</b>	<b>46,927</b>	<b>32,972</b>	<b>8,183</b>
YPF LUZ	1,550	3,059	2,014
Contractors	45,377	29,913	6,169

All our industrial assets personnel and contractors are covered by an Occupational Health and Safety Management System subject to internal and external audits.

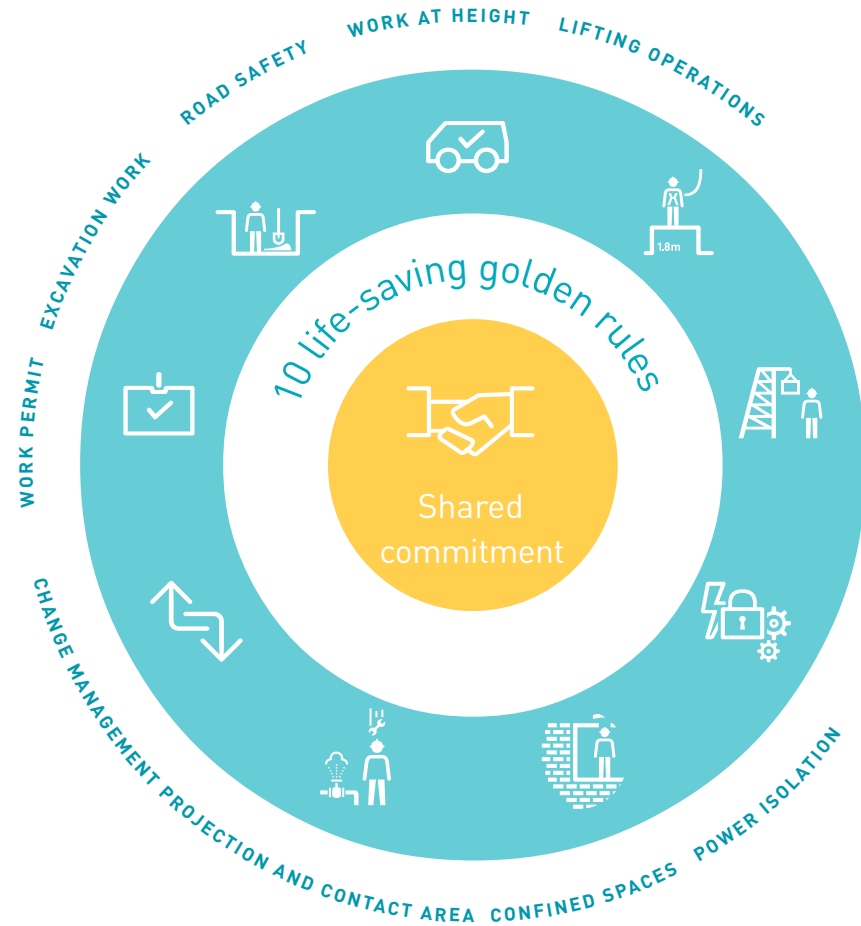
## SAFETY

The YPF LUZ culture means caring for each other and always going forward in the same direction: to achieve efficient, reliable, transparent and safe operations.

We have established strategic action lines and keep a monthly record of the progress made on the **Safety and Health Goal and Action Program (SHGAP)**.

Some of the actions completed in 2020 included:

- Safety leadership among Senior Management. With great focus, participation and commitment in the COVID-19 Committee due to the situation of a world pandemic.
- Participation in safety committees, internal and external audits. The successful conduction of virtual field audits, reviews by the Management, follow-up meetings and non-face-to-face closing are highlighted.
- Training of leaders in safety and environment. Migration of all training to digital platforms.
- Review, update and adjustment of our corporate safety procedures with participation of own employees of all the assets of the company.
- Incident and accident management, investigations, improvement actions and learned lessons.
- Industrial asset risk management.
- Emergency management, evacuation drills.
- Contractor management.
- Driving behavior index management.
- Campaign for care and awareness regarding COVID-19: Personal hygiene, correct use of personal protection elements.
- Psychoactive Substance Control Program (alcohol and drugs).
- Monitoring and management of Preventive Safety Observations (PSO) in all the assets and works of the company.
- Implementation and application of Standard 10,096 on Workplace Risk Assessment and Standard 10,065 on Safety and Environmental Risk Management in Industrial Assets.
- We trained both our own employees and contractors in commitment to safety, by dissemination of the **10 Life-Saving Golden Rules**.



The priority we give to safety is reflected in the weekly coordination meetings in which all the company's managers, COO and CEO take part. These meetings invariably begin with "Dissemination of lessons learned: the 5 'of Safety'", a detailed analysis of a QEHS incident, which may involve an incident occurred at our own or another company, where an analysis is jointly performed on the failure and actions that could have been taken to prevent it. Lessons learned were also communicated to all company employees.

## Operational Excellence Management System (SIGEO)

Within the framework of the initiatives promoted for the prevention of COVID-19, drills were carried out to detect suspected cases in the assets and works under construction of YPF LUZ.

In 2020, we used the SIGEO tool to record and monitor incidents, accidents, investigations, improvement actions, preventive safety observations, and employees joining and leaving the company. In 2020, we recorded:

- 64 incidents.
- 1 computable loss time accident (CLTA), which involved contractor's personnel.
- 12 drills of suspected COVID-19 cases in all YPF LUZ sites and works.
- Delivery of personal protective equipment as required based on the tasks performed and personal fire-proof and electric arc-resistant personal protective clothing duly certified under the IRAM-NFPA Standards, to all our employees.

	2020	2019	2018
<b>Accident Frequency Rate (AFR)*. Goal &lt;1</b>	0.19	0.74	0.00

\* AFR = CLTA \* 1,000,000/Hours worked

	2020	2019	2018
<b>Incidents</b>	<b>64</b>	<b>48</b>	<b>33</b>
YPF LUZ	10	8	12
Contractors	54	40	21



Recordable work-related injuries*	2020	
	Q	Rate
YPF LUZ	0	0
Contractors	21	4.72

\* Recordable work-related injury rate has been calculated for every 1,000,000 hours worked. Using OSHAS criteria. There were no records of deaths resulting from an occupational disease or condition, or any serious injury caused by an accident at work (in relation to our own employees or contractors). Incidents/Accidents are caused mainly in the construction stage of the assets and in the upper limbs of the body (hands, arms, and head to a lesser extent). Imprisonments, entrapments, superficial cuts, falls on the same level and abrasions. Several tools are used to minimize occupational risks prior to the start of field tasks, such as: HIQR analysis (Hazard Identification Quantification of Risks), STA (Safe Task Analysis), Work Permits, Lockout and Tagout Procedures or LOTO (Log-Out/Tag-Out), risk assessment matrices, etc.

Incidents /Accidents by sector	2020	2019
Sites in operation	31%	42%
Sites under construction	69%	58%

Incidents /Accidents by type	2020	2019
Industrial incidents	22	16
Incidents on means of transport	8	4
Personal accidents	34	28

Incidents or Accidents by body part	2020	2019
Arm/hand	53%	39%
Knee	9%	3%
Face/nose	6%	11%
Head	6%	4%
Legs/feet	24%	29%
Lumbar	3%	14%

### Driving Behavior Index (DBI)

We continue monitoring the Driving Behavior Index (DBI) on a weekly basis for all employees who have a license to drive YPF LUZ vehicles. An index of 0.78 was obtained, well below the annual target of 3.0.

	2020	2019	2018
Driving Behavior Index (DBI)	0.78	0.90	1.07

## OCCUPATIONAL HEALTH

**All our sites have health care units in place for employees and contractors, and medical emergency action plans in place, prioritizing specific care at the initial moments of an incident.**

To preserve the health of our employees, only the minimum staff was working on our sites and strict hygiene and safety protocols were implemented. A remote work scheme was arranged for all positions that allowed it. During 2020, an app was developed for the monitoring and epidemiological record of COVID-19 for the entire company. Protocol updates, useful links, recommendations and news were published on the corporate website and Intranet. A special COVID-19 section was added to our external website to make information of interest available to the community and different audiences. This section includes our prevention and cleaning protocols, tips, frequently asked questions and direct links to data from the Ministry of Health and world statistics. [Read more.](#)



Prevention protocols for projects and operations were published and updated, and actions were implemented to protect people and guarantee the continuity of operations. The YPF LUZ Medical Service conducted more than 70 dissemination and awareness talks during 2020 in all the company's assets.

- We published active break recommendations.
- We trained our employees on COVID-19.
- A new Annual Training Plan was implemented for operating staff, including the following topics: first aid and CPR with AED, ergonomics, cardiovascular prevention, drug use, HIV and other communicable diseases, healthy nutrition and occupational health in compliance with SRT Resolution No. 905/15 at all assets.
- We controlled and monitored cases with prevalence or antecedents of diseases.
- Annual checkups were performed in accordance with Resolution No. 37/10 of the Office of the Superintendent of Labor Risks (SRT, for its acronym in Spanish), with an outstanding rate of compliance by employees at all assets, taking into account the difficulties arising from the pandemic.
- We created a medical service email to provide a direct line for employees.
- Notification, control and monitoring was implemented for absent employees for illness or family member illness reasons.
- We implemented a database to have access to exams and medical results.
- Psychometric examinations were performed to check the ability to drive at all assets.



As part of the initiatives implemented for the prevention of COVID-19, we carried out drills to detect a possible case in our works to train, raise awareness and identify unforeseen situations or procedural errors and activate the different communication roles when detecting a possible case in new assets.

	PCR Tests	Negative	Positive
La Plata	15	13	2
Los Teros	135	125	10
City of Buenos Aires	17	15	2
Manantiales Behr	36	34	2
Loma Campana	28	23	5
Tucumán	24	18	6
<b>Total</b>	<b>255</b>	<b>228</b>	<b>27</b>

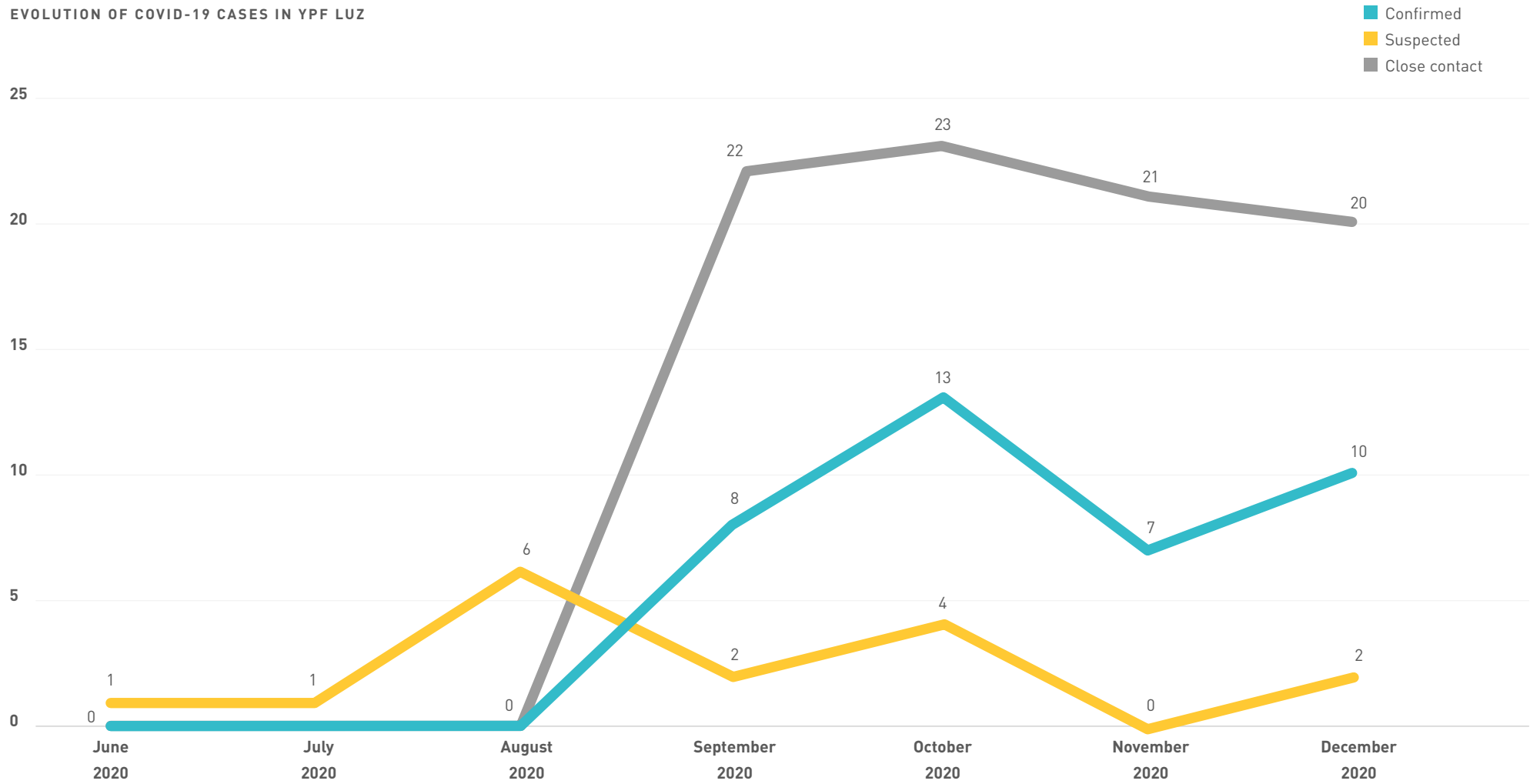
**We have strict health and safety protocols established by YPF LUZ and aligned with the regulations defined at the national, provincial and municipal levels for the care of workers and the population in each of our sites.**

Throughout 2020, the Covid Committee perfected the protocols and prevention measures to minimize infections in the workplace. To this end, the indicator of close contacts in the workplace was used to detect opportunities for improvement in each of our sites.

- CABA 5
- La Plata 9
- Los Teros 0
- Tucuman 51
- Loma Campana 14
- Manantiales 7
- TOTAL 86



EVOLUTION OF COVID-19 CASES IN YPF LUZ



# 6.3 Our Communities

We seek to promote an open and seamless dialogue with each community where we operate to identify the impacts resulting from our activities, address questions and complaints, and take social investment actions relevant to each community and our employees.

Based on spaces for dialogue, we work together with key community leaders to jointly create innovative solutions to their demands and needs, promoting a culture of energy efficiency and responsible energy consumption.

The **Policy on Social Investment and Donations** establishes the parameters for implementation of corporate social responsibility initiatives. We seek to make

contributions that offer creative, flexible and efficient solutions to the needs of the communities where we operate. The policy encompasses every donation, volunteer action, commitment, community engagement action or any other investment associated with social, community or institutional projects. Each donation or social investment action conducted by YPF LUZ is assessed and approved by a **Social Investment Committee** with members from the Institutional Relations Department, Compliance, QEHS, Human Resources, Legal Affairs and the CEO.

**The pandemic challenged us to develop alternative formats to implement our social investment activities.**

## SOCIAL INVESTMENT STRATEGY

### GOALS

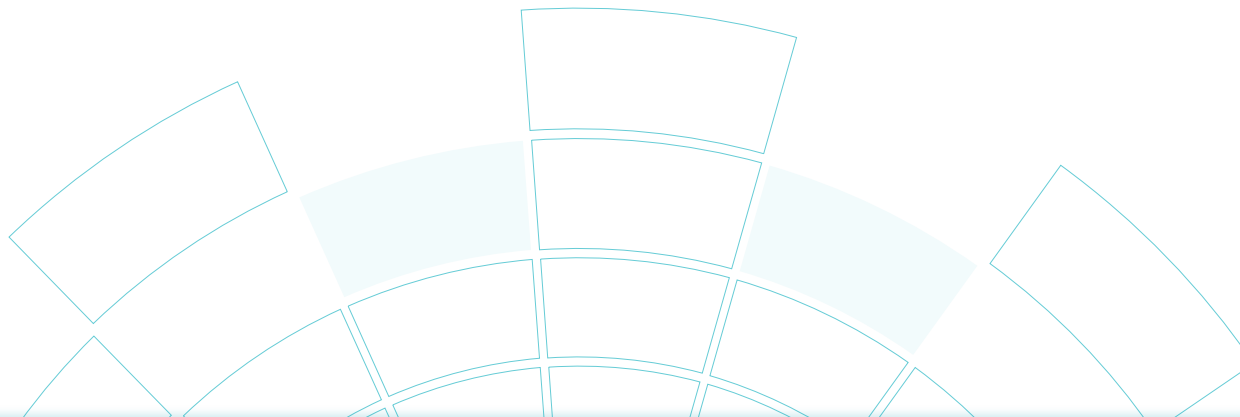


Improve the quality of life and infrastructure of the communities where we operate.

Promote knowledge development and dissemination to benefit the community, with emphasis on the efficient use of energy and renewable energies.

Contribute to enhancing education quality.

Cooperate with professional, business and community associations, whose efforts may complement YPF LUZ's operations and help improve services to the public.





The Institutional Relations Department implements **Community Engagement Plans** at each site where the company operates. These plans are revised every six months and serve as a basis to mitigate risks and improve community engagement.



We are committed to the sustainable development of our communities, and we work to strengthen ties with them and contribute to improving their living conditions by way of several initiatives and activities:

**Meetings with community leaders:** Every year we hold face-to-face meetings with our communities to ensure that our social investment actions are adapted to local needs. In 2020, we adapted these meetings and held 17 virtual meetings. We generated awareness campaigns about COVID-19 for the communities where we operate and we donated sanitary and prevention supplies and materials for schools and local hospitals.

**Assessments and adaptation of electrical installations in schools:** As part of our commitment to improving educational institutions, we conducted surveys to determine the electrical status and improve the facilities in 8 schools in Tucumán.

**Solidarity campaigns:** Through two campaigns, our employees donated clothing and footwear to collaborate with the young people of the Valdocco Foundation of Cañadón Seco and the residents of El Bracho Tucumán.

<sup>27</sup> Delivery of 128,000 seedlings to the community of Tucumán in compliance with Resolution No. 429 signed with SEMA.

**Educational talks:** We conducted 16 trainings and mentoring to educate on electric power generation, renewable energy, health and safety, reaching more than 20 institutions and more than 350 participants from the province of Buenos Aires, Tucumán, Neuquén, Chubut and Santa Cruz.

**Scholarships for students:** 12 scholarships were awarded to students from Tucumán at UNSTA (Universidad del Norte Santo Tomás de Aquino) to contribute to the improvement of the quality of education.

**Training in the workshops Vos y la Energía (You and Energy) organized by the YPF Foundation:** This workshop is designed to train YPF LUZ volunteers to be able to convey elementary concepts on energy and energy efficiency to children in primary schools (from 8 to 12 years old). It is based on contents and pedagogic guides for teachers, designed by the YPF Foundation in its Program Vos y la Energía. In 2020, volunteers were trained to implement face-to-face activities in schools during 2021.

In 2020, we continued working together with YPF Foundation in training and promotion activities using the Renewable Energy Mobile Classroom, where employees and experts of YPF LUZ shared their knowledge on renewable energy in a new **Virtual Seminar Series**. In this series, more than 8,000 people participated live from all over the country and through YouTube it has more than 40,000 views. Its objective is that technical secondary schools can offer these courses to final year students to supply hours of professional practices that could not be carried out due to the context of COVID-19. For this purpose, a specific practice of installation and maintenance of different renewable energy systems was used for each seminar. To access the Photovoltaic Energy and SAOCOM Satellite Seminar, [click here](#). To see the Wind Energy Seminar, [click here](#).

In addition, we contributed to detecting challenges and mapping players in the communities where we operate through the design of an **Action Plan in Comodoro Rivadavia, Cañadón Seco and Ensenada** implemented by YPF Foundation. These plans are intended to provide tools for participative urban planning towards sustainable development of cities where the energy industry operates, through a methodology that enables early identification of priority projects for the city, for subsequent design of an action plan on a collaborative basis.

## Our Response to the COVID-19 Pandemic

Faced with the health emergency of COVID-19, we carried out support actions by linking ourselves with different institutions, non-profit organizations and health entities that presented different needs. In this way, we supported the donation of 1,100 hygiene kits in hospitals in the provinces of Chubut, Santa Cruz, Neuquén, Buenos Aires and Tucumán to strengthen the functioning of public health institutions. Each kit included a face mask, overall, face shield, cap and boot covers for healthcare workers.

We also donated face masks, sanitizers and face shields to the communities near our operations, food kits for more than 200 families in the town of Añelo, technology material, 150 PCR kits for the Azul Hospital and supplies so that students from technical schools in the towns of Azul and Berisso can produce protective face shields.

In addition, we donated unused materials, for educational institutions and non-profit organizations, for an estimated value of more than \$ 1,000,000, including furniture, wood and computer equipment.

## Donations

- LED lighting fixtures for the El Bracho Hospital facilities.
- Sanitizers, face shields, face masks, furniture and supplies for educational institutions close to our communities.
- 128,000 seedlings to the Secretary of State for the Environment of Tucumán.
- 300 willows from our Green Lung to the community of Añelo.
- 18 gas cylinders to schools in Tucumán.
- 86 donations<sup>28</sup>
  - 33 donations of unused material
  - 53 donations of purchases
- More than 24,000 beneficiaries.

## CORPORATE VOLUNTEER WORK

We are certain that our employees are the best asset, and we believe that each of us can contribute our time, skills and talent to projects and activities that we carry out in our communities. **The Corporate Volunteering Program** seeks to encourage the spirit of solidarity of YPF LUZ employees through different actions in which they donate their time and skills for a solidarity work.

<sup>28</sup> Requests for donations can come through the suggestion box, or they can arise from the meetings we hold with the Community where we listen to their needs.





In 2020, we adapted our social investment activities to the context of the pandemic in virtual format where 87 volunteer participations were added, dedicating more than 170 hours to solidarity activities.

The volunteer program promotes the commitment, motivation, sense of belonging and solidarity of our employees. It is part of the company's corporate culture, and is an essential element of our **Social Investment Strategy** to contribute to the progress of people and communities, with active employee engagement.



25% participation of company employees in volunteer work.



Over 175 hours of volunteer work.

Corporate Volunteer Work	2020	2019
<b>Volunteers</b>	<b>87</b>	<b>91</b>
Men	62	52
Women	25	39
<b>Hours of volunteer work by sex</b>	<b>175</b>	<b>461</b>
Men	131	235
Women	44	226



SDG

102-55

GRI and SASB  
Content Index

07

# GRI and SASB Content Index



# GRI Content Index

GRI CONTENT 102-55

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102-20	Executive-level responsibility for economic, environmental, and social topics	14, 20				
102-21	Consulting stakeholders on economic, environmental, and social topics	30			16	16.7
102-22	Composition of the highest governance body and its committees	36			5 - 16	5.5 - 16.7
102-23	Chair of the highest governance body	36			16	16.6
102-25	Conflicts of interest	36, 41			16	16.6

GRI Standard	Content	Page or reference	Omission	External Assurance	SDG	Targets
102-26	Role of the highest governance body in setting purpose, values, and strategy	14, 35				
102-28	Evaluating the highest governance body's performance	36				
102-29	Identifying and managing economic, environmental, and social impacts	41			16	16.7
102-30	Effectiveness of risk management processes	41				
102-31	Review of economic, environmental, and social topics	41				
<b>5. Stakeholder engagement</b>						
102-40	List of stakeholder groups	24				
102-41	Collective bargaining agreements	88			8	8.8
102-42	Identifying and selecting stakeholders	24				
102-43	Approach to stakeholder engagement	24				
102-44	Key topics and concerns raised	30				
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102-45	Entities included in the consolidated financial statements	30, 45				
102-46	Defining report content and topic Boundaries	30				
102-47	List of material topics	30				
102-48	Restatements of information	There is no restatement of information.				
102-49	Changes in reporting	There are no changes in the report preparation process.				
102-50	Reporting period	30				
102-51	Date of most recent report	Year 2019				
102-52	Reporting cycle	30				
102-53	Contact point for questions regarding the report	sugerenciasypfluz@ypf.com				
102-54	Claims of reporting in accordance with the GRI Standards	30				
102-55	GRI context index	108				
102-56	External assurance	30				
<b>GRI 200- ECONOMIC DISCLOSURES</b>						
<b>ECONOMIC PERFORMANCE</b>						
<b>GRI 103- MANAGEMENT APPROACH (2016)</b>						
103-1	Explanation of the material topic and its Boundary	30				
103-2	The management approach and its components	13, 29, 47				
103-3	Evaluation of the management approach	36, 47				
<b>GRI 201- ECONOMIC PERFORMANCE (2016)</b>						
201-1	Direct economic value generated and distributed	47			8 - 9	8.1 - 8.2 - 9.1 - 9.4 - 9.5

GRI Standard	Content	Page or reference	Omission	External Assurance	SDG	Targets
<b>ANTI-CORRUPTION</b>						
<b>GRI 103- MANAGEMENT APPROACH (2016)</b>						
103-1	Explanation of the material topic and its Boundary	30				
103-2	The management approach and its components	13, 29, 41				
103-3	Evaluation of the management approach	41				
<b>GRI 205- ANTI-CORRUPTION (2016)</b>						
205-1	Operations assessed for risks related to corruption	41			16	16.5
205-2	Communication and training about anti-corruption policies and procedures	41		X	16	16.5
205-3	Confirmed incidents of corruption and actions taken	41			16	16.5
<b>GRI 300- ENVIRONMENTAL DISCLOSURES</b>						
<b>ENERGY</b>						
<b>GRI 103- MANAGEMENT APPROACH (2016)</b>						
103-1	Explanation of the material topic and its Boundary	30				
103-2	The management approach and its components	13, 29, 75, 76, 78				
103-3	Evaluation of the management approach	75, 76, 78				
<b>GRI 302- ENERGY (2016)</b>						
302-1	Energy consumption within the organization	78			7 - 8 - 12 - 13	7.2 - 7.3 - 8.4 - 12.2 - 13.1
302-3	Energy intensity	78		X	7 - 8 - 12 - 13	7.3 - 8.4 - 12.2 - 13.1
302-4	Reduction of energy consumption	78			7 - 8 - 12 - 13	7.3 - 8.4 - 12.2 - 13.1
<b>WATER AND EFFLUENTS</b>						
<b>GRI 103- MANAGEMENT APPROACH (2016)</b>						
103-1	Explanation of the material topic and its Boundary	30				
103-2	The management approach and its components	13, 29, 75, 76, 84				
103-3	Evaluation of the management approach	75, 76, 84				
<b>GRI 303- WATER AND EFFLUENTS MANAGEMENT APPROACH (2018)</b>						
303-1	Interactions with water as a shared resource	84			6 - 12	6.3 - 6.4 - 6.A - 6.B - 12.4
303-2	Management of water discharge-related impacts	84			6	6.3
<b>GRI 303- WATER AND EFFLUENTS (2018)</b>						
303-3	Water withdrawal	84		X	6	6.4
303-4	Water discharge	84			6	6.3
303-5	Water consumption	84			6	6.4

GRI Standard	Content	Page or reference	Omission	External Assurance	SDG	Targets
<b>BIODIVERSITY</b>						
<b>GRI 103- MANAGEMENT APPROACH (2016)</b>						
103-1	Explanation of the material topic and its Boundary	30				
103-2	The management approach and its components	13, 29, 75, 76, 82				
103-3	Evaluation of the management approach	75, 76, 82				
<b>GRI 304- BIODIVERSITY (2016)</b>						
304-2	Significant impacts of activities, products, and services on biodiversity	82			6 - 12 - 15	6.6 - 14.2 - 15.1 - 15.5
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	82			6 - 12 - 15	6.6 - 14.2 - 15.1 - 15.5
<b>EMISSIONS</b>						
<b>GRI 103- MANAGEMENT APPROACH (2016)</b>						
103-1	Explanation of the material topic and its Boundary	30				
103-2	The management approach and its components	13, 29, 75, 76, 78				
103-3	Evaluation of the management approach	75, 76, 78				
<b>GRI 305- EMISSIONS (2016)</b>						
305-1	Direct (Scope 1) GHG emissions	78		X	3 - 12 - 13 - 14 - 15	3.9 - 12.4 - 13.1 - 14.3 - 15.2
305-4	GHG emissions intensity	78		X	13 - 14 - 15	13.1 - 14.3 - 15.2
305-7	Nitrogen oxides (Nox), sulfur oxides (Sox), and other significant air emissions	78			3 - 12 - 14 - 15	3.9 - 12.4 - 14.3 - 15.2
<b>WASTE</b>						
<b>GRI 103- MANAGEMENT APPROACH (2016)</b>						
103-1	Explanation of the material topic and its Boundary	30				
103-2	The management approach and its components	13, 29, 75, 76, 86				
103-3	Evaluation of the management approach	75, 76, 86				
<b>GRI 306- WASTE MANAGEMENT APPROACH (2020)</b>						
306-1	Waste generation and significant waste-related impacts	86				
306-2	Management of significant waste-related impacts	86				
<b>GRI 306- WASTE (2020)</b>						
306-3	Waste generated	86				
<b>ENVIRONMENTAL COMPLIANCE</b>						
<b>GRI 103- MANAGEMENT APPROACH (2016)</b>						
103-1	Explanation of the material topic and its Boundary	30				
103-2	The management approach and its components	13, 29, 41, 50				
103-3	Evaluation of the management approach	41, 50				



GRI Standard	Content	Page or reference	Omission	External Assurance	SDG	Targets
<b>GRI 307- ENVIRONMENTAL COMPLIANCE (2016)</b>						
307-1	Non-compliance with environmental laws and regulations	In 2020, there were no breaches of laws and regulations in the social and economic spheres that resulted in significant non-monetary fines or penalties.			16	16.3
<b>GRI 400- SOCIAL DISCLOSURES</b>						
<b>EMPLOYMENT</b>						
<b>GRI 103- MANAGEMENT APPROACH (2016)</b>						
103-1	Explanation of the material topic and its Boundary	30				
103-2	The management approach and its components	13, 29, 88				
103-3	Evaluation of the management approach	88				
<b>GRI 401- EMPLOYMENT (2016)</b>						
401-1	New employee hires and employee turnover	88			5 - 8 - 10	5.1 - 8.5 - 8.6 - 10.3
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	88			3 - 5 - 8	3.2 - 5.4 - 8.5
401-3	Parental leave	88			5 - 8	5.1 - 5.4 - 8.5
<b>OCCUPATIONAL HEALTH AND SAFETY</b>						
<b>GRI 103- MANAGEMENT APPROACH (2016)</b>						
103-1	Explanation of the material topic and its Boundary	30				
103-2	The management approach and its components	13, 29, 75, 76, 98				
103-3	Evaluation of the management approach	75, 76, 98				
<b>GRI 403- OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT APPROACH (2018)</b>						
403-1	Occupational health and safety management system	75, 76, 98			8	8.8
403-2	Hazard identification, risk assessment, and incident investigation	75, 98			8	8.8
403-3	Occupational health services	98		X	8	8.8
403-4	Worker participation , consultation, and communication on occupational health and safety	75			8 - 16	8.8 - 16.7
403-5	Worker training on occupational health and safety	98			8	8.8
403-6	Promotion of worker health	98			3	3.3 - 3.5 - 3.7 - 3.8
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	75, 98			8	8.8
<b>GRI 403- OCCUPATIONAL HEALTH AND SAFETY (2018)</b>						
403-8	Workers covered by an occupational health and safety management system	98			8	8.8
403-9	Work-related injuries	98		X	3 - 8 - 16	3.6 - 3.9 - 8.8 - 16.1

GRI Standard	Content	Page or reference	Omission	External Assurance	SDG	Targets
403-10	Work-related ill health	98			3 - 8 - 16	3.3 - 3.4 - 3.9 - 8.8 - 16.1
<b>TRAINING AND EDUCATION</b>						
<b>GRI 103- MANAGEMENT APPROACH (2016)</b>						
103-1	Explanation of the material topic and its Boundary	30				
103-2	The management approach and its components	13, 29, 88, 93				
103-3	Evaluation of the management approach	88, 93				
<b>GRI 404- TRAINING AND EDUCATION (2016)</b>						
404-1	Average hours of training per year per employee	93		X	4 - 5 - 8 - 10	4.3 - 4.4 - 4.5 - 5.1 - 8.2 - 10.3
404-2	Programs for upgrading employee skills and transition assistance programs	88, 93			8	8.2 - 8.5
404-3	Percentage of employees receiving regular performance and career development reviews	93			5 - 8 - 10	5.1 - 8.5 - 10.3
<b>DIVERSITY AND EQUAL OPPORTUNITY</b>						
<b>GRI 103- MANAGEMENT APPROACH (2016)</b>						
103-1	Explanation of the material topic and its Boundary	93				
103-2	The management approach and its components	88, 93				
103-3	Evaluation of the management approach	93				
<b>GRI 405- DIVERSITY AND EQUAL OPPORTUNITY (2016)</b>						
405-1	Diversity of governance bodies and employees	36, 88		X	5 - 8	5.1 - 5.5 - 8.5
<b>SOCIOECONOMIC COMPLIANCE</b>						
<b>GRI 103- MANAGEMENT APPROACH (2016)</b>						
103-1	Explanation of the material topic and its Boundary	30				
103-2	The management approach and its components	13, 29, 41, 50				
103-3	Evaluation of the management approach	41, 50				
<b>GRI 419- SOCIOECONOMIC COMPLIANCE (2016)</b>						
419-1	Non-compliance with laws and regulations in the social and economic area	In 2020, there were no breaches of laws and regulations in the social and economic spheres that resulted in significant non-monetary fines or penalties.			16	16.3
<b>ENERGY EFFICIENCY</b>						
<b>GRI 103- MANAGEMENT APPROACH (2016)</b>						
103-1	Explanation of the material topic and its Boundary	30				
103-2	The management approach and its components	13, 29, 50, 67				
103-3	Evaluation of the management approach	50, 67				

GRI Standard	Content	Page or reference	Omission	External Assurance	SDG	Targets
<b>ENERGY GENERATION EFFICIENCY</b>						
<b>GRI 103- MANAGEMENT APPROACH (2016)</b>						
103-1	Explanation of the material topic and its Boundary	30				
103-2	The management approach and its components	13, 29, 46				
103-3	Evaluation of the management approach	46				
<b>CUSTOMER SATISFACTION</b>						
<b>GRI 103- MANAGEMENT APPROACH (2016)</b>						
103-1	Explanation of the material topic and its Boundary	30				
103-2	The management approach and its components	13, 29, 67				
103-3	Evaluation of the management approach	67				

# SASB

## Content Index

SUSTAINABILITY DISCLOSURE TOPICS & ACCOUNTING METRICS				
Code	Accounting Metric	Page or Reference	Omission	External Assurance
<b>Greenhouse gas emissions and energy resource planning</b>				
IF-EU-110a.1	(1) Gross global Scope 1 emissions, percentage covered under (2) emissions-limiting regulations and (3) emissions-reporting regulations			
IF-EU-110a.2	Greenhouse gas emissions (GHG) associated with power deliveries	–	Information not available for this Report. We will work on it to be included in the next ones.	
IF-EU-110a.3	Discussion of long- and short- term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	–	Information not available for this Report. We will work on it to be included in the next ones.	
IF-EU-110a.4	1) Number of customers served in markets subject to renewable portfolio standards (RPS) and 2) percentage of fulfillment of RPS target by market			
<b>Air Quality</b>				
IF-EU-120a.1	Air emissions of the following pollutants: 1) NOx (excluding N <sub>2</sub> O), 2) SOx, 3) particulate matter (PM <sub>10</sub> ), 4) lead (Pb) and 5) mercury (Hg); the percentage of each of them in or near areas of dense population			
<b>Water Management</b>				
IF-EU-140a.1	(1) Total water withdrawn, (2) total water consumed, the percentage of each of them in regions with high or extremely high baseline water stress			
IF-EU-140a.2	Number of incidents of non-compliance associated with water quantity and/or quality permits, standards, and regulations	–	Information not available for this Report. We will work on it to be included in the next ones.	
IF-EU-140a.3	Description of water management risks and discussion of strategies and practices to mitigate those risks	–	Information not available for this Report. We will work on it to be included in the next ones.	
<b>Coal Ash Management</b>				
IF-EU-150a.1	Amount of coal combustion residuals (RCC), percentage recycled	–	Information not available for this Report. We will work on it to be included in the next ones.	
IF-EU-150a.2	Total number of CCR impoundments, broken down by hazard potential classification and structural integrity assessment	–	Information not available for this Report. We will work on it to be included in the next ones.	

## TEMAS DE DIVULGACIÓN SOBRE SOSTENIBILIDAD Y PARÁMETROS DE CONTABILIDAD

Código	Parámetro de contabilidad	Página o referencia	Omisión	Verificación externa
<b>Energy Affordability</b>				
IF-EU-240a.1	Average retail electric rate for (1) residential, (2) commercial and (3) industrial customers	–	Information not available for this Report. We will work on it to be included in the next ones.	
IF-EU-240a.2	Typical monthly electric bill for residential customers for (1) 500 kWh and (2) 1000 kWh of electricity supplied each month	n/a		
IF-EU-240a.3	Number of residential customer electric disconnections for non-payment, percentage reconnected within 30 days	n/a		
IF-EU-240a.4	Discussion of impact of external factors on customer affordability of electricity, including the economic conditions of the service territory	–	Information not available for this Report. We will work on it to be included in the next ones.	
<b>Workforce Health and Safety</b>				
IF-EU-320a.1	(1) Total recordable incident rate (TRIR), (2) fatality rate and (3) near miss frequency rate (NMFR)	98		
<b>End-Use Efficiency and Demand</b>				
IF-EU-420a.1	Percentage of electric utility revenues from rate structures that (1) are decoupled and (2) have a lost revenue adjustment mechanism (LRAM)	–	Información no disponible para el presente Reporte. Trabajaremos en ello para ser incluida en los próximos.	
IF-EU-420a.2	Percentage of electric load served by smart grid technology	–	Información no disponible para el presente Reporte. Trabajaremos en ello para ser incluida en los próximos.	
IF-EU-420a.3	Consumer electricity savings from efficiency measures, by market	–	Información no disponible para el presente Reporte. Trabajaremos en ello para ser incluida en los próximos.	
<b>Nuclear Safety and Emergency Management</b>				
IF-EU-540a.1	Total number of nuclear power units, broken down by U.S. Nuclear Regulatory Commission (NRC) Action Matrix Column	n/a		
IF-EU-540a.2	Description of efforts to manage nuclear safety and emergency preparedness	n/a		
<b>Grid Resiliency</b>				
IF-EU-550a.1	Number of incidents of non-compliance with physical and/or cybersecurity standards or regulations	n/a		
IF-EU-550a.2	(1) System Average Interruption Duration Index (SAIDI), (2) System Average Interruption Frequency Index (SAIFI), and (3) Customer Average Interruption Duration Index (CAIDI), including days of serious events	n/a		

**ACTIVITY METRICS**

Code	Activity Metric	Page or Reference	Omission	External Assurance
IF-EU-000.A	Number of: residential (1), (2) commercial and (3) industrial customers served			
IF-EU-000.B	Total electricity delivered to: (1) residential, (2) commercial, (3) industrial customers, (4) all other retail customers and (5) wholesale customers			
IF-EU-000.C	Length of distribution and transmission lines	–	Information not available for this Report. We will work on it to be included in the next ones.	
IF-EU-000.D	Total electricity generated, percentage by major energy source, percentage in regulated markets			X
IF-EU-000.E	Total wholesale electricity purchased	–	Information not available for this Report. We will work on it to be included in the next ones.	

## Limited Assurance Report of the Independent Public Accountants (on the Sustainability Report)

To  
**YPF Energía Eléctrica S.A.**  
 Av. Córdoba 111  
 Ciudad Autónoma de Buenos Aires  
 CUIT: 30-71412830-9

### 1. Identification of the information object of the work.

We have been engaged by YPF Energía Eléctrica S.A. to provide a limited assurance report on the information contained in the 2020 Sustainability Report of YPF LUZ, for the period January 1<sup>st</sup> to December 31<sup>st</sup>, 2020.

### 2. YPF LUZ responsibility regarding the information object of the work.

YPF Energía Eléctrica S.A. is responsible for the following:

- The contents of the enclosed Sustainability Report, which implies determining the coverage and performance indicators to be included, and that are relevant for the stakeholder groups to which it is addressed;
- The definition of the criteria applicable in the making of said Report. The criteria adopted by the Entity are defined in the GRI Standards (Global Reporting Initiative) "in accordance" core and the SASB indicators for the industry;
- The maintenance of adequate records to support the management of the information relevant for the purposes mentioned herein and the execution of performance measurements based on the established criteria;

- The design, implementation and execution of adequate internal controls to prepare the information object of the study;
- The preparation and presentation of the enclosed Report.

### 3. Public accountant's responsibilities.

Our responsibility is to carry out the task of issuing an independent limited assurance report, in accordance with the rules established in Technical Resolution No. 35 of the Argentine Federation of Professional Councils in Economic Sciences. Said rules demand us to comply with the ethical requirements, as well as to plan and execute the work with the aim of issuing an independent limited assurance report on the Sustainability Report, with the scope described herein.

We consider the external verification as a Limited Review, based on the International Standard on Assurance Engagement 3000 (ISAE-3000) of the International Auditing and Assurance Standard Board (IAASB), which establishes a series of procedures to auditors so as to deliver their opinion on aspects other than financial information, together with the Accountability 1000 Assurance Standard (AA1000AS).

In a limited assurance engagement, evidence is gathered, subject to proof on a selective basis, of the evidence related to the sustainability information included in said Report.

In addition, an assessment of the estimations and inquiries to those responsible of preparing the information submitted is included, as well as other similar procedures, with a narrower scope as compared to an audit, and that will consequently not allow us to be certain that we have become aware about all the significant issues that would be identified during a reasonable audit or security work.

In order to obtain a limited assurance on the information attached, we performed the following tasks:

- interview the Management and personnel of the entity responsible of gathering the information and of designing the selected performance indicators, mentioned in Annex I, with the aim of gaining an understanding of the Entity's policy regarding sustainability, the implemented control activities and the information-gathering systems used;
- perform tests on a selective basis, to verify the accuracy of the information submitted regarding the selected indicators, mentioned in Annex I;
- analyze, when applicable, the information systems and methodology used to gather the quantitative data related to the performance indicators of the Entity;
- inspect, on a selective basis, to existing documentation to corroborate the statements made by Management during the interviews.

We consider that the proof and elements of judgement obtained provide a sufficient and adequate basis for the conclusion of our limited assurance. Non-financial information is subject to limitations of its own, due to its nature and the methods used to calculate, make samples or estimate values, which are subject to individual assumptions and criteria.

We have not carried out any tasks beyond the agreed scope and, consequently our conclusion is limited only to the sustainability information reviewed.

### 4. Conclusion

Based on the work described in this report, nothing drew our attention that would make us believe that the Sustainability Report of YPF LUZ for the period January 1<sup>st</sup> to December 31<sup>st</sup>, 2020, was not prepared, in all its significant aspects, in accordance with the guidelines laid down by the SASB and the GRI Standards (2016 and 2018); or that the information and performance indicators described in Annex I may contain significant incorrect elements in the records and files as a base for its preparation.

Buenos Aires Autonomous City, September 22<sup>nd</sup>, 2021.

**DELOITTE & Co. S.A.**  
 (Registration of Business Companies  
 C.P.C.E.C.A.B.A. - Tº 1 - Fº 3)



**Esteban Enderle (Partner)**  
 CPA (U.B.A.)  
 C.P.C.E.C.A.B.A. - Tº364 - Fº233

**ANNEX I**

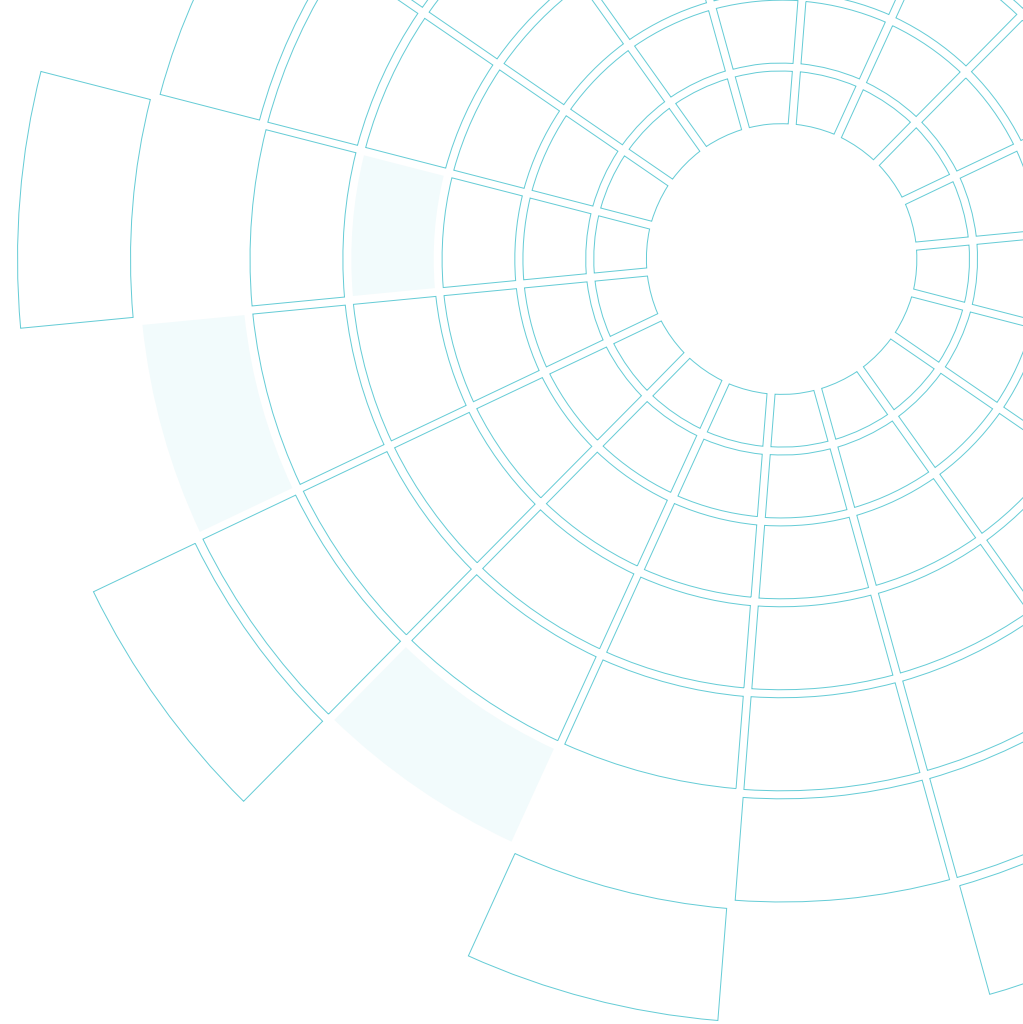
Indicator	Description	Entity
GRI 205-2 (2016)	Communication and training about anti-corruption policies and procedures	GRI
GRI 302-3 (2016)	Energy intensity	GRI
GRI 303-3 (2018)	Water withdrawal	GRI
GRI 305-1 (2016)	Direct (Scope 1) GHG emissions	GRI
GRI 305-4 (2016)	GHG emissions intensity	GRI
GRI 403-3 (2018)	Occupational health services	GRI
GRI 403-9 (2018)	Work-related injuries	GRI
GRI 404-1 (2016)	Average hours of training per year per employee	GRI
GRI 405-1 (2016)	Diversity of governance bodies and employees	GRI
SASB IF-EU-000.D	Total electricity generated, percentage by major energy source, percentage in regulated markets	SASB

This Annex is an integral part of our report dated September 22<sup>nd</sup>, 2021.

**DELOITTE & Co. S.A.**  
 (Registration of Business Companies  
 C.P.C.E.C.A.B.A. - T° 1 - F° 3)



**Esteban Enderle (Partner)**  
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# More information about YPF LUZ

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## THE COMPANY

<https://www.ypfluz.com/>

## OUR REPORTS

### Investor Center

<https://www.ypfluz.com/Inversores>

### Sustainability

<https://www.ypfluz.com/Sustentabilidad>

## FEEDBACK

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## CREDITS

### Content Arrangement

Institutional Relations Department, YPF LUZ

### Technical Assistance

AG Sustentable

### Design

Tholön Kunst Visual Communication

### External review

Deloitte & Co S.A.

## ACKNOWLEDGEMENTS

To the members of YPF LUZ's Sustainability Committee and all employees who made their contributions to this report. YPF S.A.'s Sustainability and Communication Departments YPF Foundation.

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**YPF**  
**LUZ**