

A photograph of a wind farm in a green, rolling landscape. In the foreground, a large white wind turbine is partially visible, with its nacelle and blades. The nacelle has the text "Pampa Energía" on it. In the background, several other wind turbines are scattered across the field, and a small body of water is visible. The sky is clear and blue. The image is framed by a white border on the left and top, and a blue banner at the bottom.

# 2020

## Sustainability Report



## Contents

MESSAGE FROM OUR CEO .....	5
2020 IMPACT KPI.....	8
ABOUT THIS REPORT .....	10
1. ABOUT PAMPA ENERGÍA .....	13
1.1. Company's profile .....	13
1.2. Our assets and operations.....	16
2. GOVERNANCE, ETHICS AND INTEGRITY .....	25
2.1. Corporate governance .....	25
2.2. Risk management.....	30
2.3. Ethics and integrity .....	33
3. COMMITMENT TO SUSTAINABILITY .....	37
3.1. Commitment to sustainability initiatives and standards .....	37
3.2. Sustainability governance .....	39
3.3. Our stakeholders.....	39
3.4. External initiatives and memberships of associations .....	40
3.5. Materiality Analysis .....	42
4. ECONOMIC AND FINANCIAL PERFORMANCE .....	45
4.1. Direct economic value generated and distributed .....	46
4.2. Value chain .....	47
5. ENVIRONMENTAL PERFORMANCE .....	52
5.1. Comprehensive management .....	52
5.2. Quality of our management .....	54
5.3. Natural resources management .....	55



6. OUR TEAMMATES .....	69
6.1. Strategic management of human capital .....	69
6.2. Employment .....	71
6.3. Diversity and equal opportunity .....	72
6.4. Well-being .....	76
6.5. Compensation .....	79
6.6. Professional development .....	80
6.7. Freedom of union association .....	81
6.8. Occupational health and safety management .....	82
7. COMMUNITY .....	93
7.1. Commitment to social investment .....	93
7.2. Education .....	95
7.3. Employment .....	99
7.4. Social and community inclusion .....	101
7.5. Pampa's volunteering program .....	102
8. GLOSSARY .....	107
9. GRI AND SASB TABLES OF CONTENTS .....	110
9.1. GRI table of contents .....	110
9.2. SASB table of contents .....	116
10. AUDITOR'S REPORT .....	118





# Message from our CEO



## Message from our CEO

GRI content  
102-14

For the fourth consecutive year, we publish our Sustainability Report. This document consolidates and reaffirms our commitment to bring transparency to Pampa Energía's economic, social and environmental performance with our stakeholders.

### 15 YEARS OF PAMPA, WITH THE SAME VOCATION AND PRIDE AS THE FIRST DAY

2020 has been an unprecedented year due to the countless challenges imposed by the global context of the COVID-19 pandemic, combined with the country's economic situation. We are proud of how the different areas of the Company have responded to the various challenges posed, working with professionalism and humanity. At Pampa, we have guaranteed our operations' continuous service at an optimum level, thanks to the effort of our teammates, suppliers, investors, customers and all our stakeholders.

In November, we celebrated the 15<sup>th</sup> anniversary of Pampa Energía. With satisfaction for what we have done and the enthusiasm we have always had for investing and growing, we have successfully built a leading company in the Argentine energy industry and become a regional reference, standing out for our operational excellence and financial resilience. The celebrations for this new milestone ended up with the traditional opening bell ceremony at the New York Stock Exchange Building, with the virtual participation of the Company's authorities and staff.

### INVESTING IN TIMES OF PANDEMIC

We have positioned ourselves as the largest private electric power generation company for the third year straight, representing 12% of the country's market share. Besides, we have achieved another key event: the commissioning of the second combined cycle at Genelba, our most ambitious expansion project. By investing around US\$320 million, we timely completed a very important power plant for the Argentine grid, adding 400 MW of efficient energy with exceptional availability level since the commissioning.

Our commitment to the country is demonstrated with facts. Over the last 15 years, we have invested 1,500 MW of installed capacity to the national grid. We intend to grow sustainably in the power generation sector, seeking maximum efficiency through renewable energy and highly productive thermal units. That is why we continue developing projects, planning to add 295 MW in the next few months. The most significant project is closing the combined-cycle at Ensenada Barragán, a joint venture with YPF and operated by Pampa. Through more than US\$200 million investment and the work of 1,500 people, it will inject more energy without firing additional fossil fuel, meeting the growing consumption at the industrial area neighboring Greater La Plata.

Together with efficient power generation, the other core business of our strategic investment plan is the development of unconventional natural gas reserves. We believe that gas is a sustainable means for the country's energy development, as it replaces the use of liquid fuels with a high carbon footprint and is more environmentally friendly. However, in 2020 the E&P business was marked again by a sharp decline in prices and activity. The halt in investments became evident halfway through 2019. Moreover, in 2020, there was an 11% year-on-year decrease in national gas production due to the pandemic. Despite the upheavals, Pampa stood out for maintaining production mostly stable, positioning as one of the leading gas producers in the country.


The Federal Government launched a promotion program for gas producers to revert this trend, called Plan Gas.Ar. Since the beginning of 2021, we have produced gas under this promotion scheme and, to this effect, Pampa will invest US\$250 million over the next four years.

### OUR COMMITMENT TO SUSTAINABILITY

Regarding Environmental, Social and Governance (ESG) aspects, the pandemic has reaffirmed the importance of responsible and sustainable management and transparent accountability.

As I have mentioned before, though it is crucial to maintain our businesses' continued operation and sustainability, our priority is to protect our teammates and their families' health and well-being. Therefore, we have implemented a remote working scheme for all positions where this was feasible. However, for tasks requiring physical presence at the workplace, we have implemented prevention and action protocols to minimize contagion risk, coordinated by a multidisciplinary team reporting to me since the beginning of the pandemic in early 2020. Moreover, we have encouraged physical and mental health initiatives, adapted our training programs to virtual format, and conducted the second Work Environment Survey, obtaining better results than in 2018.

The extraordinary impact of COVID-19 in the communities where we operate has required an added effort in our volunteering programs and social investment activities. The invested resources were destined for education and activities addressing the social and health emergency arising from the pandemic. We have swiftly adapted our programs to ensure their continuity and offer them virtually. In addition, we have launched two new initiatives: 'Pampa Foundation Schools Network' and 'Energy Efficiency Program.'



Regarding our environmental performance, we have moved forward with the Environmental Principles set out in our QHSE Policy, seeking to implement them in all the Company assets. Moreover, we have incorporated the Operational Risk Management Matrix and completed the first assessment cycle, which included a situation analysis and the drafting of action plans to address the most relevant identified risks. Also, in line with our commitment to transparency, we have participated in the Carbon Disclosure Project (CDP), and in 2021 we were the only Argentine energy company to obtain a positive rating. Besides, we have maintained our participation in ByMA's Corporate Governance Panel and Sustainability Index and Bloomberg's Gender-Equality Index.

As regards Governance, in 2020, the Board of Directors approved a new Policy against Fraud, Corruption and other Irregularities, which has been updated in tune with changing times. Significant progress was made in processes digitalization and remote meetings. We have intensified activities to raise our teammates' awareness of the information security area.

## WE WANT TO LISTEN TO YOU

The proximity to our community is one of Pampa's cornerstones. As a listed company, it is essential to guarantee accessibility to all the information regarding our Company. This Sustainability Report has been prepared following the GRI Standards, the United Nations Global Compact, and the 2030 Agenda.

The Report is a powerful tool to understand the scope of our operations, make decisions and provide your feedback and expectations to improve our sustainable development performance. Because of this, we performed a new materiality analysis with our stakeholders to define the content of this document. For this purpose, we have established dialog with more than 500 people and considered the material topics identified by other leading companies in the sector around the globe, also incorporating the standards of the Sustainability Accounting Standards Board (SASB) for the first time.

2020 was an unprecedented year from all points of view. Yet, faced with this challenging scenario, we have shown strength and robustness in all our businesses, financial soundness, and the sense of responsibility of everyone making up Pampa Energía. We were and still are ready to face adversity, and we remain enthusiastic about building a better future.

I invite you to explore this Report and provide your feedback to help us improve our responsible and sustainable management strategy.

**Gustavo Mariani**  
Pampa Energía's CEO



## 2020 impact indicators



## 2020 impact KPI

GRI content  
102-7, 102-8

Economic impact <sup>1</sup>	2020	2019	Variation
Investments, in US\$ million <sup>2</sup>	528	1,048	-49.6%
Sales from continuing operations, in US\$ million <sup>3</sup>	1,071	1,338	-20.0%
% renewable (wind and hydro) <sup>4</sup>	6.2%	5.6%	+10.6%
Assets, in US\$ million	4,890	5,684	-14.0%
Liabilities, in US\$ million	3,121	3,275	-4.7%
Shareholders' net equity, in US\$ million	1,428	1,917	-25.5%
Consolidated adjusted EBITDA <sup>5</sup> , in US\$ million	750	915	-18.1%
Power generation <sup>6</sup> , in GWh	16,470	15,582	+5.7%
% renewable (wind and hydro)	14.6%	14.8%	-
Oil production, in thousand bbl/day	4.4	5.0	-11.5%
Gas production, in million m <sup>3</sup> /day	6.9	7.3	-6.0%
Oil and gas production, in thousand boe/day	45.0	48.2	-6.6%
Petrochemical products' sales, in thousand tons/year	337	343	-1.9%

Social impact	2020	2019	Variation
Direct employees <sup>7</sup>	2,032	2,039	-0.3%
% of female	14%	15%	-7.1%
Contractors	4,801	7,943	-39.6%
Training per teammate, in hours	33.1	42.7	-44.0%
Procurement from suppliers <sup>5</sup> , in US\$ million	387	592	-34.7%
Local suppliers, % over total in US\$	84%	84%	+1.1%
Local suppliers, % over total number of suppliers	94%	94%	+0.3%
Social investment, in US\$ million	2.7	2.2	+20.3%

Environmental impact <sup>5</sup>	2020	2019	Variation
GHG emissions, scope 1 and 2, in TCO <sub>2</sub> equivalent	6,806,907	6,584,645	+3.4%
Power generation's GHG intensity, TCO <sub>2</sub> /MWh	0.35	0.36	-3.6%
Oil and gas' GHG intensity, TCO <sub>2</sub> /ton produced	0.17	0.17	+1.2%
Energy consumption, in GJ	119,624,754	116,970,723	+2.3%
Power generation's energy intensity, in GJ/MWh	6.25	6.56	-4.7%
Oil and gas' energy intensity, GJ/ton produced	1.59	1.85	-14.0%
Recyclable non-hazardous waste, % over total	14.0%	10.2%	+37.5%
Withdrawn fresh water, in m <sup>3</sup>	17,521,250	16,664,489	+5.1%
Reused water, in m <sup>3</sup>	595,503	545,314	+9.2%

<sup>1</sup> More information can be found in the [2020 Annual Report](#) and the institutional website, [www.pampaenergia.com](http://www.pampaenergia.com).

<sup>2</sup> The amount includes Edenor (discontinued operations) and 100% of affiliates' investments, which amounts are expressed in nominal AR\$ and converted at the annual average exchange rate.

<sup>3</sup> Under IFRS, the amount from FS does not include sales from affiliates.

<sup>4</sup> It does not consider PEMC, an affiliate which Pampa holds 50% ownership. Under IFRS, PEMC sales does not consolidate in Pampa's FS, which recorded US\$29 million in 2020 and 2019.

<sup>5</sup> It includes discontinued operations and affiliates' EBITDA at our ownership. The consolidated adjusted EBITDA represents the earnings before financial results, income tax, depreciations and amortizations, extraordinary and non-cash incomes and expenses, equity income and other adjustments resulting from the implementation of the IFRS.

<sup>6</sup> It includes affiliates PEMC and CTEB, both operated by Pampa. Pampa holds a 50% equity stake in CTEB since July 2019.

<sup>7</sup> It includes HINISA, HIDISA, CTEB and PEMC. It does not consider our subsidiary Edenor or affiliates Transener, TGS, Refinor and OldelVal.



# About this Report

## About this Report

### GRI content

102-45, 102-49, 102-50, 102-51, 102-52, 102-53, 102-54, 102-56

We submit our fourth Sustainability Report, prepared under the GRI Standards: 'Core' and considering the SASB standards for the power generation and oil and gas sectors. This Report, published on an annual basis, comprises the January 1-December 31, 2020 period. In addition, quantitative data from the previous Report is included for comparative purposes. The last published Report was the [2019 Sustainability Report](#).

According to the information arising from the [2020 Annual Report](#), the information contained in the 2020 Sustainability Report considers the data from all the Company's operations. In addition, it includes programs and actions conducted by the Company jointly with the Foundation in the 'Community' section. However, this 2020 Sustainability Report does not include the activities of its subsidiary Edenor, which Sustainability Report is available at its website [www.edenor.com.ar](http://www.edenor.com.ar).

Moreover, this 2020 Sustainability Report includes the operations of:


- Greenwind, which main asset is PEMC, a wind farm operated by Pampa from its commissioning. We hold a 50% equity stake in this company.
- CTBSA, whose only asset is CTB (a power plant made up of two open-cycle gas turbines and a closing to combined cycle expansion project). We hold a 50% equity stake in this company.

Under IFRS, the subsidiaries of the electricity transmission segment (Transener), the oil and gas transportation and processing segments (OldelVal and TGS, respectively), as well as Refinor's activities from the R&D segment, are not consolidated in the Company's Financial Statements, as these are companies co-controlled by Pampa. TGS prepares its own Sustainability Report, which can be found at its website [www.tgs.com.ar](http://www.tgs.com.ar).

Pampa Energía's businesses and subsidiaries	Report's scope	Consolidated FS under IFRS
<b>Power generation</b>		
Pampa Energía	✓	✓
HINISA	✓	✓
HIDISA	✓	✓
PEMC <sup>1</sup>	✓	
CTEB <sup>1</sup>	✓	
<b>Electricity distribution</b>		
Edenor		✓ (discontinued <sup>2</sup> )
<b>Oil and gas</b>		
Blocks operated by Pampa Energía	✓	✓
Non-operated blocks, with Pampa's equity stake		✓
OldelVal <sup>1</sup>		
<b>Petrochemicals</b>		
Pampa Energía	✓	✓
<b>Holding and others</b>		
Pampa Energía	✓	✓
TGS <sup>1</sup>		
Transener <sup>1</sup>		
Refinor <sup>1</sup>		

**Note:** 1 Affiliate co-controlled by Pampa, but which are not consolidated under IFRS; their equity income is shown as 'Results for participation in joint businesses and associates/Share of profit from associates and joint ventures' in the FS. 2 On December 28, 2020, an agreement was reached for the sale of Edenor's controlling stake, which is classified as discontinued operations.





No restatement of information from previous reports was made. We have not identified the existence of any significant modifications or changes regarding the size, structure, ownership, scope or coverage of the 2020 Sustainability Report.

To continue improving our commitment to transparency and accountability, this year we adopted for the first time the GRI standards' recommendation to submit this Report to an external verification process. Chapter 10 includes the Limited Assurance Report issued by Deloitte.

In 2019, we signed our commitment to the Ten Principles of the United Nations Global Compact on human rights, labor, environment and anti-corruption. In doing so, we have expressed our intention to support and develop these principles within our sphere of influence.

We undertake to make the Global Compact and its principles a part of our Company's strategy, culture and everyday actions. Accordingly, at Pampa, we ratify the continuity of the support and commitment to the Ten Principles of the Global Compact through this Report and render an account of such compliance through the 'Communication of Progress - Advanced Level.'

## Contact

The Investor Relations and Sustainability Department is the point of contact to resolve any doubts regarding the [Report](#) or our Sustainability management. E-mail address: [ESG@pampaenergia.com](mailto:ESG@pampaenergia.com).



# About Pampa Energía

# 1. About Pampa Energía

Sustainable Development Goals  
7, 9, 12, 13, 17

At Pampa Energía, we work with professionalism and passion, driving us to be a leading independent and integrated company in the Argentine energy sector. We are recognized for our commitment, operational excellence and continuous growth.

## 1.1. Company's profile

GRI content  
102-1, 102-2

### We invest in energy to create more energy

We take part in the whole electricity value chain. We generate 12% of the country's electricity through thermal and hydroelectric power plants and wind farms. Moreover, we participate in the power transmission through our co-controlling interest in Transener, the sector's leading company in the country, and distribution through our subsidiary Edenor<sup>8</sup>.

We have developed an intense activity at oil and gas exploration and production, with a presence in the most important basins in the country and a 6% market share. We have a co-controlling interest in TGS, which transports approximately 60% of the gas consumed in Argentina.

We manufacture a wide range of petrochemical products. We are the main producers of polystyrene, styrene and SBR in Argentina; besides, through our stake in Refinor, we refine and sell fuels in the north of Argentina.

### A 15-year commitment to the country's growth

In 2005 we set on a journey marked by an ambition: to become the most important energy company in Argentina. This is how Pampa Energía was born. Over these 15 years, we have maintained a continuous growth and investment policy in the power sector, with the support of almost 10,000 Argentine employees and the investment of more than 7,200 million U.S. dollars in the country.

*'Throughout this time, we have grown significantly. We can proudly affirm that we have realized the dream that brought us together when founding Pampa: to play a leading role in a strategic sector for the country's development. Today we want to celebrate and reaffirm this foundational commitment with Argentina.'*

Marcelo Mindlin, Pampa Energía's CEO



With the traditional bell ringing ceremony at the New York Stock Exchange Building, Pampa Energía celebrated its 15 years of activity in the power sector.

The act was held virtually and was followed by the authorities and staff from all the Company's assets.

To watch the video, click [here](#).

<sup>8</sup> On December 28, 2020, an agreement was reached for the sale of the controlling stake in Edenor, which is classified as discontinued operations.



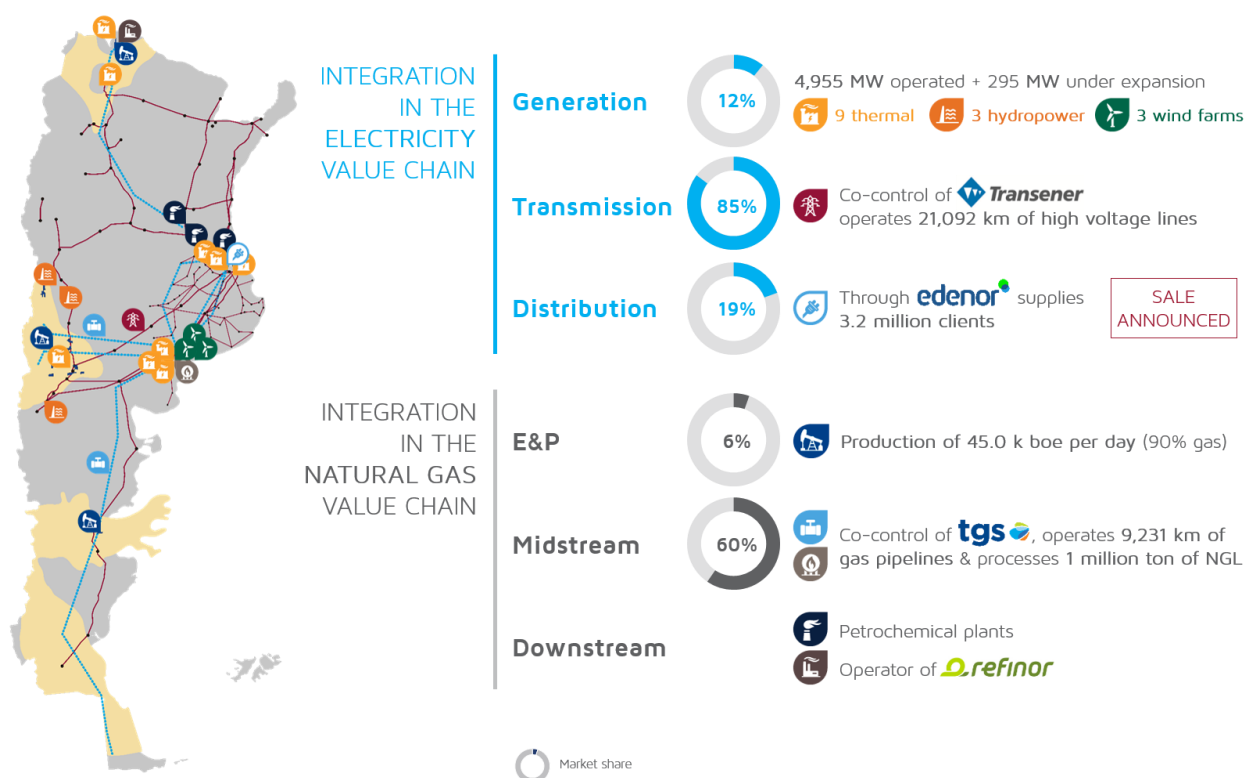
## 2020 milestones

- ✓ During the COVID-19 pandemic, Pampa's businesses were deemed essential, setting the operational continuity of our activities.
- ✓ After 30 months of work, we commissioned the second combined cycle at Genelba, with an investment of US\$320 million.
- ✓ We have become the third-largest gas producer and the largest tenderer in the Neuquina Basin under the Plan Gas.Ar program.
- ✓ We have strategically reorganized our asset portfolio; therefore, at the end of the fiscal year 2020, we divested our controlling stake in Edenor.
- ✓ For the first time, we exported Medañito crude oil and gas to Chile during the summer period.
- ✓ Despite the pandemic, petrochemicals experienced a resurgence in the second half of 2020. As a result, we exported a record volume of SBR to Brazil.

### 1.1.1. OUR BUSINESSES AND ASSETS THROUGHOUT THE COUNTRY

GRI content  
102-3, 102-4, 102-5

## A LEADING ROLE IN THE SECTOR



Our philosophy is founded on the principles of sustainable growth, commitment to transparent management and long-term value creation, prioritizing the welfare of all Pampa's stakeholders: employees, the communities where our assets are located, customers, suppliers, investors and financial institutions, among others.

Our Company's corporate name under the laws of the Republic of Argentina is Pampa Energía SA, and our headquarters are located in the City of Buenos Aires, Argentina.

## 1.1.2. VISION, MISSION AND VALUES

GRI content  
102-16

### Our vision

To be an emblematic company in the Argentine energy sector, distinguished by its commitment, operational excellence and continuous growth.

### Our mission

To develop people and foster productive investment in the country and highest standards upon ethical values, integrating and attaining sustainable performance.

### Our values

**Responsibility:** respect for diversity, the community and the environment are encouraged, committing to the present and the future.

**Integrity:** transparency is upheld as a guarantee of healthy and steady growth.

**Excellence:** we seek continuous improvement to attain tangible results having a positive impact on society.

**Entrepreneurship:** development and creativity are encouraged.

**Teamwork:** challenges are overcome by working as a team and maximizing each person's skills.

## 1.1.3. SHAREHOLDER STRUCTURE

GRI content  
102-7

On December 31, 2020, Pampa held 1,747,873,239 issued common shares with a par value of AR\$1 each, each granting the right to one vote. However, Pampa's Shareholders Meetings held on April 7 and December 10, 2020, approved capital stock reductions of 151,585,025 and 140,786,959 common treasury shares acquired by Pampa and its subsidiaries. These reductions are in the process of registration with the IGJ. Once approved, Pampa Energía's issued capital stock would amount to 1,455,501,255 ordinary shares.





The remaining treasury shares are out of free float, and their cancellation will be timely submitted for shareholder's approval.

### Equity holdings

Employee stock-based compensation plan 0.3%

NYSE:PAM 31%	BASE:PAMP 43%	Management <sup>1</sup> 26%
-----------------	------------------	--------------------------------

Note: 1 Direct and indirect stakes of Messrs. Marcos Marcelo Mindlin, Damián Miguel Mindlin, Gustavo Mariani and Ricardo Alejandro Torres.

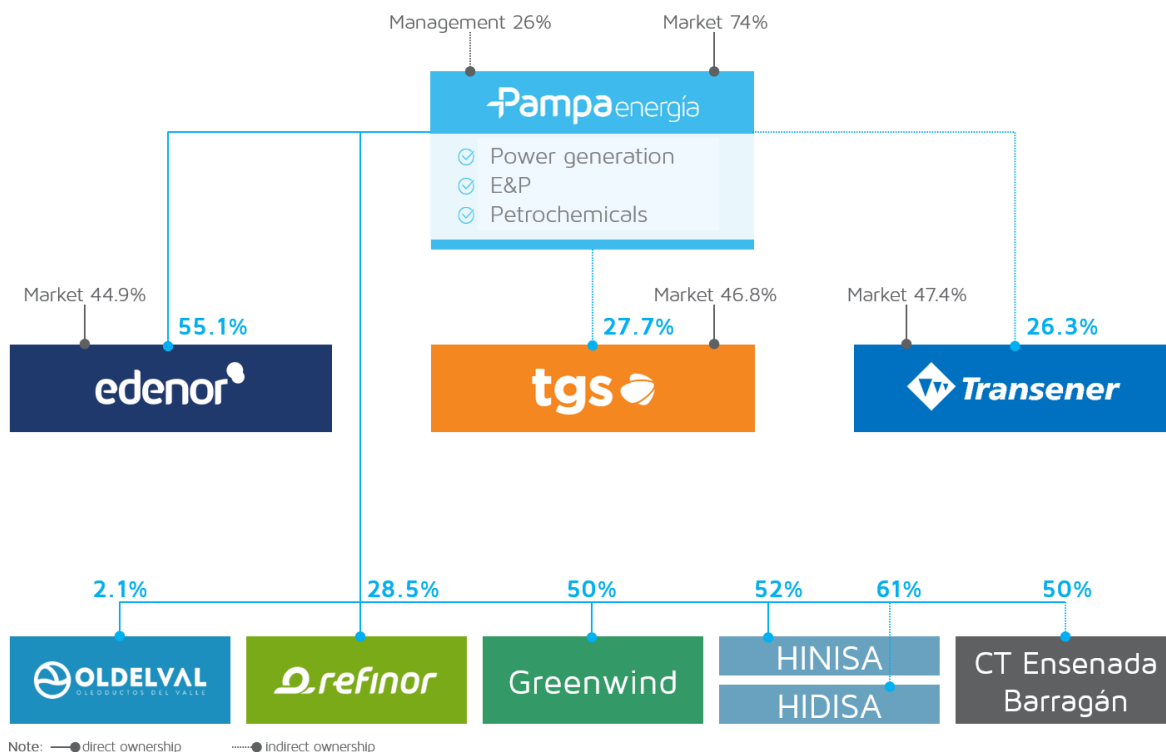
 <b>Bolsas y Mercados Argentinos</b> Símbolo: PAMP	✓ Listed on the ByMA, and part of the S&P Merval and the <a href="#">sustainability (non-traded)</a> indexes
 <b>+GC</b> GOBIERNO CORPORATIVO	✓ Member of the special stock quote panel, known as <a href="#">+GC Panel</a> , which selects listed companies having the best corporate governance practices
 <b>New York Stock Exchange</b> Símbolo: PAM 1 ADS = 25 acciones ordinarias	✓ We have a Level II ADR program listed on the NYSE ✓ Our ADR is included in the MSCI Argentina index
	✓ We take part in the <a href="#">gender equality (GEI) (non-traded) index organized by Bloomberg</a> ✓ Pampa is the only Argentine company, jointly with other 14 Latin American companies

## 1.2. Our assets and operations

GRI content  
102-2, 102-4, 102-6, 102-7

Pampa is the largest integrated private-sector power company in Argentina

### 1.2.1. PAMPA'S BUSINESS MAP



Note: Edenor's controlling stake was divested on June 30, 2021.

### 1.2.2. ELECTRICITY

#### Power generation

##### POWER GENERATION

THE LARGEST INDEPENDENT GENERATOR IN ARGENTINA

	Three hydro power plants	938 MW
	Eight thermal power plants + Expansions <sup>1</sup>	3,797 MW 295 MW
	One cogenerator	14 MW
	Wind farms <sup>2</sup>	206 MW

**TOTAL CAPACITY** 4,955 MW+ 295 MW of  
12% of Argentina expansions = **5,250 MW**

We are the largest privately-owned operator in the country, with an installed capacity of 4,955 MW. By adding 295 MW of expansions, our total installed capacity would amount to 5,250 MW. We operate fifteen plants: eight thermal power plants, three hydroelectric power plants, three wind farms, and a co-generation power plant.

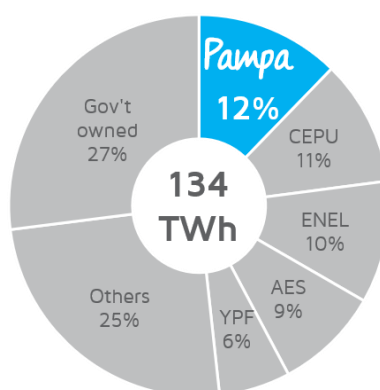
Despite the difficult circumstances, we have set another milestone with the commissioning of the second combined cycle at Genelba Thermal Power Plant, with an approximate investment of US\$320 million.

For more details about this important work, visit the [virtual inauguration](#) and make a [360° virtual tour](#).


1. It includes 280 MW at CTEB (co-controlled) and 15 MW at CTLL. 2. It includes PEMC (co-controlled).



## Pampa's share in national electric power generation 2020



## Hydroelectric and wind power generation<sup>9</sup>

	Power plant	Location	Facilities	Installed capacity	% of Argentina's installed capacity	Historical average annual generation
	1. HIDISA	On the Diamante river, Prov. of Mendoza	3 dams and 3 power plants Concession until 2024	388 MW	0.9%	545 GWh
	2. HINISA	On the Atuel river, Prov. of Mendoza	3 dams and 3 power plants Concession until 2024	265 MW	0.6%	807 GWh
	3. HPPL	On the Limay river, Prov. of Neuquén	1 dam with 3 turbines Concession until 2029	285 MW	0.7%	950 GWh
	4. PEMC	Corti, Prov. of Bs. As.	29 wind turbines, with a 3.45 MW capacity each	100 MW	0.2%	346 GWh
	5. PEPE II	Corti, Prov. of Bs. As.	14 wind turbines, with a 3.8 MW capacity each	53 MW	0.1%	207 GWh in 2020
	6. PEPE III	Coronel Rosales, Prov. of Bs. As.	14 wind turbines, with a 3.8 MW capacity each	53 MW	0.1%	243 GWh in 2020
	Six plants			1,144 MW	2.7%	

<sup>9</sup>More information on our generation plants: <https://ri.pampaenergia.com/en/our-assets/electricity-power/generation/summary/>

## Thermal generation and co-generation<sup>10</sup>



Power plant	Location	Facilities	Installed capacity	% of Argentina's installed capacity	Historical average annual generation
1. CTLL	Loma de la Lata, Prov. of Neuquén	CCGT (3 gas turbines and 1 steam turbine) plus two gas turbines	765 MW + 15 MW of expansions	1.8%	2,093 GWh
2. CTGEBA	Marcos Paz, Prov. of Bs. As.	2 CCGT (2 gas turbines and 1 steam turbine each)	1,253 MW	3.0%	4,913 GWh
3. CPB	Bahía Blanca, Prov. of Bs. As.	2 steam turbines and dual-fuel boilers, natural gas or fuel oil	620 MW	1.5%	1,987 GWh
4. CTIW	Bahía Blanca, Prov. of Bs. As.	6 dual-fuel engines, natural gas or fuel oil	100 MW	0.2%	272 GWh
5. CTG	Gral. Güemes, Prov. of Salta	3 steam turbines and 1 turbo generator, all gas-fired	361 MW	0.9%	1,702 GWh
6. CTP	Piquirenda, Prov. of Salta	10 natural gas engines	30 MW	0.1%	114 GWh
7. CTPP	Pilar Industrial Complex, Prov. of Bs. As.	6 dual-fuel engines, natural gas or fuel oil	100 MW	0.2%	184 GWh
8. Eco-Energía	Bahía Blanca, Prov. of Bs. As.	1 co-generation steam turbine, fed from TGS's Gral. Cerri Complex	14 MW	0.04%	87 GWh
9. CTB	Ensenada, Prov. of Bs. As.	2 open cycle gas turbines and closing to CCGT project	567 MW + 280 MW of expansions	1.4%	1,327 GWh
<b>Nine plants</b>			<b>3,811 MW + 295 MW of expansions</b>	<b>9.1%</b>	

## Transmission<sup>11</sup>

### POWER TRANSMISSION

THROUGH THE CO-CONTROL OF TRANSENER  
#1 OPERATOR OF HIGH VOLTAGE LINES IN ARGENTINA



**Transener**

**14,488 km of lines**  
**58 transformer stations**

**Transba**

**6,604 km of lines**  
**107 transformer stations**

**TOTAL HIGH VOLTAGE LINES**

**21,092 km**  
**85% of Argentina**

Pampa co-controls Transener<sup>12</sup> through its 26.3% indirect interest. Transener operates and maintains 85% of the Argentine high voltage transmission grid. It holds a concession over 14,488 km of transmission lines and 58 transforming stations, directly operating 85% of the country's high-voltage lines.

In turn, its subsidiary Transba holds a concession over 6,604 km of transmission lines and 107 transforming stations, which make up the Main Distribution Transmission System of the Province of Buenos Aires.

<sup>10</sup> More information on our generation plants: <https://ri.pampaenergia.com/en/our-assets/electricity-power/generation/summary/>

<sup>11</sup> More information: <https://ri.pampaenergia.com/en/our-assets/electricity-power/transmission/transener/>

<sup>12</sup> Transener and Transba's operations are not covered by this Report.

## Distribution

### ELECTRICITY DISTRIBUTION

THROUGH EDENOR, THE LARGEST ELECTRICITY DISTRIBUTOR IN ARGENTINA



<b>Clients</b>	<b>3.2 million</b>
<b>Concession area</b>	<b>4,637 km<sup>2</sup></b>
<b>Transmission and distribution lines</b>	<b>40,861 km</b>

**2020 TOTAL ELECTRICITY SALES** **20,179 GWh**  
**20% of Argentina**

On December 28, 2020, we agreed to sell our controlling stake in Edenor through the transfer of all Class A shares, representing 51% of the capital stock and voting rights of said company, subject to the approvals by Pampa's shareholders' meeting (granted on February 17, 2021) and the National Electricity Regulatory Agency (ENRE) (granted on June 24, 2021). The transaction does not include the transfer of Class B shares; therefore, after its closing on June 30, 2021, the Company keeps a 4.1% stake in Edenor's capital stock and voting rights.

This divestment is part of our strategic plan, geared at expanding efficient power generation and developing unconventional natural gas reserves, fundamental pillars to attain the country's energy sustainability.

Edenor is the largest electricity distribution company in the country, both in terms of the number of customers and electricity sold, in GWh and monetary terms. It holds a concession until 2087 to distribute electricity on an exclusivity basis in the northern and northwestern metropolitan area of Buenos Aires, covering an area of 4,637 km<sup>2</sup> and a population of approximately 9 million inhabitants.

## 1.2.3. OIL AND GAS

### Exploration and production

#### UPSTREAM

ONE OF THE LEADING GAS PRODUCERS IN ARGENTINA



<b>Blocks</b>	<b>13 productive + 5 exploratory</b>
<b>Wells</b>	<b>858 productive wells in the most important basins of Argentina</b>
<b>Gas</b>	<b>Production of 244 million cubic feet per day</b>
<b>Oil</b>	<b>Production of 4.4 thousand bbl per day</b>

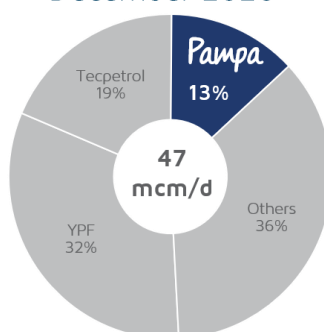
**TOTAL PRODUCTION** **45 thousand boe per day**  
**6% of Argentina**

Pampa is one of the leading hydrocarbon E&P companies in Argentina, with a presence in the country's major oil basins, from which it obtains natural gas and oil. Our oil and gas segment comprises both operated and non-operated blocks where Pampa Energía has an equity interest.

In 2020, Argentina's average production level reached 45 thousand barrels of oil equivalent per day, 90% corresponding to natural gas. We are the third-largest unconventional gas producer in Argentina. We have operations in 13 productive blocks and 858 productive wells. Natural gas production comes mainly from El Mangrullo, Rincón del Mangrullo, Río Neuquén and Sierra Chata blocks.

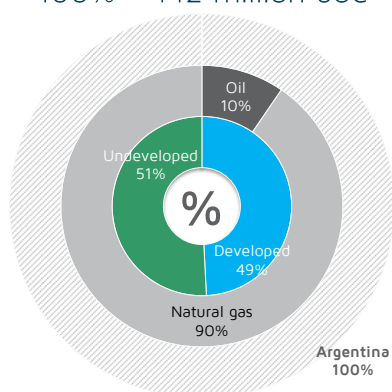
For the second consecutive year, we certified shale reserves from the Vaca Muerta formation for a volume 2.5 higher than 2019. Moreover, for the third year straight, we have achieved a positive replacement ratio of 1.4 in 2020, reaching proven reserves for 142 million boe and an average life of about 8.6 years.

### Pampa's share in national unconventional gas production December 2020

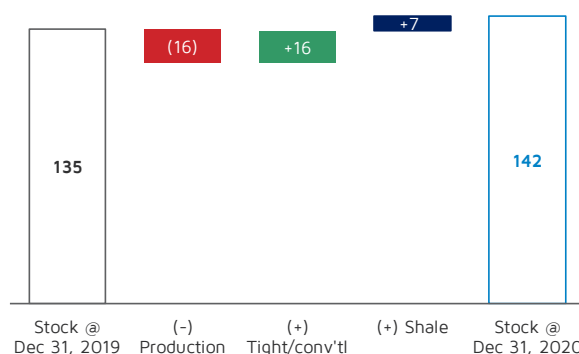




Total proven reserves  
As of December 31, 2020  
100% = 142 million boe



Evolution of  
certified proven reserves  
In million boe



As of December 31, 2020, Pampa's total proven reserves ('P1'), both developed and undeveloped, amounted to 142 million boe, 90% corresponding to natural gas and 10% to liquids. It is worth highlighting that 7% of P1 reserves correspond to shale, mainly from El Mangrullo, a block 100% owned by Pampa, compared to just 3% of P1 reserves for shale in 2019.

### Productive blocks in Argentina<sup>13</sup>

Block	Province	Basin	Operator	Pampa's %
El Mangrullo	Neuquén	Neuquina	Pampa	100%
Sierra Chata				45.55%
Rincón del Mangrullo <sup>1</sup>				50%
Río Neuquén	Neuquén (N) & Río Negro (RN)		YPF	33.07% (N) & 31.42% (RN)
Estación Fernández Oro	Río Negro			15% over 13 wells
Anticlinal Campamento	Neuquén			Oilstone Energía
Río Limay Este			Pampa	85%
Aguaragüe	Salta	Noroeste	Tecpetrol	15%
Los Blancos (former Chirete)			High Luck Group	50%
La Tapera/Puesto Quiroga	Chubut	Golfo San Jorge	Tecpetrol	35.67%
El Tordillo				35.67%
Gobernador Ayala	Mendoza	Neuquina	Pluspetrol	22.51%
Rincón de Aranda – Veta Escondida	Neuquén		Pampa	55%

Note: 1 It does not include the Vaca Muerta formation.

### Exploratory blocks in Argentina

Block	Location	Basin	Operator	Pampa's %
Parva Negra Este	Neuquén	Neuquina	Pampa	42.5%
Las Tacanas Norte				90%
Río Atuel	Mendoza		Petrolera El Trébol	33.33%
Borde del Limay <sup>1</sup>	Neuquén		Pampa	85%
Los Vértices <sup>1</sup>				85%

Note: 1 In the process of transfer to GyP (exploration permit holder).

<sup>13</sup> More information: <https://ri.pampaenergia.com/en/our-assets/oil-and-gas/exploration-production-ep/>

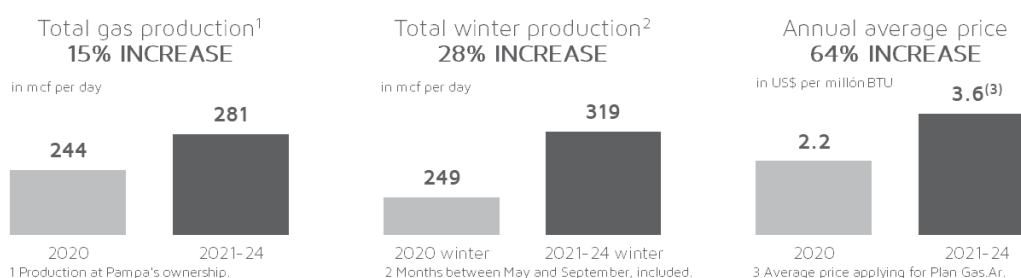


## Map of productive blocks in Argentina



By the end of 2020, Plan Gas.Ar, a natural gas production promotion program for the 2021-2024 period, was created. Pampa was an awardee under the program and ranked fifth nationwide and third at the Neuquina Basin in terms of volume. Moreover, Pampa achieved the highest growth in tendered natural gas production, with an increase of approximately 15%, to 8 million m<sup>3</sup>/day in annual production, and 28%, to 9 million m<sup>3</sup>/day, during the winter period. To reach these production levels, Pampa estimates an approximate US\$250 million investment over the next 4 years of the program.

### CONSIDERABLE IMPROVEMENT IN PAMPA'S GAS PRODUCTION AND PRICE



As another important milestone in 2020, Pampa managed to export, for the first time, Medanito crude oil, being one of the first exporters of this oil quality in the country. In 2020, oil exports represented 33% of production (whereas just 4% in 2019), and 7 tankers with Medanito and Escalante oil were exported, totaling more than half a million oil barrels.

## Midstream<sup>14</sup>

### TRANSPORTATION AND TREATMENT

THROUGH THE CO-CONTROL OF TGS, THAT OPERATES THE LARGEST GAS PIPELINE NETWORK IN LATAM AND IS THE SECOND NGL PRODUCER IN ARGENTINA



**Gas pipelines**

9,231 km

Injection capacity of 85 million m<sup>3</sup> per day



**NGL**

1 million ton/year

#### MARKET SHARE

60% of the gas consumed in Argentina

This segment comprises our 27.7% co-controlling interest in TGS, the country's largest gas transportation company, which operates the most extensive pipeline system in Latin America, of 9,231 km. It is also a leading company in producing and selling NGL for domestic and export markets, through its General Cerri processing plant, with a 1 million ton/year production capacity.

Moreover, Pampa has a 2.1% direct stake in OldelVal. This company operates main oil pipelines allowing for the evacuation of oil produced in the Neuquina Basin to Puerto Rosales (a port in the City of Bahía Blanca) and the supply of the Plaza Huincul and Luján de Cuyo distilleries.

## Downstream

### DOWNSTREAM

PETROCHEMICALS: STYRENE LEADERS

R&D: EQUITY STAKE IN REFINOR



**Styrene**

*Capacity of:*

160 k ton/year

**Synthetic rubber**

55 k ton/year

**Polystyrene**

65 k ton/year



**Refinery**

*Capacity of:*

25.8 k bbl per day

**Gas Stations**

91

**LPG production**

20.3 million m<sup>3</sup> per day

**2020 TOTAL  
SALES**

**337 thousand ton  
85-98% of Argentina**

## Petrochemicals<sup>15</sup>


The petrochemicals segment takes part in Pampa's vertical integration with our natural gas operations. Our output covers a wide range of products, such as octane bases for gasoline, benzene, aromatic solvents, hexane and other hydrogenated paraffinic solvents, propellant for the cosmetic industry, monomer styrene, rubber, and polystyrene for the domestic and foreign markets.

Pampa is the only producer of monomer styrene, polystyrene and elastomers in Argentina and the only integrated producer of goods ranging from oil and natural gas to plastics.

The petrochemicals division is composed of the PGSM integrated petrochemical complex in the Province of Santa Fe, with an annual production capacity of 50 kton of LPG gases (used as raw material and propellant), 155 kton of aromatics, 290 kton of gasoline and refined products, 160 kton of styrene, 55 kton of SBR, 180 kton of ethylbenzene and 31 kton of ethylene. This segment also includes a polystyrene plant in Zárate, Province of Buenos Aires, with a production capacity of 65 kton. As of December 31, 2020, Pampa's estimated share in the Argentine styrene, polystyrene and rubber markets amounted to 98%, 93% and 85%, respectively.

<sup>14</sup> TGS and OldelVal's operations are not covered by this Report.

<sup>15</sup> More information at <https://www.pampaenergia.com/en/petrochemicals/>



Sold volume (in thousand tons)	2020	2019
Styrene (incl. propylene and ethylene)	47	55
Polystyrene	47	44
SBR	37	27
Reforming	205	217
<b>Total</b>	<b>337</b>	<b>343</b>
<i>Argentina<sup>1</sup></i>	<i>66%</i>	<i>71%</i>
<i>Abroad<sup>1</sup></i>	<i>34%</i>	<i>29%</i>

**Note: 1** Percentage calculated from sales in the FS.

## Oil refining and distribution<sup>16</sup>

Pampa has a 28.5% direct interest in Refinor, a company that owns the only refinery in the North of Argentina, located at Campo Durán, Province of Salta, with an installed capacity of 25.8 thousand barrels of oil per day. Refinor processes crude oil and distributes the refined products through its commercial network of 91 gas stations located in the provinces of Tucumán, Salta, Santiago del Estero, La Rioja, Jujuy, Catamarca and Chaco.

<sup>16</sup> Refinor's operations are not covered by this Report.





Governance, ethics  
and integrity

## 2. Governance, ethics and integrity

SDGs  
13, 17

**Material topics**  
Ethics and anti-corruption  
Risk management and regulatory compliance  
Good competition practices

### RESPONSIBILITY, RELIABILITY AND TRANSPARENCY

Our philosophy is founded on the principles of sustainable growth. We are committed to transparent management and long-term value creation, prioritizing the welfare of all our stakeholders: teammates, the communities where our assets are located, customers, suppliers, investors and financial institutions, among others.

#### 2020 milestones

- ✓ Our Code of Corporate Governance has been selected by the CNV to be monitored over the next few years, reinforcing our permanent commitment to incorporating the best corporate governance practices.
- ✓ We have completed the cybersecurity maturity assessment on our assets and intensified activities to raise our teammates' awareness in the information security area.
- ✓ The Board of Directors has approved our new Policy against fraud, corruption and other irregularities.
- ✓ In line with the pandemic lockdown, significant progress has been made on processes of digitalization.
- ✓ Board of Directors and Shareholders' Meetings were first held virtually, maintaining the governance agenda efficiently, productively and without interruptions.

#### 2.1. Corporate governance

**GRI content**  
102-18, 102-19, 102-20, 102-22, 102-23, 102-24, 102-26, 102-27,  
102-28, 102-32, 103-1, 103-2, 103-3, 405-1

At Pampa, we believe that the best way of preserving and protecting our investors is to adopt and implement the best corporate governance practices, which consolidate us as one of the most trustworthy and transparent companies in the market. For this purpose, we constantly strive to incorporate those practices by considering international market trends and applicable domestic and foreign corporate governance standards and rules.

All teams working at Pampa Energía ensure compliance with the ethics and integrity standards to guarantee responsible management with the Company's key stakeholders.

In December 2018, we joined the special stock quote panel —called +GC Panel— sponsored by ByMA. The +GC Panel includes companies already complying with the best corporate governance and transparency practices even beyond the required regulatory level, which Pampa entirely fulfills. These practices, subject to periodic review for their execution, are aligned with the Corporate Governance Principles of the Organization for Economic Co-operation and Development (OECD) and adopted by the G20.

Our Code of Corporate Governance<sup>17</sup> (part of our financial statements) contains more information on Pampa's corporate governance practices. The CNV has selected our Code to be monitored over the next three years. In 2020, we received a few comments from the CNV, giving it a 'good' rating. Based on these comments, we are working to reinforce the observed topics and reach the maximum rating.

The Code is available at: <https://ri.pampaenergia.com/en/corporate-governance/corporate-governance-report/>.

<sup>17</sup> Required by sect. 1, title 1, chapter I of Part IV of the CNV Rules, Text restated in 2013, amended by General Resolution No. 797/19.

## 2.1.1. THE BOARD OF DIRECTORS

The Board of Directors is the body responsible for the management and administration of Pampa Energía and is appointed by the Shareholders' Meeting. As of December 31, 2020, it was made up of ten regular directors and ten alternate directors from different professions<sup>18</sup>.

All our directors are elected for a term of three years. They may be re-elected indefinitely, except for the restrictions arising from the independence standards set out in the CNV rules. The expiration and further renewal of terms of office are made on a partial and staggered basis every year, with the election of three directors for two years and four directors on the third year.

As of December 31, 2020, Pampa's Board was composed as follows:

Name	Position	Age	Independence <sup>1</sup>	Term expiration <sup>2</sup>
Marcos Marcelo Mindlin	Chair	57	Non-independent	12/31/2020
Gustavo Mariani	Vice-chair	50	Non-independent	12/31/2022
Ricardo Alejandro Torres	Director	63	Non-independent	12/31/2022
Damián Miguel Mindlin	Director	55	Non-independent	12/31/2020
Miguel Ricardo Bein <sup>3</sup>	Director	70	Independent	12/31/2022
María Carolina Sigwald	Director	53	Non-independent	12/31/2020
Gabriel Cohen	Director	56	Non-independent	12/31/2021
Carlos Correa Urquiza	Director	51	Independent	12/31/2021
Juan Santiago Fraschina	Director	44	Independent	12/31/2021
Darío Epstein	Director	57	Independent	12/31/2021
Horacio Jorge Tomás Turri	Alternate Director	60	Non-independent	12/31/2022
Victoria Hitce	Alternate Director	44	Non-independent	12/31/2022
Gerardo Carlos Paz	Alternate Director	52	Non-independent	12/31/2020
Mauricio Penta	Alternate Director	44	Non-independent	12/31/2020
Brian Henderson	Alternate Director	75	Non-independent	12/31/2020
Diego Martín Salaverri	Alternate Director	56	Non-independent	12/31/2021
Pablo Díaz	Alternate Director	63	Non-independent	12/31/2021
Silvana Wasersztrom	Alternate Director	53	Independent	12/31/2021
Nicolás Mindlin	Alternate Director	31	Non-independent	12/31/2021
Haroldo Adrián Montagu	Alternate Director	41	Independent	12/31/2021

**Note:** 1 According to the independence criteria established by the CNV and the SEC. 2 They will be in office until their reelection or the election of their substitutes. The Ordinary and Extraordinary General Shareholders' Meeting held on April 29, 2021, renewed the terms of office of Messrs. Marcos Marcelo Mindlin, Damián Miguel Mindlin, María Carolina Sigwald, Gerardo Carlos Paz, Mauricio Penta and Brian Henderson. 3 Upon his death in 2021, he was replaced by Ms. Silvana Wasersztrom.

## OUR BOARD OF DIRECTORS

10/10 are Argentinians

6/10 perform executive functions at Pampa

4/10 are independent

1/10 is a woman

8/10 are above 50

The Board of Directors sets the Company's general strategy and supervises its management. In line with our commitment, it approves the different corporate governance policies applicable to Pampa. In addition, it monitors them to keep them updated according to the development of the Company, its businesses, and the best practices.

<sup>18</sup> A brief biographical description of the Company's directors can be found at: <https://ri.pampaenergia.com/en/corporate-governance/board-of-directors/> and the 20-F Form.



In this sense, in addition to the Code of Business Conduct, the Board has approved the following policies<sup>19</sup>:

- Policy against Fraud, Corruption and other Irregularities.
- Policy on Best Security Market Practices.
- Policy on Related-Party Transactions.
- Anti-Money Laundering and Terrorist Financing Prevention Policy.
- Policy on Material Information Disclosure.
- Compensation Policy.
- Nomination Policy.
- Dividend Policy.
- QHSE Policy.

Moreover, it analyzes whether specific committees are needed for the application of different policies. If it considers that a particular committee is not necessary, it delegates its application, monitoring and review to the area it deems competent to such effect. On the other hand, it periodically monitors the application of our Integrity Program.

Directors are in permanent contact with the different areas and their daily management, allowing them to get a comprehensive vision of the business and stay updated on its issues.

During the Board's meetings, members of the different departments are invited to raise queries on the specific topics to be addressed, aiming to guarantee the Board's monitoring and follow-up of the goals set for the fiscal year. In addition, regarding independent directors members of the Audit Committee, this update is also received within this body's scope.

For decision-making in sustainability issues, it considers the indexes, business operations' environmental and social risks and impacts, and the materiality analysis. It also approves Pampa's Annual Sustainability Reports and the annual budget that will guide the Company's related actions for the following year.

### Appointment of members of the Board of Directors

Board members are appointed as per the provisions of our Nomination Policy, approved in 2018, which describes the nominees' identification and evaluation process for Board of Directors positions. This policy establishes that the Nomination Committee will assist the Board of Directors and the Shareholders' Meeting in the selection process.

There are guidelines for the nomination process to be considered in evaluating nominees, such as independence and potential incompatibilities, skills, experience and business knowledge, among others.

Although there is no external or internal provision stipulating the Board of directors genre composition, we further the best practices regarding diversity and non-discrimination based on ethnicity, color, genre, or sexual, political, union, religion or other identities. Therefore, we offer equal opportunities for duly qualified nominees to foster diversity in the Board of Directors. As of December 31, 2020, our Board of Directors was made up of 1 woman and 9 men. In addition, we are members of ByMA's +GC Panel, which requires at least one female member.

### Board of Directors' assessment

To evaluate the Board of Directors' performance and competencies, we have uninterruptedly implemented a self-assessment questionnaire since 2008 that allows each member to analyze and assess their performance and management on an annual basis. Once completed, the Legal Affairs Executive Department is responsible for analyzing the results and, if applicable, proposing to the Board measures to improve this governance body's performance.

---

## 2.1.2. OUR COMMITTEES

### Audit committee<sup>20</sup>

It is made up of three regular members and one alternate member. They all hold independent status (according to the CNV criteria); they may be re-elected and have professional expertise in financial, accounting, legal, and/or business matters. This Committee is primarily responsible for supervising the operation of the internal control system, compliance with internal regulations, the application of risk management policies, and rendering its opinion if there is a conflict of interests, among other tasks detailed under the regulations in force and its own rules.

---

<sup>19</sup> More information on our policies: <https://ri.pampaenergia.com/en/corporate-governance/corporate-governance-policies/>

<sup>20</sup> More information on the Audit Committee is available at: <https://ri.pampaenergia.com/en/corporate-governance/audit-committee/>



As of December 31, 2020, the Audit Committee was composed as follows:

Name	Position
Miguel Ricardo Bein <sup>1</sup>	Chair
Darío Epstein	Regular Member
Carlos Correa Urquiza	Regular Member
Silvana Wasersztrom	Alternate Member

**Note:** 1 In 2021, the regular member was replaced by Silvana Wasersztrom and the Chair by Darío Epstein upon his death.

### Nomination committee<sup>21</sup>

It assists Pampa's Board and Shareholders' Meeting in the nomination and appointment process for Board members according to the procedures established under the applicable law, our Bylaws and the committee's own rules. It reports directly to Pampa's Board. It is made up of three regular members and an equal or smaller number of alternate members. Its chair is an independent director according to the independence criteria stipulated by the CNV rules.

As of December 31, 2020, the Nomination Committee was composed as follows:

Name	Position	Independence <sup>1</sup>
Miguel Ricardo Bein <sup>2</sup>	Chair	Independent
Gustavo Mariani	Regular Member	Non-independent
Ricardo Alejandro Torres	Regular Member	Non-independent
Victoria Hitce	Alternate Member	Non-independent
Silvana Wasersztrom	Alternate Member	Independent
María Carolina Sigwald	Alternate Member	Non-independent

**Note:** 1 According to the independence criteria established by the CNV and the SEC. 2 In 2021, upon his death, he was replaced by Silvana Wasersztrom.

### Compensation committee<sup>22</sup>

It assists the Board of Directors and/or the Shareholders' Meeting regarding Directors' remunerations. This body directly reports to Pampa's Board. It comprises three regular members and an equal or smaller number of alternate members who may not exercise executive functions at Pampa. Currently, all its members are independent.

As of December 31, 2020, the Compensation Committee was composed as follows:

Name	Position	Independence <sup>1</sup>
Miguel Ricardo Bein <sup>2</sup>	Chair	Independent
Carlos Correa Urquiza	Regular Member	Independent
Darío Epstein	Regular Member	Independent
Silvana Wasersztrom	Alternate Member	Independent

**Note:** 1 According to the independence criteria established by the CNV and the SEC. 2 In 2021, upon his death, he was replaced by Silvana Wasersztrom.

## 2.1.3. SUPERVISORY COMMITTEE

The oversight of Pampa is in charge of a Supervisory Committee, consisting of three regular members and three alternate members, who remain in office for a term of three fiscal years and are appointed by our shareholders. Its primary function is to exercise statutory control over the Board's compliance with the provisions outlined in the Argentine Business Organizations Law (ABOL), the Bylaws, their regulations, and the Shareholders' Meeting decisions. In accomplishing these duties, the Supervisory Committee neither monitors our operations nor assesses the merits of the Board's members' decisions. As of December 31, 2020, Pampa's Supervisory Committee was composed as follows:

<sup>21</sup> More information on this committee is available at: <https://ri.pampaenergia.com/en/corporate-governance/nomination-committee/>

<sup>22</sup> More information on this committee is available at: <https://ri.pampaenergia.com/en/corporate-governance/committees/compensation-committee/>

Name	Position	Term expiration <sup>2</sup>
Germán Wetzler Malbrán	Statutory Auditor <sup>1</sup>	12/31/2020
José Daniel Abelovich	Statutory Auditor	12/31/2020
Martín Fernández Dussaut	Statutory Auditor	12/31/2020
Tomás Arnaude	Alternate Statutory Auditor	12/31/2020
Marcelo Héctor Fuxman	Alternate Statutory Auditor	12/31/2021
Damián Burgio	Alternate Statutory Auditor	12/31/2021

**Note:** <sup>1</sup> Chair of the Supervisory Committee. <sup>2</sup> They will be in office until their reelection or the election of their substitutes. The Ordinary and Extraordinary General Shareholders' Meeting held on April 29, 2021, renewed the terms of office of Messrs. Germán Wetzler Malbrán, José Daniel Abelovich and Tomás Arnaude. It also appointed Mr. Damián Burgio as a regular statutory auditor and Mr. Martín Fernández Dussaut as an alternate statutory auditor. However, Martín Fernández Dussaut took office as a regular statutory auditor as Germán Wetzler Malbrán could not take office due to incompatibility, as he was appointed as a regular director at Edenor.

#### 2.1.4. STRATEGIC MANAGEMENT

Our Senior Management comprises Pampa's four founding shareholders: Marcelo Mindlin, Gustavo Mariani, Ricardo Torres and Damián Mindlin. This Committee leads the Company's management with the executive directors' support. They are jointly responsible for executing the Company's strategy through management actions and programs. All of them have broad experience and the industry knowledge necessary to perform their duties<sup>23</sup>. Our main officers, as of December 31, 2020, are mentioned below:

Name	Position
Marcos Marcelo Mindlin	Chair
Gustavo Mariani	Executive vice-chair and CEO
Ricardo Alejandro Torres	Executive vice-chair
Damián Miguel Mindlin	Executive vice-chair
Gabriel Cohen	CFO
Horacio Jorge Tomás Turri	Executive director of oil and gas
María Carolina Sigwald	Executive director of legal affairs
Nicolás Mindlin	Director of M&A, petrochemicals and affiliates

#### 2.1.5. COMPENSATION POLICY

GRI content  
102-35, 102-36

At Pampa, all directors receive the same compensation for the duties they perform on the Board. In this way, directors' pay equality is guaranteed.

Implemented in 2018, the Compensation Policy establishes the process for determining Director's fees in each fiscal year. The Compensation Committee manages the process, which assists the Board of Directors and the Shareholders' Meeting. The Audit Committee considers the reasonableness of Directors' fees, and the Annual Shareholders' Meeting approves their payment.

Moreover, Pampa's officers' and employees' compensation consists of a fixed and a variable part. There are different compensation plans payable in cash or through stock. In all cases, the compensation is in line with that received in similar positions and companies at the domestic level<sup>24</sup>.

<sup>23</sup> A brief biographical description of the Company's senior management can be found at: <https://ri.pampaenergia.com/en/corporate-governance/main-officers/>

<sup>24</sup> For further information, see section 6.5 of this Report.

## Stock-based compensation plan

In February 2017, the Board of Directors approved the creation of Pampa's Stock-based Compensation Plan. The goal is to grant Pampa's shares to the Company's key staff as part of their compensation, generating a clear and direct link between important teammates, the Company's strategy, and value creation for our shareholders. The plan was ratified by the Shareholders' Meeting held on April 7, 2017.

Through this program, beneficiaries receive a certain number of Pampa's shares based on business management results. It is worth highlighting that the Senior Management, consisting of Pampa's founding shareholders, is excluded from this program. These shares are repurchased by the Company at open market transactions, according to the current CNV rules and regulations, to fund the program. As of this date, there are 4 million common treasury shares under this compensation plan.

The number of beneficiaries of this program may vary from year to year. Besides, the program is not limited to managerial positions but includes teammates deemed key Company staff. Finally, it is worth highlighting that Pampa's founding shareholders are excluded from this program. In the fiscal year 2020, 42 teammates were beneficiaries under the stock-based compensation plan, which granted 2 million shares payable in three years. Thus, there were 2 more beneficiaries than in the fiscal year 2019 and 22 more than the initial number in 2017.

## Compensation agreements for the Senior Management

Per international practices, the purpose of these agreements is to efficiently align the Senior Management's interests with those of the Company and its shareholders, creating value for the beneficiaries only as much as value is generated for shareholders, that is, if the Company's market value increases.

On June 2, 2017, Pampa's Board of Directors approved the compensation agreements with the Company's founding shareholders, Messrs. Marcelo Mindlin, Gustavo Mariani, Ricardo Torres and Damián Mindlin. Accordingly, for the fiscal year ended December 31, 2017, the calculation period started on June 1, 2017, as it was the first year of these agreements.

Under these agreements, the four beneficiaries are entitled to an annual, variable and contingent long-term compensation, equivalent to 3% over the increase of Pampa's market capitalization, with a payment cap of 50% of the accrued amount and subject to the Company's adjusted results. Unlike the previously mentioned stock-based compensation plan, this plan will only accrue if Pampa's shares' market value exceeds the maximum amount registered ('High-Water Mark' provision). Moreover, the amount deferred in the fiscal year 2017 may only be collected by beneficiaries if the share exceeds the high watermark. Pampa's market capitalization is below the high watermark; hence, the founding shareholders have not collected this compensation in the fiscal years 2018, 2019 or 2020.

Moreover, on November 6, 2013, the Extraordinary General Shareholders' Meeting of PEPASA<sup>25</sup> resolved to approve a variable and contingent compensation to certain officers, equivalent to 7% of this company's EBITDA. Under the corporate reorganization process, Pampa became the full legal successor of all the absorbed companies' rights and obligations, including PEPASA. Consequently, this compensation plan continued for the assets corresponding to former PEPASA. To avoid duplication, any analogous compensation received by the founding shareholders will be deducted from the compensation for officers.

## 2.2. Risk management

GRI content

102-11, 102-15, 102-29, 102-30, 102-31

Through its Board of Directors, Pampa is committed to comprehensive risk management, ensuring the existence of a management system that identifies, assesses, decides the courses of action, and monitors the risks faced by the Company.

### 2.2.1. BUSINESS RISK MANAGEMENT POLICY

We have a Business Risk Management Policy in place that sets out the responsibilities, functions and methodologies for the detection and assessment of the main risks which may occur regarding our activities and thus affect businesses or operations. Moreover, this policy establishes responsibilities and methodologies for determining business risks with the assistance of the Audit Committee, the body responsible for supervising its application.

Based on the established guidelines, the administration management draws up and updates Pampa's risk map following the managed businesses and requests their assessment by the Company's committees and direct reports through impact and occurrence probability.

<sup>25</sup> Merged through the absorption by Pampa since September 2017.



The main risk factors inherent in the business are categorized as follows:

- **Strategic risks**, including economic, regulatory and political risks.
- **Corporate governance risks**, including the fraud risk.
- **Process risks**, including, but not limited to, those associated with natural disasters, social issues, human resources, IT and operational risks.
- **Reporting risks**, considering the possibility of making mistakes in calculations contained in the information published by the Company.

Financial risk management is disclosed in our FS, distinguishing by type of risks and describing the implemented mitigation actions or plans for each of them. Additionally, when preparing the 20-F Form to be submitted before the SEC, we analyze and describe the risk factors to which we are exposed<sup>26</sup>.

The risks assessed as critical/high are identified in the risk map, and action, mitigation and/or remediation plans are devised together with the involved areas. In 2020, and considering our country's context, the most critical identified risks refer to political and economic variables, including:

- Continued high inflation levels.
- Fluctuations (devaluation) in the Argentine peso.
- World or regional economic crises.
- Restrictions on foreign currency payments or the import of certain products.
- Decrease in international commodity prices.
- Actual and perceived corruption and institutional deterioration risks.
- The actual or anticipated downgrades of Argentina's credit rating might adversely affect our ADS and common shares' ratings and listings.
- Government intervention in the electricity sector to adopt, among others, measures on utility tariffs.
- Coronavirus-related events and adopted measures.

Besides, there are risks related to the Company's operations, including:

- Revocation or termination of public concessions granted by the Government.
- Union action, including labor strikes.
- Incapacity to continue operations or major disagreements with our joint ventures' partners.
- Hiring and retention of key staff.
- Legal procedures that may result in adverse judgments.
- Credit rating downgrades.
- Cybersecurity events, such as a cyberattack.
- Changes in the environmental legislation that may increase operational costs.
- CAMMESA may alter and delay payments to power generators and fuel producers.
- Our indebtedness clauses may adversely restrict our financial and operational flexibility.
- Impact of natural disasters, catastrophic accidents and terrorist attacks. Besides, our companies are subject to mechanical or electrical failure risk. Any resulting unavailability may affect our capacity to meet our contractual commitments.
- Limitations on electricity transmission in Argentina that may prevent the full recovery of the marginal electricity cost.

We have identified, analyzed and quantified the occurrence probabilities of certain situations and the necessary preventive and corrective actions to reduce their impact.

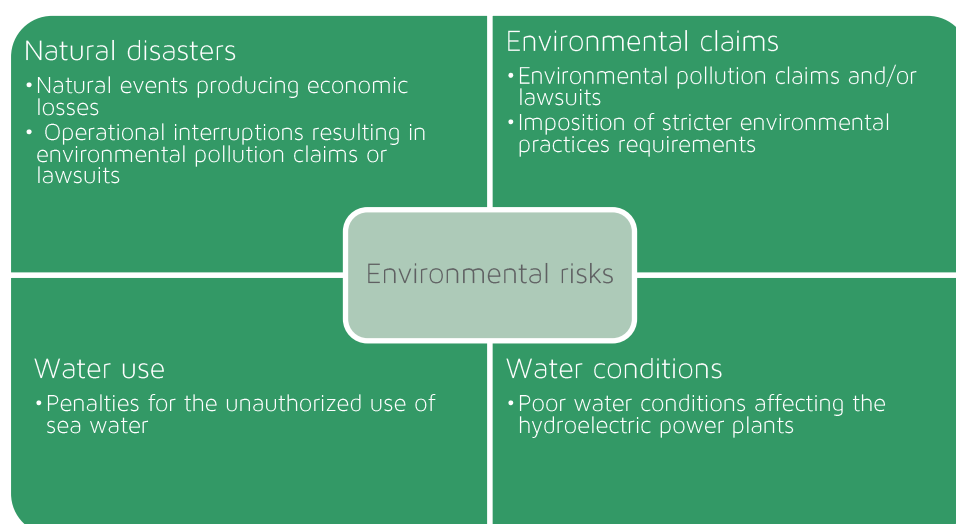
<sup>26</sup> For more information on the Company's risks, check the [20-F](#) Form, item 3: Key Information, Risk Factors.



Category	Risk	
Strategic	<ul style="list-style-type: none"> <li>Economic</li> <li>Political</li> <li>Regulatory: regulatory changes, new tariffs, expropriations</li> </ul>	<ul style="list-style-type: none"> <li>Prohibition on dividends</li> <li>Employees' health and safety</li> <li>Loss of competitiveness</li> <li>Price fluctuations</li> </ul>
Corporate governance	<ul style="list-style-type: none"> <li>Fraud</li> </ul>	<ul style="list-style-type: none"> <li>Ethics Hotline malfunctioning</li> </ul>
Reporting	<ul style="list-style-type: none"> <li>Error in the calculation of hydrocarbon reserves, provisions and tax estimates, and tax planning</li> </ul>	<ul style="list-style-type: none"> <li>Lack of FS integrity</li> <li>Change in functional currency</li> </ul>
Processes	<ul style="list-style-type: none"> <li>Bad debts</li> <li>Non-liquidity</li> <li>Environmental pollution</li> <li>Inappropriate insurance</li> <li>Labor and/or union conflicts</li> <li>Loss of critical leaders</li> <li>Cyberattacks</li> <li>Incomplete or untimely information systems</li> <li>Improper access and incorrect function segregation</li> <li>Improperly reviewed contracts</li> <li>Lack of control to contractors</li> <li>Incorrect supplier registrations</li> <li>Adverse lawsuit results</li> </ul>	<ul style="list-style-type: none"> <li>Regulatory contingencies</li> <li>Impossibility to replace reserves</li> <li>Breach of availability commitments in power generation</li> <li>Low water level in hydroelectric power plants</li> <li>No gas supply</li> <li>Attacks and/or sabotage</li> <li>Impossibility to obtain critical spare parts</li> <li>Technical or operational failures</li> <li>Lack of maintenance</li> <li>Project planning errors</li> <li>Delays in the foreign currency settlements and payments abroad</li> <li>Incorrect customer credit assessment</li> <li>Donations to questioned entities</li> </ul>

Besides, we pay special attention to operational risks associated with labor and environmental aspects, which are critical to the business's continuity and the sustainable development of the communities where we operate<sup>27</sup>.

In this sense, the risks and opportunities associated with climate change are increasingly present in our businesses. Accordingly, we identify them as factors that may generate substantial changes in our operations and simultaneously affect the communities where our assets are located.



<sup>27</sup> For further information, see chapters 5 and 6 of this Report.

---

## 2.2.2. CYBERSECURITY

At Pampa, cybersecurity plays a relevant role in the prevention of operational risks. That is why we have an information security strategy in place managed by a fully dedicated in-house professional team responsible for updating procedures to accompany the Company's technological evolution. The team is also responsible for providing tools to all its members to raise awareness on good practices regarding IT resources.

Due to the COVID-19 pandemic and the executive order declaring the lockdown passed by the Federal Government, many teammates had to work remotely for most of 2020. Therefore, systems and access to the administrative and control network were adjusted to provide security under this new scheme. In addition, multifactor authentication was implemented to protect access to data and e-mail accounts.

A cybersecurity monitoring service was implemented for administrative and control environments to view security events originated by productive services or devices and guarantee that potential security incidents are correctly identified, analyzed, defended, investigated and reported. In 2020, we recorded several cybersecurity threats. However, thanks to the implemented infrastructure, user awareness and the IT security team's efforts, no attack reached its target.

It is worth highlighting that it is impossible to be 100% protected; therefore, we are working hard in recovery plans, writing procedures, implementing infrastructure, easing the return to normal, and minimizing the impact of any potential attack. Moreover, in 2020 we completed the cybersecurity maturity assessment on our assets and began executing the multiannual plan defined in 2019 to position and maintain Pampa's cybersecurity on par with the industry's world-class practices.

In 2021, we will continue prioritizing the human factor as a key element to minimize cybersecurity-associated risks. We will also continue working to protect critical infrastructure with a plan allowing for the recovery of administrative environments and control systems in case of possible service disruptions due to cyberattacks. Besides, we will continue the defined multiannual program, which prioritizes vulnerability management and response to incidents.

### Cybersecurity training

Due to the new working scenario generated by the COVID-19 pandemic and the exponential growth in cybersecurity crimes worldwide, we intensified our teammates' awareness-raising work on cybersecurity risks, promoting the responsible use of technological resources and strengthening our assets' operational areas.

In 2020, four controlled attack drills were performed to alert staff on actions that may compromise the Company's integrity. Besides, a mandatory e-learning course was made available in the Success Factors platform, which helped them understand how easy it is to get distracted and be victims of cybercriminals.

Also, for the third year in a row, we conducted the annual awareness program. The program closed with the 'Information Security Week' event, which included different interactive initiatives regarding risks, threats, and good security practices.

## 2.3. Ethics and integrity

GRI content

102-17, 102-25, 103-1, 103-2, 103-3, 205-1, 205-2, 206-1

We are committed to guaranteeing ethical conduct, ensuring transparency in all our operations. We uphold corporate values and sound business management practices under national and international standards and regulations.

---

### 2.3.1. INTEGRITY PROGRAM

Our Integrity Program brings together and organizes the actions, mechanisms and internal proceedings to communicate and raise awareness on integrity, supervision and control issues. It is geared at preventing, detecting and correcting misconduct and illegal acts and is periodically monitored by the Board of Directors and the Audit Committee. The Internal Audit Department is responsible for the program and its coordination and supervision.

The Program's central processes and documents are detailed below:

- Code of Business Conduct approved by the Board of Directors.
- Policy against fraud, corruption and other irregularities.

- Ethics Hotline<sup>28</sup>.
- Procedure for handling complaints.
- Procedures setting standards, guidelines and controls applicable to all hiring made by Pampa.
- Due diligence procedures performed in business acquisition processes following usual market practices to verify possible irregularities or regulatory breaches by the legal entity to be acquired.
- Periodic training on the Integrity Program.

In 2020, we reviewed our Program status considering the Anti-corruption Office's guidelines and the Evaluation of Corporate Compliance Programs document issued by the United States Department of Justice. To this effect, we verified the degree of compliance and identified the existence of gaps requiring remediation actions. As a result of the analysis, we generated a follow-up and updated document, presented to the Audit Committee and the Board of Directors. The most relevant topics include the updates to the Code of Business Conduct and the fraud risk matrix, the publication of the new Policy against fraud, and others.

### 2.3.2. CODE OF BUSINESS CONDUCT<sup>29</sup>

As a critical piece of our Program, the Code sets out the ethical principles followed and applied in our relationships with the different stakeholders —employees, customers, suppliers, Government, investors, community, etc.— and acts as a guide enabling ethical decision-making in our daily actions. It includes, among others, the following topics:

- **Principles and guidelines for relationships with third parties:** customers, suppliers and contractors, shareholders and investors, the public sector, communities and the environment.
- **Relationships at the workplace,** including issues associated with equality and non-discrimination, threats and harassment, weapons and prohibited substances.
- **Aspects associated with corruption prevention** include gifts, presents and courtesies, bribes and facilitating payments, and conflicts of interest.
- **Guidelines on operations with Pampa Energía's financial instruments.**
- **Principles and guidelines associated with asset security:** accounting records and reports, use of information, control and use of company property (including IT and communication resources).

The Code applies to the members of the Board of Directors, the Supervisory Committee and all Pampa's teammates; as such, it should be expressly accepted.

We are currently updating our Code for alignment with the best practices available.

As of this date, no legal actions regarding anti-competitive behavior or monopolistic or restrictive trade practices have been identified.

### Conflicts of interest

Among other duties, the Audit Committee is responsible for providing the market with complete information on transactions where there may be a conflict of interest with members of Pampa's corporate bodies or controlling shareholders and issuing a well-founded opinion on related-party transactions in the cases provided by law. It is also responsible for communicating compliance with law whenever there is or may be an alleged conflict of interest within Pampa.

Besides, the Code establishes that any situation enabling the existence of a conflict between an employee's interests and those of the Company should be avoided to prevent personal or family interests from influencing decisions and professional performance. Companies or individuals having commercial relationships with Pampa will be selected based on the best interests of Pampa and/or its subsidiaries.

The Code of Business Conduct also describes the expected behavior if there is a conflict of interest, stipulating that any situation that may lead to an actual or perceived conflict of interest should be timely analyzed and informed to the Human Resources or Internal Audit director and/or the Ethics Hotline.

<sup>28</sup> More information on this topic can be found in the 'Ethics Hotline' section of this Report.

<sup>29</sup> More thorough information on our Code of Business Conduct can be found at: <https://ri.pampaenergia.com/en/corporate-governance/code-of-business-conduct/>

---

### 2.3.3. POLICY AGAINST FRAUD, CORRUPTION AND OTHER IRREGULARITIES

In alignment with the principles and values defined in our Code, we believe that business transparency and ethics guarantee sustainable growth. That is why at Pampa we do not allow fraud, corruption in any form or acts of misconduct.

In 2020, the Board of Directors approved our new Policy against fraud, corruption and other irregularities. This document sets our position on these issues and provides guidance on complying with the applicable laws and regulations and the steps required to report any suspected misconduct.

This policy is organized on two governing principles: the prohibition to participate in any act of fraud, bribery, corruption or misconduct —whether directly or through a third party—, and the fact that no corrupt practice will be justified or tolerated because it is 'common practice' in the sector. It also comprises definitions and guidelines on topics such as facilitating payments, interaction with public officers, gifts, entertainment and travel, donations, contributions to political parties, relationships with third parties and accounting practices. Finally, it includes the obligation to report irregularities, describes the available channels and reinforces the prohibition of retaliation against anyone filing a report in good faith.

---

### 2.3.4. ETHICS HOTLINE

We have the Ethics Hotline in place, an exclusive channel to report any suspected misconduct or breach of the Code and/or any other internal rule regulating behavior on a strictly confidential basis.

This channel is available to employees, customers, suppliers and the community. It may be easily accessed by different means: website, telephone and e-mail<sup>30</sup>. A third-party provider manages the Ethics Hotline to ensure higher transparency. The supervision of the channel's operation is in charge of the Audit Committee, which follows up on reported cases.

#### Available reporting channels

☎ 0-800-999-4636  
🌐 [www.resguarda.com/pampa](http://www.resguarda.com/pampa)  
✉ [etica.pampa@resguarda.com](mailto:etica.pampa@resguarda.com)

Our **procedure for handling complaints** establishes how to address complaints and describes the steps applicable to guarantee their proper reception, registration and handling. If the case so requires, the Audit Committee hires impartial, external consultants to conduct the investigations.

Moreover, the Code provides that neither Pampa nor any employee may retaliate against any employee or third party for filing a report or disclosure legitimately and in good faith or for providing information or assistance in a procedure or inquiry, even if the allegations are found to be meritless. Reprisals are serious offenses, and therefore subject to disciplinary action. In all cases, the reporter's identity will be kept confidential unless they expressly state otherwise.

---

### 2.3.5. ETHICAL TRAINING FOR OUR EMPLOYEES

In 2019, we started holding face-to-face meetings with teammates of the different areas and sites to raise awareness of the Code and the Ethics Hotline. We planned to continue this training in 2020, but it was affected by the COVID-19 pandemic and the subsequent lockdown.

However, as we have the Success Factors platform, which includes our e-learning program, we incorporated an activity allowing access to the Code details and reaffirming the importance of ethical behavior under our values. Moreover, we broadcast videos with the participation of our CEO and main officers reinforcing this commitment and an educational video on the Ethics Hotline operation.

---

<sup>30</sup> These channels are published on Pampa's Intranet, its institutional website <https://www.pampaenergia.com/linea-etica/> and its investor website <https://ri.pampaenergia.com/en/corporate-governance/ethics-mailbox/>.





Commitment to  
Sustainability

## 3. Commitment to sustainability

### WE CREATE LONG-TERM VALUE

We are aware that energy plays a crucial role in supporting economic growth. Most activities where Pampa takes part are deemed essential; therefore, we work on the construction of management centered on operational excellence, the commitment to sustainability in our businesses and the contribution to the development of a prosperous, inclusive and sustainable society.

#### 3.1. Commitment to sustainability initiatives and standards

GRI content

102-12, 102-13, 103-2, 103-3, 412-3

At Pampa Energía, we leverage the most relevant global sustainability standards and initiatives to select the most significant aspects for the business, those where we can generate value and act as a guide so that our management has a triple impact view.

##### United Nations Global Compact

We ratified our continued support and commitment to the Ten Principles of the United Nations Global Compact on human rights, labor, environment and anti-corruption. Through this Report, we are held accountable for compliance with the ten principles through the 'Communication of Progress - Advanced Level.'

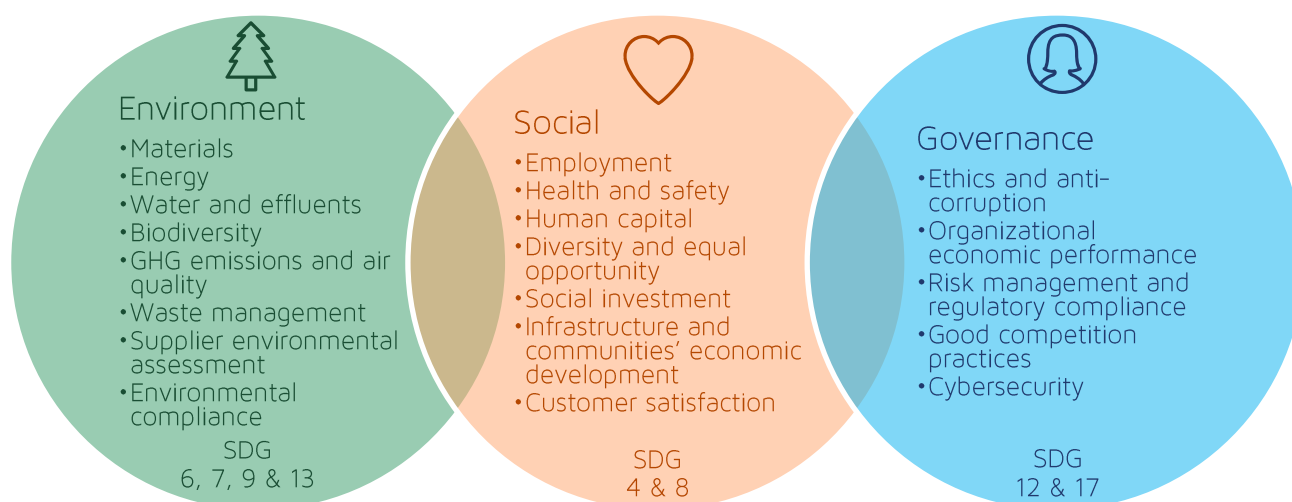
##### Alignment with Sustainable Development Goals (SDG)

In 2015, UN Member States approved a new Global Agenda consisting of 17 SDGs to be reached in 2030. Governments, the private sector, civil society and individuals should contribute to achieving these goals.

From Pampa Energía, we performed an analysis of the SDGs with a closer relationship with our business and activities, identifying those which may generate a more significant contribution. This understanding entails understanding the actual or potential, positive or negative impacts of Pampa and its value chain and consulting our primary stakeholders. As a result, we have identified eight management goals regarding decent and safe work in our operations, the environment and natural resources preservation, the social investment we make in the communities where our assets are located, and the multisectoral partnerships we establish to achieve the proposed projects.



#### SDG 7 - Affordable and clean energy: 6.2% of Pampa's sales





## Environmental Responsible Care Program



**Programa de Cuidado Responsable  
del Medio Ambiente®**  
*Nuestro Compromiso con la Sustentabilidad*

The Environmental Responsible Care Program (*Programa de Cuidado Responsable del Medio Ambiente®*, PCRMA), promoted by the Chemical and Petrochemical Industry Chamber (*Cámara de la Industria Química y Petroquímica*, CIQyP), is a Good Process Practices System comprising safety, occupational health and environmental topics.

We consider aspects of the ISO 14001, 18001 and 9001 standards, including items on asset security. It is a voluntary initiative of the sector aimed to manage risks the different players involved in handling chemical products are exposed to, seeking continuous improvement and excellence.

Our petrochemicals business has adhered to the PCRMA since 2012, steadily maintaining it through annual audits. In 2020, both PGSM and the Zárate Plant obtained outstanding scores.

## Pampa in sustainability platforms and indexes

In recognition of our management and commitment to sustainability, we participate in indexes, panels and rankings of renowned international organizations and companies in this area.

- [ByMA sustainability index](#)
- [Bloomberg's gender-equality index](#)
- [ByMA's corporate governance plus panel.](#)

For the second consecutive year and in response to our customers, in 2020 we completed the ECOVADIS questionnaire. This platform assesses our management in four areas: environment, labor practices and human rights, ethics, and sustainable procurement. As a result, we exceeded the average global rating of the sector's participating companies and were distinguished with a bronze medal in recognition of our achievements and progresses in sustainability.

**ecovadis**

Also, in response to our customers and investors' demand, we submitted the Carbon Disclosure Project (CDP)'s questionnaire, Pampa being a signatory of this platform on environmental topics since 2020. We were the only Argentine power company to be rated, and positively, by the CDP. In 2021 we participated in the Benchmark to continue incorporating environmental management improvements, extended the assessment, and submitted the water security questionnaire.



Moreover, in the Fifth Edition of the 'Connecting companies with the SDGs' Program organized by the CEADS and Ernst & Young Argentina, the five initiatives submitted by Pampa and the Pampa Foundation in alignment with several SDGs stood out.



- [Education and training for labor placement](#) (SDG 4, quality education): we believe that education is the key to the comprehensive development of individuals. We share our educational path support, training for labor placement, and teacher training programs through this initiative. These projects were performed through strategic partnerships with provincial and municipal public institutions (provincial ministries of education and municipal governments), academic sectors, leading civil society organizations in education topics, and educational institutions in our areas of operation.
- **Sustainable energy in our community (SDG 7, affordable and clean energy):** we implemented projects guaranteeing access to affordable, reliable and modern energy services, increasing the share of renewable energy and energy efficiency, and expanding infrastructure. Initiatives involved the manufacturing and installation of wind turbines, solar heaters, eco-stoves and the contribution to energy efficiency in schools, in partnership with national and provincial, public and private institutions (our value chain/another company of the sector), and civil society organizations: Argentine Association of Wind Energy (*Asociación Argentina de Energía Eólica*), 500RPM Organization and Vestas; *Organización Vivienda Digna* and *Fundación Sagrada Familia*; Solar Inti Foundation; MSI; Ministry of Education of the Province of Neuquén and National Institute of Industrial Technology (*Instituto Nacional de Tecnología Industrial*, INTI). The projects are '[Potentiating us in the COVID-19 Complexity](#)', '[Renewable Energies](#)' and '[Sustainable Energy in our community](#)'.
- **Our Energy for those who take care of us** (SDG 8, decent work and economic growth): We provided support in the COVID-19 health emergency. Our goal was to protect labor rights and promote a safe and risk-free work environment through swift and efficient measures to improve capacity, have the supplies to protect essential workers, and safeguard neighbors' health in each community. We participated in national solidarity campaigns, made agreements with federal and municipal bodies, and donated personal protection and hygiene items to healthcare centers and community organizations.

## 3.2. Sustainability governance

GRI content  
102-19, 102-20, 102-29, 102-30, 102-31

The Board of Directors is the Company's highest governance body. It is responsible for approving and supervising the corporate governance policies and following up on the design and implementation of the Company's sustainability-related actions.

The investor relations and sustainability department, jointly with the different Pampa's departments, analyze the indexes, impacts, risks and projections associated with the other issues significant for its business and the courses of action to be taken.

Presentations are made to the Board of Directors to provide sustainability management updates. In addition, when issues warrant it, members from different departments are invited to the meetings to raise queries regarding the specific topics to be addressed to guarantee the Board of Directors' supervision and follow-up of the fiscal year's goals.

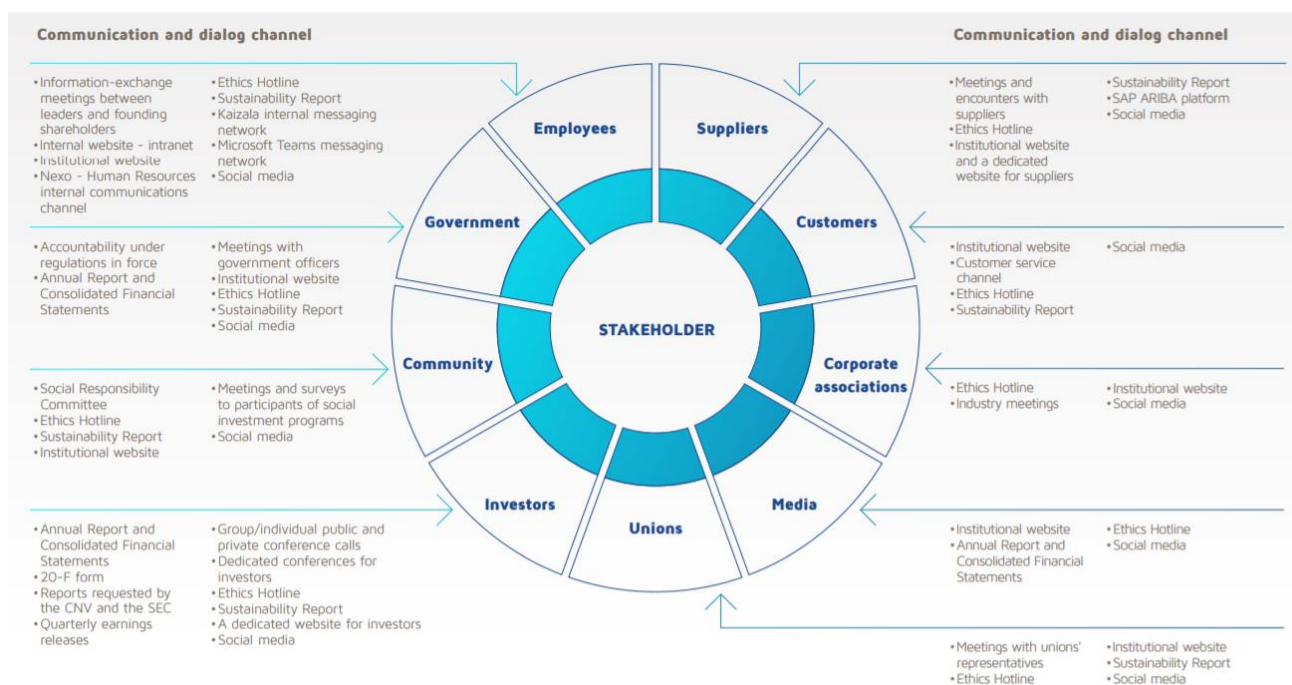
The Board of Directors approves the contents of the Sustainability Report and the Communication on the Progress of the United Nations Global Compact, understanding that these documents are the best tools to reaffirm our commitment with our stakeholders and with sustainable development.

Interaction between the Board of Directors and the management (including the Board's members exercising executive functions) enriches control over the Company's administration and the level of understanding of its performance. All the Board of Directors members' preparation and professional credentials allow for an open and sincere discussion on our management. In 2020, virtual meetings on business updates were held, and in 2021, comprehensive training on sustainability was performed.

## 3.3. Our stakeholders

GRI content  
102-40, 102-42, 102-43

Frequent dialog with our stakeholders is essential for the development of our businesses with a long-term perspective. By understanding their concerns and safeguarding their interests, we aim to construct a joint vision subject to the values that set us apart in pursuit of continuous improvement.



The investor relations and sustainability department coordinate the dialog process with stakeholders at the Group level.

## Stakeholder identification and relationship building in our assets

At Pampa Energía, we believe that proximity, transparency and cooperation are fundamental pillars for building and strengthening long-term relationships with our stakeholders. Since our operations have a broad geographical scope and a high complexity, decentralization is a characteristic of our process to identify and dialog with key players. In this sense, each asset maps its stakeholders, needs, and actions to impact local communities positively.

From the Production and Engineering Department, we reviewed the stakeholders' identification and relationship-building strategy using the Strategic Map and the Balanced Scorecard methodology. Within this framework, we formally established a 'Stakeholder identification and relationship building' goal and developed a process to define the priority stakeholders for operations; map the relevant topics; set objectives for relationship building and intervention priorities, and implement concrete action plans on stakeholders. The project covered all the power generation business assets located in Buenos Aires, Bahía Blanca, Mendoza, Neuquén and Salta.

We strengthened our sustainable management model by involving teammates adopting decisions at the asset level, deriving higher efficiency in implementing actions to have a higher impact on the business and the community. This process consisted of the following stages:

### Phase 1: identification and prioritization of topics and stakeholders

#### a) Stakeholders' mapping - identification to establish a connection

The project started in 2019 with six workshops. There were 19 stakeholders, 419 subgroups, and 141 relevant topics identified and classified by importance into a 'prioritization cubes' matrix.

#### b) Review of topics' prioritization cubes given the COVID-19

As a result of the pandemic outbreak in 2020, we carried out a new and thorough analysis of the identified stakeholders and issues, considering the changes in priorities and contingencies related to the COVID-19. To this effect, 27 virtual workshops were conducted with the assets' staff to review matrices contemplating the intervention's priority, influence, maturity of the relationship and the topic, and the Company's response capacity, among others.

#### c) A matrix of stakeholders' impact on the business

We developed an impact matrix analyzing the stakeholders' influence in our strategic goals based on two variables: assistance risk and urgency and meeting of external demands. In this way, we identified the eight stakeholders with the highest impact and urgency and risk level. For each group, we determined its material topics.

#### d) Contribution to the SDG

During Phase 1 of the project, an analysis was made about each of the Strategic Plan's goals to the SDGs. Specifically, the process identified eight SDGs: 4 (education), 6 (water), 7 (affordable and clean energy), 8 (decent work and economic growth), 9 (industry, innovation and infrastructure), 12 (responsible production and consumption), 13 (climate action) and 17 (alliances).

#### e) Cross-cutting and local action plans for higher efficiency

Following the identification of priority stakeholders and material topics, workshops were organized to evaluate the existing initiatives and define action plans taking into consideration three levels: cross-cutting projects with suppliers, the Government, liaison bodies and local communities and dispatches; local programs with aboriginal communities, unions, the media and customers; and synergy with existing initiatives with employees, shareholders and assets.

### Phase 2: development of action plans

The second phase of the program, which started in 2020, creates action plans collaboratively among players to meet each stakeholder's needs and join them in the decision-making process. The Company officers will approve the agenda, and their execution will be supported by an innovative virtual platform measuring the impacts and contributions to the Strategic Map's goals of the business and the SDGs.

## 3.4. External initiatives and memberships of associations

GRI content  
102-12, 102-13

Dialog and participation in different chambers, associations and initiatives allow us to contribute to consolidating sustainable development and playing an active role in material topics for the Company and its stakeholders.



## Sustainable development initiatives

Institution	Management position	Fund contribution	Work Group
Argentine Corporate Council for Sustainable Development ( <i>Consejo Empresario Argentino para el Desarrollo Sostenible, CEADS</i> )		✓	✓
United Nations Global Compact		✓	✓
Group of NGOs and Companies ( <i>Grupo de Fundaciones y Empresas, GDFE</i> )	✓	✓	✓
Argentinians for Education ( <i>Argentinos por la Educación</i> )	✓	✓	
Campana-Zárate Area Inter-industrial Environmental Conservation Committee ( <i>Comité Interindustrial de Conservación del Ambiente Campana-Zárate, CICACZ</i> )	✓	✓	✓
ECOPLAS	✓	✓	
VALOS (Mendoza)	✓	✓	✓
Network for Education ( <i>Red por la Educación</i> ) (Mendoza)		✓	
Sustainable North ( <i>Norte Sustentable</i> ) (Salta)		✓	✓
Club of Businesses Committed to Inclusion ( <i>Club de empresas comprometidas con la inclusión</i> ) (Bahía Blanca)		✓	
EXCELLENCE – Innovation and competitiveness		✓	
Argentine Society for Continuous Improvement ( <i>Sociedad Argentina Pro Mejoramiento Continuo, SAMECO</i> )	✓	✓	
Buenos Aires Stock Exchange ( <i>Bolsas y Mercados Argentinos, ByMA</i> )			✓
Business consortium for hydrogen in Argentina ( <i>Consortio empresas por hidrógeno en Argentina H2AR</i> )		✓	✓

## Industry chambers and associations

Institution	Management position	Fund contribution	Work Group
Argentine Oil and Gas Institute ( <i>Instituto Argentino del Petróleo y del Gas, IAPG</i> )	✓	✓	✓
National Institute of Standardization and Certification ( <i>Instituto Argentino de Normalización y Certificación, IRAM</i> )		✓	
Chamber of Hydrocarbon Producing Companies ( <i>Cámara de Empresas Productoras de Hidrocarburos, CEPH</i> )	✓	✓	✓
Argentine Plastics Industry Chamber ( <i>Cámara Argentina de la Industria Plástica, CAIP</i> )	✓	✓	
Power Generation Association ( <i>Asociación de Generadoras de Energía Eléctrica, AGEERA</i> )	✓	✓	✓
Chemical and Petrochemical Industry Chamber ( <i>Cámara de la Industria Química y Petroquímica, CIQyP</i> )	✓	✓	
Industrial Union of Salta ( <i>Unión Industrial de Salta</i> )		✓	✓
Industrial Union of Bahía Blanca ( <i>Unión Industrial de Bahía Blanca</i> )		✓	✓
Chamber of Commerce, Industry and Services of San Lorenzo and Surrounding Area ( <i>Cámara de Comercio, Industria y Servicios de San Lorenzo y su zona</i> )	✓	✓	✓
Salta Foundation ( <i>Fundación Salta</i> )	✓	✓	✓

## Awards and recognitions

To reinforce our positioning as an industry's benchmark company for sustainability, in 2020 we participated in different rankings and awards. The prominent recognitions include:

- ✓ Member of [Bloomberg's 2020 gender-equality index](#) (since 2018)
- ✓ Member of [ByMA's 2020 sustainability index](#) (since 2018)
- ✓ Member of [ByMA's corporate governance plus panel](#) (since 2018)
- ✓ Ranked 4<sup>th</sup> in the supplies and durables sector and 32<sup>nd</sup> in the ranking of companies of the *Apertura* magazine in 2021
- ✓ First position in the rankings of the [American Institutional Investor magazine](#) among Latin American electricity and public utility companies, in the categories best team, best investor relations and sustainability program, best investor relations professional and best sustainability accountability program (since 2017)

- ✓ The distinction to Gabriel Cohen, our 2020 CFO, given by the *El Cronista Comercial* newspaper and the *Apertura* magazine
- ✓ EIKON ORO to Pampa Foundation for its 'Energy Researchers' project, EIKON AZUL for our Sustainable Development initiatives, EIKON AZUL to Pampa Foundation for its Education and Labor Placement Training program, and EIKON PLATA to digital communication for the 'Pampa Energía with an own voice' project
- ✓ Recognition to our contribution to the 2030 Agenda in the Fifth Edition of the 'Connecting companies with the SDGs' program organized by the Argentine Corporate Council for Sustainable Development (CEADS) and Ernst & Young Argentina

### 3.5. Materiality analysis

GRI content

102-21, 102-43, 102-46, 102-47, 102-49, 103-1, 103-2, 103-3

Applying the GRI standards requires organizations to use a series of principles (GRI 101 - Foundation 2016) designed for their combined use to define the report content and quality.

PRINCIPLES FOR DEFINING REPORT QUALITY	BALANCE – COMPARABILITY – ACCURACY – TIMELINESS – CLARITY – RELIABILITY
PRINCIPLES FOR DEFINING THE REPORT CONTENT	STAKEHOLDER INCLUSIVENESS SUSTAINABILITY CONTEXT COMPLETENESS – MATERIALITY

#### List of material topics

+500 answers, +350 comments and opinions received

The process for the identification of potential material topics to be included in the Report included, among other impacts, the risks and opportunities observed by different experts and sector companies:

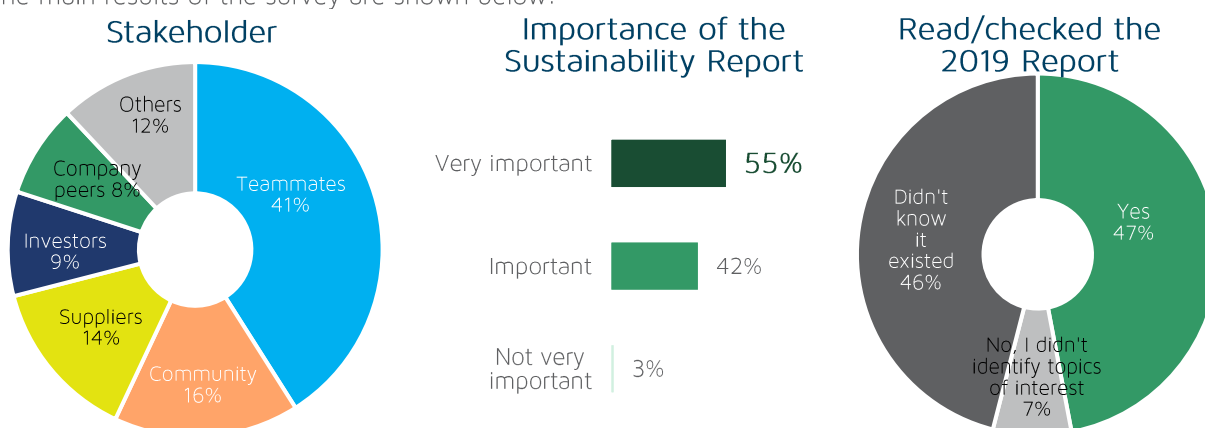
#### i) Identification of potential impacts, risks and opportunities

- ✓ Material topics were identified by the industry's leading companies worldwide (S&P Global Yearbook 2021) and Argentina.
- ✓ Aspects resulting from the GRI Standards.
- ✓ The SASB standards and the Materiality MAP for electric companies, power generators and oil and gas E&P.

#### ii) Prioritization of the relevant topics

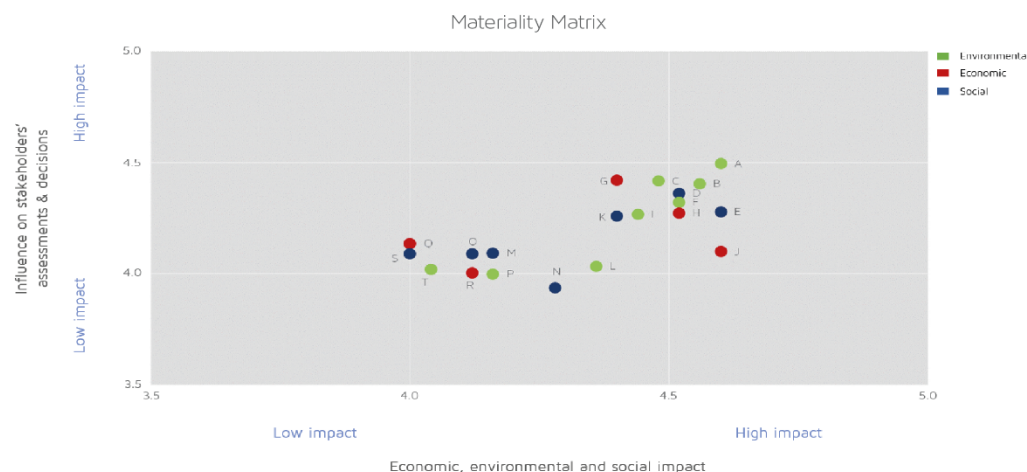
- After identifying potential material topics and through online surveys to our stakeholders, the most relevant topics to be included in the Report were prioritized. Also, new material topics unidentified in the previous stage arose, which were included in the topics list.
- The stakeholders prioritized all topics on a scale from 1 to 5 (with 1 being not very relevant and 5 being very relevant).

The main results of the survey are shown below:



All material topics and the main comments and opinions were submitted by the Investor Relations and Sustainability Department to the Company's Board of Directors.

2020	MATERIAL TOPIC	Importance		Chapter	Business impacts			Material topic coverage	
		Stakeholder (Y-axis)	Organization (X-axis)		Revenues	Costs	Risk	Within the Organization	Outside the Organization
A	Energy efficiency and renewable energy	4.50	4.60	Environmental		✓	✓	✓	
B	Water management and effluent treatment	4.40	4.56	Environmental		✓	✓	✓	
C	Environmental compliance	4.42	4.48	Environmental		✓	✓	✓	
D	Health and safety at the workplace	4.36	4.52	Environmental		✓	✓	✓	
E	Human capital training and development	4.28	4.60	Teammates	✓	✓		✓	
F	Greenhouse gas emissions and air quality	4.32	4.52	Environmental	✓		✓	✓	✓
G	Ethics and anti-corruption	4.42	4.40	Governance	✓	✓	✓	✓	✓
H	Infrastructure investment and economic development of communities	4.27	4.52	Community			✓		✓
I	Waste management	4.27	4.44	Environmental		✓	✓	✓	
J	Company's economic performance (value generated and distributed, etc.)	4.10	4.60	Economic	✓	✓		✓	
K	Employment (new hires and employee turnover, benefits, etc.)	4.26	4.40	Teammates		✓		✓	
L	Materials used, recycled and/or reused, etc.	4.03	4.36	Environmental		✓		✓	
M	Customer satisfaction	4.09	4.16	Economic	✓		✓		✓
N	Cybersecurity	3.94	4.28	Governance		✓	✓	✓	
O	Diversity, inclusion and equal opportunity	4.09	4.12	Teammates	✓	✓		✓	
P	Supplier environmental assessment	4.00	4.16	Economic		✓	✓		✓
Q	Risk management and regulatory compliance	4.14	4.00	Governance		✓	✓	✓	
R	Good competition practices	4.00	4.12	Economic	✓	✓	✓	✓	
S	Social investment: community partnerships and management	4.09	4.00	Community		✓	✓	✓	✓
T	Biodiversity	4.02	4.04	Environmental		✓	✓	✓	



We have not identified significant variations compared to the coverage and material topics identified in previous reports, except for the Customer satisfaction material topic, which is first developed in this Report and discloses how the Company manages this aspect.





Economic-financial  
performance



## 4. Economic and financial performance

SDGs  
8, 9, 12

### Material topics

Infrastructure investments and economic development of communities  
Company's economic performance  
Customer satisfaction  
Supplier environmental assessment

2020 has been an unprecedented year, characterized by the global impact of COVID-19. All our businesses were immediately declared essential, except for rubber, a petrochemicals subsegment, which resumed operations as an essential activity halfway through May of that year.

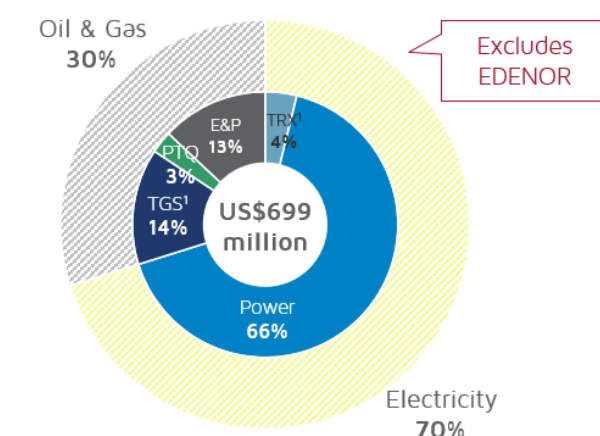
Despite the country's economic downturn, Pampa has positioned as the largest private-sector power generator in Argentina; besides, we have set another milestone on commissioning the second combined cycle at CTGEB, with an approximate US\$320 million investment.

We continued developing expansion projects, planning to add 280 MW of CTEB's combined-cycle closing, with an estimated investment of US\$200 million. In the E&P business, despite all the upheavals, we have managed to keep the production stable, positioning as the sixth-largest gas producer in the country.

We are looking for new sales pathways and, for the first time, we exported Medanito crude oil. We also exported gas to Chile in the summer period. 2020 was an excellent year for the petrochemicals business, with record export volumes to Brazil and increased domestic demand.

### Share of each business in the 2020 consolidated adjusted EBITDA

In % of the total = US\$699 million



Note: 1 Adjusted at our ownership.

### From the Pampa Group, we invested US\$528 million<sup>31</sup> in 2020

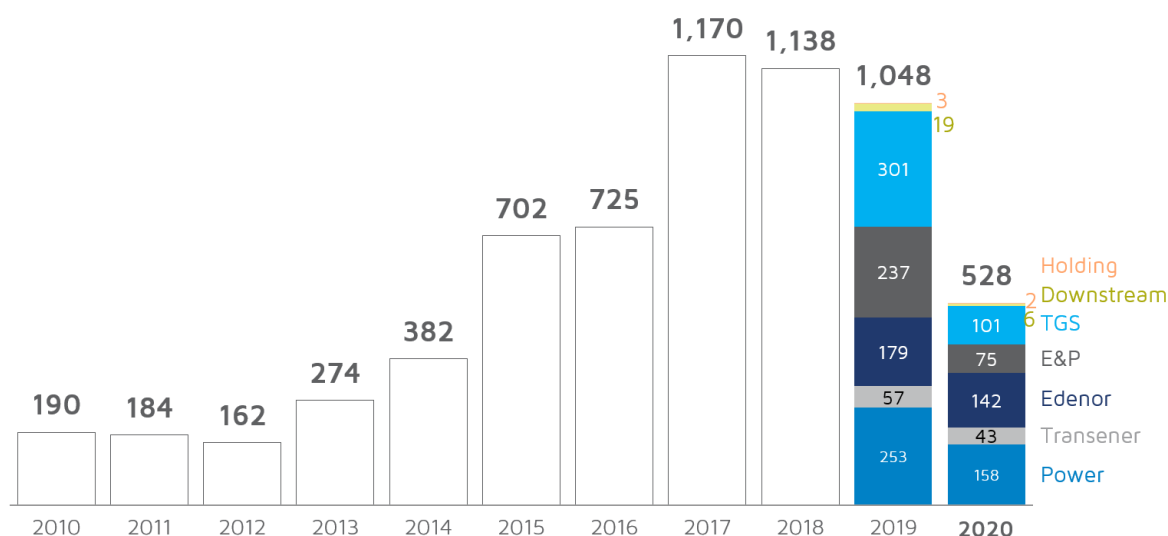
Regarding our investment plan, the timely and proper completion of important projects despite the pandemic impact is worth highlighting. Out of the total investment, US\$347 million were disbursed for the maintenance of our assets, particularly the provision of quality service by our regulated subsidiaries. Besides, approximately US\$181 million were allocated to expansions and non-recurring investments, mainly distributed between the previously mentioned closings to CCGT at CTGEB and CTEB and midstream projects in TGS.

By the end of 2020, the federal authorities launched Plan Gas.Ar, a 4-year program that seeks to promote and execute contracts to produce Argentine natural gas and limit foreign-currency import expenses. Pampa was the third-largest tenderer in the Neuquina Basin, which involves an average 15% growth in annual production and a 28% increase in the winter, the most critical time of the year. Under this new scheme, we will continue focusing on the development of tight gas, with an aggregate investment above US\$250 million throughout the program.

<sup>31</sup> The amount includes Edenor and 100% of the investments in affiliates CTEB, PEMC, TGS, Transener, OideVal and Refinor, which under IFRS are not consolidated in Pampa's FS and are denominated in nominal AR\$ converted at the year's average FX.



## Amount invested by Pampa Energía and its fully-owned subsidiaries In million dollars<sup>32</sup>



### 4.1. Direct economic value generated and distributed

GRI content  
103-1, 103-2, 103-3, 201-1, 203-1, 203-2

The following table shows the flow of value generated and distributed among the different stakeholders. Figures are presented in million dollars and taken from the [2020 Annual Report](#).

Economic value, in US\$ million	Stakeholder	2020	2019
<b>Direct generated</b>			
Net sales	Customers	1,071	1,338
Other income		234	378
<b>Total economic value generated</b>		<b>1,305</b>	<b>1,716</b>
<b>Distributed<sup>33</sup></b>			
Operating costs <sup>34</sup>	Suppliers	(1,420)	(697)
Employees' wages and benefits	Teammates	(114)	(129)
Payments to suppliers of capital	Credit providers	(177)	(187)
Taxes	Government	(59)	99
Community investments	Community	(3)	(2)
<b>Total economic value distributed</b>		<b>(1,773)</b>	<b>(916)</b>
<b>Retained economic value – Profit (loss) of the fiscal year</b>		<b>(468)</b>	<b>800</b>

For a further analysis of the main variations, see section 13.3 of the [2020 Annual Report](#).

<sup>32</sup> Indicators include the whole Pampa Energía Group, including Edenor.

<sup>33</sup> It considers community investments made by the Pampa Foundation and Pampa's CSR area.

<sup>34</sup> It includes US\$139 million and US\$62 million losses in property, plant and equipment, intangible assets and inventories; US\$592 million net losses and US\$62 million net profits from discontinued operations (Edenor) in 2020 and 2019, respectively.

## 4.2. Value chain

GRI content  
102-6, 102-9, 102-43, 103-1, 103-2, 103-3, 203-2, 204-1, 308-1, 412-3

### WE CREATE CLOSE RELATIONSHIPS

We have a deep commitment to establishing close bonds to guarantee our businesses' efficient and safe development, accompanying the growth of regional economies and their communities.

#### 4.2.1. CUSTOMER SATISFACTION

##### +400 customers in 2020, 80% local

We have a great diversity of customers. Our company participates in the whole electricity, and oil and gas value chains. Specifically, at Pampa, we sell the electricity generated in our thermal and hydroelectric power plants and wind farms, the gas and oil we explore and produce, and a wide variety of products manufactured at our petrochemical plants.

Business	Product	Scope	Sales methodology	Customers
Power generation	Electricity <ul style="list-style-type: none"><li>• Thermal</li><li>• Hydroelectric</li><li>• Renewable</li></ul>	<ul style="list-style-type: none"><li>• Domestic</li></ul>	<ul style="list-style-type: none"><li>• Spot market, prices regulated in pesos</li><li>• Power Purchase Agreements (PPA); unregulated prices agreed in U.S. dollars</li></ul>	<ul style="list-style-type: none"><li>• Large users: industries, offices, SMEs.</li><li>• CAMMESA</li></ul>
E&P	<ul style="list-style-type: none"><li>• Natural gas</li><li>• Light oil (Medanito)</li><li>• Heavy oil (Escalante)</li></ul>	<ul style="list-style-type: none"><li>• Domestic</li><li>• Exports</li></ul>	<ul style="list-style-type: none"><li>• Spot market, under a non-firm condition</li><li>• Long-term Gas Supply Agreements (GSA), unregulated prices agreed in U.S. dollars</li></ul>	<ul style="list-style-type: none"><li>• Large users: industries, gas stations, power plants, SMEs.</li><li>• Gas utilities</li><li>• CAMMESA</li></ul>
Petrochemicals	<ul style="list-style-type: none"><li>• Styrene</li><li>• Polystyrene</li><li>• SBR</li><li>• Reforming: octane bases, solvents</li></ul>	<ul style="list-style-type: none"><li>• Domestic</li><li>• Exports</li></ul>	<ul style="list-style-type: none"><li>• Spot market</li><li>• GSA</li></ul> <p>Unregulated prices correlated to international commodity prices denominated in U.S. dollars</p>	<ul style="list-style-type: none"><li>• Large users: industries, SMEs.</li></ul>

In 2020, we made sales to more than 400 customers, mainly in Argentina. CAMMESA is the customer that accounts for approximately 60% of our gross sales: it weighed about 80% of our electricity sales through the spot market and long-term PPAs, and 70% of E&P sales, purchasing natural gas on a non-firm basis<sup>35</sup>. Industries (including our own power generation and petrochemicals segments) accounted for approximately 30% of the remaining sales, followed by exports.

Despite the pandemic context, our private customers' delinquency rate did not increase significantly in 2020. Moreover, as of December 31, 2020, no judicial claims have been recorded.

#### Customer relationship management

The commercial teams of each business have dedicated salespersons and market and billing analysts. They also work with other corporate areas such as treasury (for credit assessments and collections), internal audit (contracts' due diligence and processes), legal (regulatory and contractual issues), taxes, strategic planning, etc.

Moreover, sales efforts apply different tools and mechanisms to measure the relationship with our clients and thus create long-term strategies:

- **Evaluation System Index (ESI)**, a customer satisfaction service for products and services received.
- **Customer churn analysis**, mainly in the E&P business which obeys strategic decisions. Pampa's leading positioning in these markets explains the power generation and petrochemicals businesses' churn is marginal.

<sup>35</sup> From January 2021, it also makes purchases through a 4-year GSA (Plan Gas.Ar).

- **CRM (Customer Relationship Manager) System**, enabling the traceability analysis of our interactions with customers, such as business meetings, quotes provided by the commercial team, executed contracts and technical assistance in the petrochemicals business, given the nature of its products.
- **Communications** via e-mail, phone, face-to-face and/or virtual meetings, visits to the plants, WhatsApp. Petrochemicals have a customer service center (CSC). Additionally, E&P has implemented WhatsApp Business and a dedicated website for industrial customers as communication channels.
- **Customer perception and market positioning analysis**
- **After-sales monitoring**, especially in petrochemicals, where our plants control the quality of the dispatched products to ensure compliance with generic or customer-agreed sales specifications. It is worth highlighting that our asset management is certified under the highest quality standards<sup>36</sup>.

Regarding data privacy, contracts stipulate confidentiality clauses, and spot market transactions are generated through platforms guaranteeing information security (Wholesale Electricity Market, Gas Electronic Market). All information is stored in our servers.

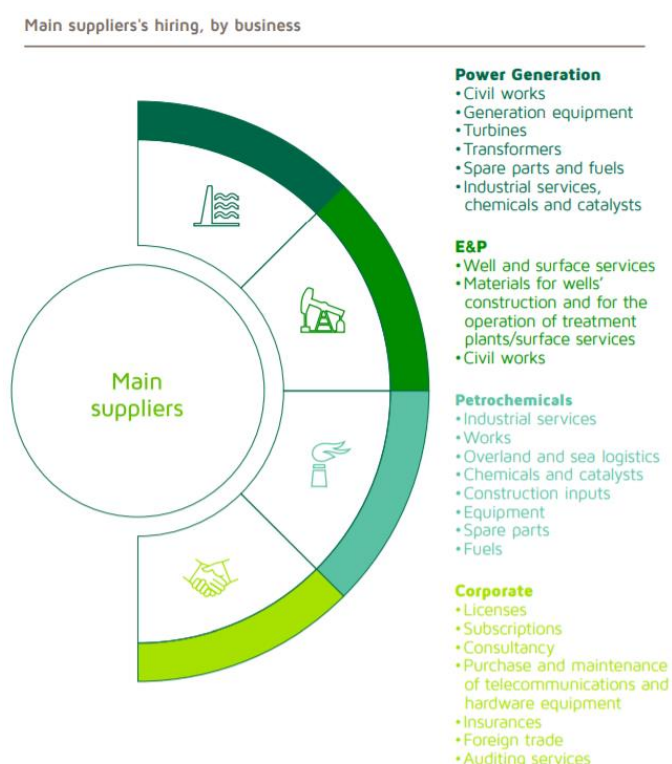
#### 4.2.2. OUR SUPPLIERS

From Pampa, we apply the best procurement practices to ensure the transparency, safety and quality of our products and services. In this sense, and based on the number and diversity of suppliers, it is vital to work periodically to consolidate our bond and add value to our relationship with each of them.

3,301 active suppliers in 2020 - 94% of them were local

US\$387 million purchases made in 2020 - 84% were made to local suppliers, directly contributing to the Argentine economy

Our Code of Business Conduct is the guiding document laying down the ethical principles for relationships between Pampa and our supply chain. The code provides guidelines and offers instruments guaranteeing the transparency of affairs and proper Company management.



Country	Purchase volumes, in US\$ million				Number of suppliers			
	2020		2019		2020		2019	
Argentina	327	84%	495	84%	3,119	94%	3,566	94%
Abroad	60	16%	97	16%	182	6%	218	6%
<b>Total</b>	<b>387</b>	<b>100%</b>	<b>592</b>	<b>100%</b>	<b>3,301</b>	<b>100%</b>	<b>3,784</b>	<b>100%</b>

**Note:** Procurement KPIs only consider assets operated by Pampa, excluding Edenor and affiliates. For further information, see section 'About this Report.'

<sup>36</sup> For further information, see section 5.2 of this Report.

## Breakdown of spending for foreign suppliers

Regions	2020	2019
Europe	16.6%	60.0%
Americas	82.9%	39.5%
Asia	0.5%	0.5%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>

### 2020 milestones

- ✓ **New Procurement Policy:** in line with the Integrity Program, we continued publishing and communicating corporate-wide procedures and standards on supplier management and applicable guidelines. The new policy includes our new Procurement Policy, guided by the premises of transparency, clear rules and free competition in our procurement processes<sup>37</sup>.
- ✓ **Process improvement:** we continued extending SAP Ariba functionalities to streamline supplier and purchase transactions in the procurement area. Moreover, the accounts payable area automated invoices receipts and payment and crediting processes digitalization.

### Assessment and selection of suppliers

Aiming to develop more agile, accessible and efficient supplier databases, we worked hard to improve our selection and assessment processes. Suppliers' analysis highlights the importance and accountability for technical and legal contracting requirements and environmental and social considerations, guaranteeing a safe and sustainable procurement.

### 1,541 new supplier registrations in 2020

In the general conditions for contracting new suppliers, we establish the basic requirements to be met by offers submitted in private price bids or invitations to tender regarding ethics, safety and health, labor laws and regulations, licenses and human rights, among others. We also make performance assessments to guarantee compliance: we started incorporating a unified review in our SAP Ariba platform, implemented in 2021.

Moreover, technical requirements for strategic hiring include the environmental management of the aspects that QHSE or the pertinent business will assess.

### Supplier management

We manage our suppliers through the SAP Ariba portal, which can be accessed through our institutional website. Implemented by the end of 2018, this platform facilitates the incorporation of new suppliers and allows for the traceability and integration of procurement processes

In this sense, we have streamlined and consolidated information, making multiple improvements in the supply system and the dedicated supplier and contractor website. The website is a direct contact channel including the following features:

- A messaging channel between Pampa's procurer and the suppliers for communications until the moment before the tender award, thus bringing more transparency to the bidding process.
- Automated and integrated supplier validation consolidated at all Pampa's subsidiaries.
- The procurement director may approve the opening of economic proposals submitted by suppliers rejected in the technical assessment mediated by the business, seeking to avoid partialities in the process and fostering competition.
- Improved access to helpdesk and essential information, making available payment status, tax records and other information.
- Possibility of adding attachments to the application process to improve the quality of information and assessment.

<sup>37</sup> For further information, see section 2.3, Ethics and Integrity, of this Report.

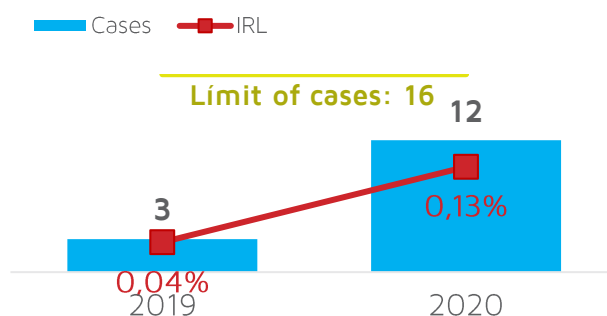
## Suppliers of critical goods and services

At Pampa, we perform permanent controls on the contracting process with all the supplier companies to guarantee compliance and reduce the risk for contingencies.

When tendering services and goods critical for the Company, we prioritize bidders having Comprehensive Management Systems. Besides, after the procurement contract award, we perform periodic audits of the supplier's performance in terms of QHSE. In 2020 we carried out Comprehensive Management Systems' audits of suppliers in some of Pampa's sites.

## Labor Risk Index (LRI)

This indicator calculates the number of labor claims filed against our Company by contractors' employees over the total outsourced labor. Based on this, we evaluate and generate actions to mitigate such risk. In 2020, 12 claims were recorded, compared to 3 in 2019, an increase in line with the country's trend due to the economic activity contraction worsened by the pandemic.



## Inclusive procurement

We promote inclusive and responsible consumption by our teammates. In partnership with NGOs developing labor placement projects, we conducted the Virtual entrepreneurs fair so that Pampa Building's teammates may make their end-of-year purchases to entrepreneurs of the *Former* organization, sponsored by the Ministry of Social Development's '100% *Nuestro* program.

Besides, in 2020 we fostered alliances to continue developing the inclusive purchases incorporation process and its impact in the communities where we operate:

- **Group of Companies Distributing Opportunities (CODE, *Grupo de Empresas que Distribuyen Oportunidades*):** a space for dialog, joint reflection, and search for activities associated with value chains, purchasing power, decent employment, responsible consumption and environmental care. Together with them, we devised the mission and vision of the Inclusive Purchases program to be developed in 2021.
- **DEL MATE:** we started drawing up a specific Responsible Inclusive Purchase procedure to favor incorporating social suppliers in Pampa's standard purchases.

## Supplier development

We accompanied some contractors' environmental, health and safety training whose services require specific knowledge on this area and the standards applied at Pampa.

In 2019, training was held for corporate staff and, mainly, operational staff, with an efficiency checklist and assessments in areas such as integrated management system, substances' classification and labeling, and waste management.

In 2020, due to the pandemic context, the training plan focused on preventing and eliminating COVID-19-inherent risks. Therefore, the different training sessions were held virtually and concentrated on pandemic-related topics: handling the emergency, cleaning and disinfection, using personal protection items, symptoms identification workshops, testing and training with specialists in infectious diseases and epidemiologists.





# Environmental performance

## 5. Environmental performance

SDGs  
6, 7, 8, 9, 12, 13, 17

**Material topics**  
Energy efficiency and renewable energy,  
Water management and effluent treatment,  
Environmental compliance, Greenhouse gas emissions and air quality,  
Waste management, Materials used, recycled and/or reused,  
Biodiversity

### EFFICIENCY AND IMPACT MANAGEMENT

At Pampa, we aim to efficiently manage our impacts and successfully become a safe and eco-efficient company. We seek to meet current needs without compromising future generations, promoting the rational use of natural resources and being attentive to the welfare of our community. Aware of our operations' footprint, we work under the highest quality standards, adopting a proactive attitude by continuously monitoring and assessing performance KPIs and a constant search to identify improvement opportunities.

#### 2020 milestones

- ✓ We have launched the operational RMM in all our assets and completed the first assessment cycle, establishing action plans to address the most relevant risks.
- ✓ We have moved forward with implementing the Environmental Principles throughout the Company.
- ✓ Despite the pandemic, we consolidated our management based on performance KPIs, meeting most of the targets established for the fiscal year 2020.

#### 5.1. Comprehensive management

GRI content  
102-11, 103-1, 103-2, 103-3, 403-1, 403-2, 403-4, 403-5, 403-7

From 2017, we have our [QHSE Policy](#), which is an integral part of our business and applies to all the assets operated by the Company. The performance of our operations is guided by a continuous improvement and Comprehensive Management System, respecting the environment and the resources we use.

Our ten guidelines constitute an agile and straightforward guide to promote our businesses' sustainable development and lead the implementation of our QHSE Policy.

Despite the pandemic, a context that required the Company's special attention, in 2020, we continued progressing with the management programs in all our operations, allocated resources to staff training, and focused on strengthening Pampa's culture in QHSE aspects.



##### 5.1.1. COMPREHENSIVE MANAGEMENT SYSTEM

The QHSE Policy and Guidelines lay the foundations of our Comprehensive Management System, characterized by:

- Being a preventive system guiding us in the management of risks and opportunities
- Furthering the continuous improvement of business processes and results
- Performing frequent monitoring and improving our performance
- Being a management system certified by independent external bodies
- Strengthening synergies between our assets and businesses, respecting their distinctive characteristics

- Establishing parameters common to the entire Company for the setting and follow-up of targets, the execution of projects, plans, programs, training sessions, audits and assessments in the different fields of work

---

### 5.1.2. MANAGEMENT COMMITTEES

To promote continuous improvement and the proper businesses performance, we have management committees in place in each of our operations, led by the asset's general manager and coordinated by the QHSE staff. These committees periodically conduct critical analyses on the performance and development of action plans to minimize specific risks in each identified scenario.

#### Fourth annual meeting of QHSE leaders

For the fourth consecutive year, we have conducted an annual meeting of leaders to promote cultural integration on QHSE matters and strengthen our network. In 2020 it was performed in a virtual format, almost tripling the number of participants compared to previous gatherings, enabling a greater outreach and more productive conversations, identifying improvement opportunities to be addressed in 2021.

With the participation of 60 leaders, we developed joint initiatives for implementation in the businesses and shared experiences. The main topics discussed were: RMM, process digitalization, ergonomics in operations and remote working, sustainability and stakeholders, Environmental Principles.

---

### 5.1.3. RISK MANAGEMENT

Risk management is an explicit commitment in the QHSE Policy and Guidelines to reduce risks inherent in our operations. Through multiple requirements, we promote preventive management geared at identifying, assessing, and handling risks and opportunities.

As part of our Comprehensive Management System, in 2020, we worked in the implementation of the RMM, which assesses the following aspects:

- |                                |                                                   |
|--------------------------------|---------------------------------------------------|
| • Legal conformity             | • Environmental impacts                           |
| • Reliability                  | • Occupational health                             |
| • Operational discipline       | • Industrial hygiene                              |
| • Suitability of the workforce | • Contingency                                     |
| • Contractors and community    | • Comprehensive management of the QHSE Guidelines |

In 2020 we performed the first RMM assessment cycle in all our assets, and 82% of the risks were classified as low or moderately low. Consequently, we established action plans to address major risks, progressing in their implementation in 2021.

The operational RMM is a preventive methodology that facilitates the integrated evaluation of the most relevant operational risks and the implementation of improvement plans, contributing to applying the QHSE Policy and Guidelines in all our assets

---

### 5.1.4. COMPREHENSIVE KPI MANAGEMENT

We continuously monitor QHSE KPIs in all our assets through the unified Indicator Board. This system allows us to generate concise and sound information, analyze trends and the long-term evolution of metrics, make better real-time decisions, and improve our performance.

In 2020, we continued improving the QHSE Board by incorporating new legal compliance indicators contributing to more proactive management. Moreover, we determined performance targets to minimize the risks in new projects and operations.

## In 2020, we maintained and reached the proposed targets

Target	2020 performance
Environmental anomalies = zero	✓ No anomalies registered
Process anomalies = 9	✓ Three anomalies recorded
Spills in soils and water bodies = 20.3 m <sup>3</sup>	✓ Five events for a total accumulated of 2.4 m <sup>3</sup>

In 2020, no significant penalties and/or sanctions resulting from breaches to environmental laws or regulations were recorded – ‘significant’ meaning any penalties exceeding US\$10,000 or its equivalent in Argentine currency. Moreover, as of December 31, 2020, environmental contingencies amounted to 0.5% of the Company’s total assets.

### 5.1.5. ACTION PLANS FOR CONTINUOUS IMPROVEMENT

On an annual basis, we establish plans to sustain and optimize the management and performance of our operations. Improvement teams are appointed in each asset to this effect, focusing on efficiency, productivity, costs, quality, health, safety, and the environment to properly implement the corresponding actions.

#### SAMECO’s annual meeting for continuous improvement

We select outstanding improvement-oriented practices to present in the Argentine Society for Continuous Improvement annual national meeting (*Sociedad Argentina Pro Mejoramiento Continuo*, SAMECO), where experiences and knowledge are shared. In 2020, the meeting was held virtually with 28,000 visitors from 31 countries; in this event, we submitted the work ‘Coronavirus: health in times of lockdown’ prepared by CPB.

## 5.2. Quality of our management

GRI content  
103-1, 103-2, 103-3, 403-1

We have moved forward with the implementation of the ISO 45001 standard on occupational health and safety in our operations

We started with the implementation of the ISO 55001 standard on asset management, and the ISO 50001 on energy management in the Power generation business

We conduct internal audits by qualified staff and external audits by renowned institutions such as TÜV Rheinland, IRAM, and Bureau Veritas to comply with these certifications.

We use international ISO standards and the Argentine National Quality Award model as benchmarks to reinforce the quality of our management and continuous improvement in all our activities. The primary quality management methodologies applied are comprehensive assessments (adaptation to Guidelines, management of QHSE’s operational and performance risks), the administration of certified management systems, and daily management quality. In this sense, in 2020, we successfully completed the certification program under these standards, demonstrating the effectiveness in the scope of the defined targets and the commitment with our stakeholders.

In 2020, our certification achievements were as follows:

- All our businesses maintained their certification to the ISO 14001 standards on environmental management.
- We accomplished significant progress in migrating the occupational safety and health management certification from OHSAS 18001 to the new ISO 45001 standard that, with its new requirements, reaffirms the Company’s strengthened commitment to these issues. At the end of the year, most of our operations were certified under the ISO 45001 standard. In 2021, the E&P business and our power generation assets CTLL and CPB are working on completing the migration to the new standard. In contrast, CTIW is in the process of obtaining the certification.
- Most of the power generation assets and E&P and petrochemicals businesses maintained their certifications under the ISO 9001 standard on quality management. Specifically, CTGEBA held its certification under the ISO 50001 standard on energy management.

- We started the certification process for the ISO 55001 standard on asset management in the power generation segment, contributing to a strengthened Comprehensive Management System, better standardization of our power plants and improved operational reliability. Currently, only CTGEBa has this certification.

### Technology for the quality of our daily management

We use different IT tools to maintain the quality of our day-to-day management and integrate variables such as practices on standards, management of findings and improvements, preventive observations, legal compliance, and KPI analysis.

We developed some specific IT solutions in a year marked by a unique context in response to the pandemic. In addition to our existing QHSE applications, these solutions have allowed us to work prevention and control protocols, such as the self-monitoring of symptoms, hygiene records at the workplaces, and the disinfection of vehicles.

Focused on the continuous improvement of our operations, in 2020 we unified the management of anomalies, audits and actions in the new 'findings and improvements management' integrated practice, drawing up a new procedure and redesigning the support IT tool in the SharePoint platform. The redesign of this tool has offered a more agile and more straightforward solution tailored to our needs, representing the fourth and last stage of a project launched in 2019 for the global improvement of QHSE applications.

Besides, we completed the implementation of the Terv application in all our businesses and at the Pampa Building. Terv is a digital solution to manage legal compliance with environmental, hygiene, health and safety aspects. Among its benefits, a systematic, comprehensive and visible upgrade of legal matrices, the visualization of legal compliance indicators by asset, reminders of upcoming deadlines, the availability of and access to evidence of compliance for authorized users, the preservation of information and the responsibility for verifying compliance at the local level are worthy of mention.

## 5.3. Natural resources management

GRI content  
103-1, 103-2, 103-3

Our goal is to be a safe and eco-efficient company that optimizes its resources and is concerned about its employees' quality of life and the community's welfare. The strong commitment to responsible and proactive environmental management, founded on Pampa's values, applies to the daily work of all our teams in each of our operations.

About our commitment to accountability and climate change, in 2020, Pampa completed the Carbon Disclosure Project (CDP) survey for the second consecutive year, becoming a signatory and the only Argentine energy company qualified by this benchmarking platform. For the next year, we plan to extend the evaluation and complete the questionnaire on water safety.

Moreover, within the 5<sup>th</sup> edition of the 'Connecting companies with the SDG' program, organized by the CEADS and Ernst & Young Argentina, the initiatives submitted by Pampa and the Pampa Foundation in the environmental area include the '[Renewable Energies](#)' and '[Sustainable Energy in our community](#)' projects, which contribute to SDG 7: Affordable and clean energy<sup>38</sup>.

### Our Environmental Principles

In alignment with the SDGs set by the UN and guided by our QHSE Policy, six principles are furthered to reinforce an integrated management model, promote sustainable practices and develop our human capital consolidating Pampa's culture.

<sup>38</sup> For further information, see section 3.1 of this Report.



# ENVIRONMENTAL PRINCIPLES



## 5.3.1. ENERGY

GRI content

103-1, 103-2, 103-3, 301-1, 302-1, 302-3, 302-4, 302-5

### Fuel consumption

Fuel consumption mainly consists of fossil fuels for power generation, which in 2020 represented 88% of our total consumption. During the said period, we reached a consumption of 119,624,754 GJ<sup>39</sup>, 2.3% higher than in 2019, due to the second-semester reactivation at petrochemicals production and the higher electricity dispatch with fuel oil, partially offset by higher efficiencies in E&P and the impact of remote working at Pampa Building. The primary source of fossil fuel was natural gas, representing 96.1% of the total consumption.

Energy consumption	2020	2019	2018
Power generation	88.0%	89.3%	88.4%
E&P	2.4%	2.7%	2.6%
R&D <sup>1</sup>	-	-	0.03%
Petrochemicals	9.6%	8.0%	9.0%
Holding and others	0.01%	0.02%	-
<b>Total</b>	<b>100% = 119,624,754 GJ</b>	<b>100% = 116,970,723 GJ</b>	<b>100% = 116,879,680 GJ</b>

Note: Figures calculated according to Pampa's emissions inventory. 1 Pampa divested the R&D segment in 2018.

The commissioning of the second CCGT at CTGEBa allows for increased power generation from natural gas consumption

The greater use of natural gas compared to other fossil fuels has a positive impact on our operations' carbon footprint

<sup>39</sup> Fuel consumption, reported in terms of energy (GJ), consolidates the consumption of natural gas, production gases, diesel oil, petrochemicals' special liquid fuels, fuel oil and grid power.

Consumption by source	2020			2019		
	Original metric	GJ	%	Original metric	GJ	%
Natural gas (million m <sup>3</sup> )	3,175	114,957,565	96.1%	3,210	114,761,178	98.1%
Fuel oil <sup>1</sup> (m <sup>3</sup> )	88,197	3,542,680	3.0%	26,879	1,080,225	0.9%
Electricity (MWh)	169,496	610,185	0.5%	124,224	447,172	0.4%
Diesel oil (m <sup>3</sup> )	14,022	514,323	0.4%	18,635	682,147	0.6%
<b>Total</b>		<b>119,624,754</b>	<b>100%</b>		<b>116,970,723</b>	<b>100%</b>

**Note:** Figures calculated according to Pampa's indicator board. Due to rounding, the total may not equal the sum of the figures. <sup>1</sup> Including special liquid fuels used in the Petrochemicals business.

Fuel oil consumption almost tripled in 2020, as there was a higher electricity dispatch based on this fuel as indicated by CAMMESA, the authority that defines the type of fuel to be used for electric power generation.

Energy intensity	Unit of measure	2020	2019	2018
Power generation <sup>1</sup>	MWh	6.25	6.56	6.80
E&P <sup>2</sup>	GJ/Ton	1.59	1.85	2.27
Petrochemicals <sup>3</sup>	GJ/Ton	27.91	21.39	23.84
Holding and others <sup>4</sup>	GJ/m <sup>2</sup> -pers	310.92	472.96	382.44

**Note:** Including internal consumptions. No data on R&D is submitted due to the divestment of this segment in 2018. <sup>1</sup> Based on gross generation from all Pampa's operated power plants. <sup>2</sup> Liquid or gas tons produced by the blocks operated by Pampa are calculated and reported using density to establish the volume/mass equivalence. <sup>3</sup> Tons produced = sales of the period +/- stock variation of the year are reported. <sup>4</sup> Estimated at m<sup>2</sup> per person at the Pampa Building.

The power generation's energy intensity increased by 4.7% compared to 2019, explained by the commissioning of the second CCGT at CTGEB A in July 2020, improved efficient power generation, and clean energy from the wind farms commissioned in 2019. Moreover, E&P's energy intensity decreased by 14.0%, mainly due to the increased gas production operated by Pampa, and also in holding and others on account of remote working within the pandemic context. Besides, the 30.4% increase in petrochemicals' energy intensity is explained by higher fossil fuel consumption, resulting from the reactivation and the pandemic's impact on the annual output.

Besides the commissioning of the second CCGT, CTGEB A improved the first CCGT gas turbines' heat yield, increasing its installed capacity and efficiency

## Renewable energy

In 2020, we generated 2,404 GWh of clean energy from our three wind farms and our three hydroelectric power plants

4.1% year-on-year increase

14.6% of the total net energy generated by the Company

We seek to promote energy efficiency in our activities within our Environmental Principles framework, reducing atmospheric emissions and promoting responsible energy consumption. Hence, we've been supporting our renewable generation, allowing us to keep up with the challenges posed for an energy scenario where unconventional fossil energies coexist with renewable energies.

Moreover, our renewable generation contributes to reaching the national targets set by Renewable Energies Law No. 27,191, which stipulates percentages of the national demand to be supplied by green electricity. In 2019, this law provided a minimum of 12% of electricity consumption supplied with clean energy. However, in 2020 only 10% was provided by renewable sources.

Net generated energy	2020		2019		2018	
	GWh	%	GWh	%	GWh	%
Conventional	14,065	85.4%	13,273	85.2%	12,743	85.8%
Renewable	2,404	14.6%	2,309	14.8%	2,102	14.2%
<b>Total</b>	<b>16,469</b>	<b>100%</b>	<b>15,582</b>	<b>100%</b>	<b>14,845</b>	<b>100%</b>

**Source:** Cammesa. **Note:** Due to rounding, the total may not equal the sum of the figures.

## Energy consumption optimization

Besides encouraging and promoting the production of clean energies, we continued adopting good practices to make efficient use of energy resources.

### Solar panels at CTGEBA

Forty photovoltaic cells installed in 2012, contribute 10 kW of energy to the power plant's cafeteria and janitor room lighting system.

### Consumption of clean energy at the Pampa Building

Since 2019, most of our headquarters' electricity consumption has been acquired in the MAT ER, and supplied from our wind farms PEPE 2 and PEPE 3.

Renewable electricity consumption	2020	2019
Energy acquired in the MAT ER (MWh)	2,868	1,673
% of the Pampa Building's entire consumption	82%	31%
% of Pampa's total electricity consumption	2%	1%

### Improvements in our thermal power plants' facilities

- **CTGEBA:** in July 2020, Genelba Plus' second CCGT, with an installed capacity of 568 MW, was commissioned, increasing efficiency to 53% and turning CTGEBA into one of the largest and most efficient power plants in the country.
- **CTEB:** currently is undergoing a closing to combined-cycle project, which will increase generation by adding 280 MW to the SADI; the completion of the works is scheduled for 2022. Through this expansion, CTEB will become one of the most efficient power plants in the country, producing more electricity without increasing fuel consumption.
- **CTLL – MAN engines:** in 2020, works continued to install two engines with a gross capacity of 7.5 MW each, fired with natural gas and 40% efficiency. CAMMESA commissioned the units on August 3, 2021.
- **CTLL – Island project:** to avoid the adverse effects of a sudden outage in the event of a failure in the 500 kV line, in 2015, the first stage of this project was implemented. This implementation allowed the power plant to disconnect from the SADI grid under controlled conditions to keep the plant operational and the alternating current auxiliary services protected and supported. In 2020, we completed 60% of the project's second stage, synchronizing the SADI and the power plant operating in island mode, allowing for a shortened startup until the whole power plant is fully operational. The second stage is expected to be completed in 2021.

## 5.3.2. EMISSIONS

### GRI content

103-1, 103-2, 103-3, 305-1, 305-2, 305-4, 305-5, 305-7

### SASB indicators

IF-EU-110a.1, IF-EU-110a.2, IF-EU-120a.1  
EM-EP-110a.1, EM-EP-110a.2, EM-EP-120a.1

We understand that mitigating climate change depends on different factors, especially the industry as a driving force for change to operate with energy efficiency and as a supplier of low carbon and other gases solutions. At Pampa, we calculate scope 1 and 2 emissions in all our operating activities and processes to monitor results and thus quantify our carbon footprint. The regular monitoring of these metrics allows us to assess the efficiency of our management focus and opportunities for improvement, projects implantation, and impact minimization.

Every month, we record GHG (CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O) and sulfur oxides (SO<sub>x</sub>) emissions in each operated asset, based on the API 2009 and/or the IPCC methodology and protocols and the use of coefficients developed by these entities. Moreover, we record annual refrigerant gases emissions from the petrochemicals and holding and other businesses and the NO<sub>x</sub> emissions of each of the businesses.

Type of emissions	Unit of measure	2020	2019	2018
GHG – scope 1	TCO <sub>2</sub> e	6,728,430	6,526,583	6,791,449
GHG – scope 2	TCO <sub>2</sub> e	78,477	58,062	86,138
<b>GHG – scope 1+2</b>	<b>TCO<sub>2</sub>e</b>	<b>6,806,907</b>	<b>6,584,645</b>	<b>6,877,587</b>
CO <sub>2</sub>	Metric ton	6,722,439	NC	NC
SOx <sup>1</sup>	Metric ton	1,377	441	1,931
CH <sub>4</sub>	Metric ton	1,804	NC	NC
N <sub>2</sub> O	Metric ton	147	NC	NC
NOx	Metric ton	15,158	NC	NC
SAO	Metric ton	1.68	NC	NC

**Note:** Figures calculated according to Pampa's emissions inventory. Due to rounding, the total may not equal the sum of the figures.  
**1.** SOx emissions are formed by the oxidation of sulfur contained in fuels.

2020 scope 1+2 emissions, by business and GHG	In metric tons					
	CO <sub>2</sub>	SOx	CH <sub>4</sub>	N <sub>2</sub> O	NOx	SAO
Power generation	5,865,358	1,347	504	134	13,617	-
E&P	300,634	2	479	1	703	-
Petrochemicals	554,830	28	821	12	837	1.62
Holding and others <sup>1</sup>	1,617	-	-	-	-	0.06
<b>Total</b>	<b>6,722,439</b>	<b>1,377</b>	<b>1,804</b>	<b>147</b>	<b>15,158</b>	<b>1.68</b>

**Note:** Figures calculated according to Pampa's emissions inventory. Due to rounding, the total may not equal the sum of the figures.  
**1** It refers to the Pampa Building.

In 2020, the 3.4% increase in GHG and SOx emissions was associated with a higher fuel oil consumption as a result of the rising thermal dispatch required by CAMMESA, the petrochemicals production reactivation during the second half of 2020, which the COVID-19 pandemic had impacted, and the higher natural gas production in our operated areas. However, these increases were partially offset by the lower activity at the Pampa Building, explained by the lockdown decreed by the Federal Government and the remote working modality in the corporate areas.

Regarding the ISO 50001 standard, the power generation business continues its adjustment process. In particular, working to draw up meaningful use energy matrix in each power plant.

In the petrochemicals business, we also measured polypropylene and polystyrene's carbon footprint, both manufactured at the Zárate plant to produce dairy containers. The analysis sought to establish a correlation between the involved productive processes and estimate and compare the carbon footprint between both polymers. The methodology was based on the ISO 14.044:2006 standard (Environmental Management - Life cycle assessment) and the ISO 14.067:2018 standard (Greenhouse gases - Carbon footprint of products - Requirements and guidelines for quantification).

For the next years, we plan to continue making progress with the improvements in our processes regarding the calculation of emissions, incorporating the recording and quantification of emissions of other gases such as particulate matter and NOx, including emissions produced by fugitive methane sources.

Besides, we are identifying improvement opportunities for the calculation of the baseline of the Science-based targets. We plan to continue working with the different Pampa businesses to identify and implement energy efficiency projects to improve yields, minimize impacts, and promote sustainable management.



GHG emissions, scope 1+2, by business	2020		2019		2018	
	TCO <sub>2</sub> e	%	TCO <sub>2</sub> e	%	TCO <sub>2</sub> e	%
Power generation	5,917,456	86.9%	5,804,836	88.2%	5,974,381	86.9%
E&P	310,939	4.6%	291,773	4.4%	320,577	4.7%
R&D <sup>1</sup>	-	-	-	-	65,249	0.9%
Petrochemicals	576,797	8.5%	485,552	7.4%	514,327	7.5%
Holding and others <sup>2</sup>	1,715	0.03%	2,483	0.04%	3,053	0.04%
<b>Total</b>	<b>6,806,907</b>	<b>100%</b>	<b>6,584,645</b>	<b>100%</b>	<b>6,877,587</b>	<b>100%</b>

**Note:** Figures calculated according to Pampa's emissions inventory. Due to rounding, the total may not equal the sum of the figures. <sup>1</sup> Pampa divested the R&D segment in 2018. <sup>2</sup> In Holding and others (the Pampa Building), the value is expressed with two decimal places to achieve data consistency and transparency.

2020 GHG emissions, by business and scope	Scope 1		Scope 2	
	TCO <sub>2</sub> e	%	TCO <sub>2</sub> e	%
Power generation	5,844,211	86.9%	73,245	93.3%
E&P	310,725	4.6%	215	0.3%
Petrochemicals	573,397	8.5%	3,400	4.3%
Holding and others <sup>1</sup>	98	0.001%	1,617	2.1%
<b>Total</b>	<b>6,728,430</b>	<b>100%</b>	<b>78,477</b>	<b>100%</b>

**Note:** Figures calculated according to Pampa's emissions inventory. Due to rounding, the total may not equal the sum of the figures. <sup>1</sup> It refers to the Pampa Building, where emissions are almost insignificant. The figure is expressed with three decimal places to achieve data consistency and transparency.

## The efficiency in power transformations have increased with the improvement of the carbon intensity indicator

Although in 2020 GHG emissions experienced a 3.4% year-on-year increase, it was accompanied by a year-on-year increase in the gross production of electricity and hydrocarbons of 5.8% and 5.4%, respectively, at our operated assets.

Carbon intensity	Unit of measure	2020	2019	2018
Power generation <sup>1</sup>	TCO <sub>2</sub> e/MWh	0.35	0.36	0.39
E&P <sup>2</sup>	TCO <sub>2</sub> e/Ton	0.17	0.17	0.24
	TCO <sub>2</sub> e/boe	23.78	23.50	31.22
Petrochemicals <sup>3</sup>	TCO <sub>2</sub> e/Ton	1.41	1.12	1.17
Holding and others <sup>4</sup>	TCO <sub>2</sub> e/m <sup>2</sup> -persona	42.40	60.83	56.80

**Note:** including internal consumptions. No data on R&D is presented due to the divestment of this segment in 2018. <sup>1</sup> Based on the gross generation of all Pampa's operated power plants. <sup>2</sup> Liquid or gas tons produced by the blocks operated by Pampa are calculated and reported using density to establish the volume/mass equivalence. <sup>3</sup> Tons produced = sales of the period +/- stock variation of the year are reported. <sup>4</sup> It is estimated based on payroll/m<sup>2</sup> at the Pampa Building.

Based on the intensity of carbon dioxide equivalent emissions in the SADI, the National Secretariat of Energy annually calculates the National Power Generation Operating Margin. The latest data published for the national power grid's emissions coefficient is 2019, when it reached 0.4282 TCO<sub>2</sub>e/MWh<sup>40</sup>. In contrast, in 2020, our generation recorded 0.3512 TCO<sub>2</sub>e/MWh. This substantial difference is mainly explained by our efficient thermal power generation technology, which energy consumption is below the national average for thermal power plants, in addition to the operated capacity from hydroelectric and renewable power plants, with marginal GHG emissions, injecting energy with a lower carbon footprint and contributing to a cleaner and more diversified matrix. Moreover, except for the Pampa Building, the other production sites are not located in areas deemed densely populated.

<sup>40</sup> Source: Secretariat of Energy: <http://datos.minem.gob.ar>.

Carbon intensity, by type of generation	Unit of measure	2020	2019
Thermal	TCO <sub>2</sub> e/MWh	0.412	0.428
Hydroelectric	TCO <sub>2</sub> e/MWh	0.003	0.005
Wind	TCO <sub>2</sub> e/MWh	0.011	0.012

## Emissions mitigation and reduction

As part of our initiatives geared at mitigating climate change and reducing our GHG emissions, we have also implemented actions to capture CO<sub>2</sub> and promote the energy efficiency of our assets:

- ✓ **CTLL:** Since 2008, we have cultivated vineyards in a natural land, neighboring CTLL's facilities, which has allowed us not only to capture CO<sub>2</sub> but also to reuse the plant's effluents for irrigation. In 2019 we planted 4,000 linear meters of perimeter poplar trees in the vineyard. As a result, we estimate that in 2020 the capture of CO<sub>2</sub> amounted to approximately 42 TCO<sub>2</sub> per hectare annually.
- ✓ **CTGEBA:** During the execution of the expansion project, 50 whistling pine trees were planted in the plant's perimeter area, in the proximities of the new CCGT's cooling tower.

On the other hand, we implemented significant technological improvements in the power plants, which, added to the efficiency of the power generation processes, allow us to reduce GHG emissions.

- **CTLL:** installation of two gas engines with a 40% efficiency.
- **CTEB:** currently undergoing the conversion to CCGT, improving the plant's efficiency from 37% to 57%.
- **PGSM:** periodic controls are performed to identify fugitive emissions in flanges, valves, joints, among other pieces, carrying out the corresponding maintenance.

In 2013, CTLL obtained the approval for a voluntary offsetting CDM (Clean Development Mechanism) project, which remains in effect under the United Nations Framework Convention on Climate Change (UNFCCC). [The initiative](#) generates carbon credits—Certified Emission Reductions (CERs), which may be sold to offset GHG emissions. The number of generated CERs amounts to approximately 300,000. The first crediting period was completed in 2020.

Moreover, in 2020 we initiated the procedures to obtain the certification granted by the International REC Standard Foundation, which was completed in August 2021. As part of our commitment to the environment, we offer international renewable energy certificates (IRECs) to large customers using the energy produced by our wind farms [PEPE II](#) and [PEPE III](#). These certificates are internationally recognized instruments that companies use with carbon emission mitigation targets and support renewable energy development. Pampa may issue about 500,000 certificates a year, which represents approximately 10% of the total certificates issued in the country. More information can be found [here](#).

## 5.3.3. WATER AND EFFLUENTS

GRI content

103-1, 103-2, 103-3, 303-1, 303-2, 303-3, 303-4

SASB indicators

IF-EU-140a.1, EM-EP-140a.1

### Water

Water is a critical resource for the lives of people and the planet and the functioning of most industries. Guaranteeing its long-term availability is essential in our businesses, as it is used in the power generation process, for the E&P of oil and gas, and in the manufacturing of petrochemicals. Controlling the consumption of this resource allows for maintaining the balance of ecosystems and the continuity of our operations.

At Pampa, we observe the withdrawal limits defined and authorized by the competent water authorities of each region where our assets are located. Depending on the location, we supply water from different sources, such as deep aquifers in each basin and surface sources (lakes, rivers and seas) and/or water from the distribution utility or supplied by third parties.

Based on the information gathered and published by the World Resources Institute (WRI)<sup>41</sup>, most of our production sites are located in areas deemed of low water risk, arid zones, or low water use. Except for CTG, where the WRI considers the water stress is high.

<sup>41</sup> Source: [Water Risk Atlas](#).

## Characteristics of our water consumption

- **Power generation:** In thermal power plants, water is mainly used for cooling and emissions reduction. In the case of CCGTs, the generated steam is also used to generate power. Our thermal power units withdraw fresh water from underground and surface bodies, except for CPB and CTIW, which use seawater. At hydroelectric power plants, the river flows are vital to the power generation process.
- **E&P:** Water is used mainly for the drilling and fracking of unconventional wells and, to a lower extent, other gas treatment processes at the plants. It is withdrawn from wells in areas near the fields or riverbeds.
- **Petrochemicals:** Water is used to generate steam for internal consumption and heat exchange processes and closed circuits through cooling towers. The water source for PGSM is the Paraná river, whereas, for Zárata, it is the Puelches aquifer.

## Efficient water consumption

We seek to adopt good practices on responsible water management, implementing new projects for the optimized use and protection of the water resource.

Given the pandemic context, in 2020, Pampa could only partially perform the installation of flow meters in different branch lines of the Pampa Building (irrigation, tank feed line, and cooling towers) to differentiate the volume consumed according to its use and optimize the control, follow-up, and monitoring of such systems. The installation process will continue in 2021.

On the other hand, CTEB continued developing the CCGT project, which contemplates a water-closed circuit through two cooling towers, which substantially minimize the water volume consumed in the process. Moreover, compared to the original project before the acquisition of CTEB, the location of the surface water withdrawal point was modified. The aqueduct line was changed to a private lot, substantially reducing the environmental impact of crossing urbanized areas.

Water withdrawal	Unit of measure	2020	2019	2018
Freshwater	M <sup>3</sup> /year	17,521,250	16,664,489	19,945,000
Seawater	M <sup>3</sup> /year	105,870,000	227,736,000	259,000,000

**Note:** Figures calculated based on the Indicator Board.

CPB's power generation decrease accounts for the decline in seawater consumption in 2020. Besides, freshwater withdrawal experienced a 5.1% year-on-year increase due to the commissioning of the second CCGT at CTGEBA and the higher efficient thermal dispatch using fuel oil.

Freshwater withdrawal, by business	2020	2019	2018
Power generation	71.5%	68.6%	68.1%
E&P	1.2%	2.1%	2.0%
R&D	-	-	0.3%
Petrochemicals	26.8%	28.8%	29.2%
Holding and others	0.5%	0.5%	0.4%
<b>Total</b>	<b>100%</b> <b>17,521,250 m<sup>3</sup></b>	<b>100%</b> <b>16,664,489 m<sup>3</sup></b>	<b>100%</b> <b>19,945,000 m<sup>3</sup></b>

**Note:** Pampa divested the R&D segment in 2018.

Freshwater withdrawal, by source	2020		2019	
	m <sup>3</sup>	%	m <sup>3</sup>	%
Underground	8,094,280	46.2%	6,581,133	39.5%
Surface	9,097,953	51.9%	9,626,973	57.8%
Third parties	329,017	1.9%	456,383	2.7%
<b>Total</b>	<b>17,521,250</b>	<b>100%</b>	<b>16,664,489</b>	<b>100%</b>

**Note:** Figures calculated based on the Indicator Board. Due to rounding, the total may not equal the sum of the figures.

Water withdrawal indicators have substantially improved compared to 2019 on account of the increased production of efficient and renewable energy at power generation and of gas at E&P

Withdrawn water intensity	Unit of measure	2020	2019	2018
Power generation <sup>1</sup>	m <sup>3</sup> /MWh	7.03	15.01	17.96
E&P <sup>2</sup>	m <sup>3</sup> /Ton	0.12	0.21	0.29
Petrochemicals <sup>3</sup>	m <sup>3</sup> /Ton	11.44	11.03	13.29
Holding and others <sup>4</sup>	m <sup>3</sup> /person	111.11	113.35	152.61

**Note:** Including internal consumptions. No data on R&D is presented due to the divestment of this segment in 2018. <sup>1</sup> Based on the gross generation of all Pampa's operated power plants. <sup>2</sup> Liquid or gas tons produced by the blocks operated by Pampa are calculated and reported using density to establish the volume/mass equivalence. <sup>3</sup> Tons produced = sales of the period +/- stock variation of the year are reported. <sup>4</sup> It is estimated based on payroll/m<sup>2</sup> at the Pampa Building.

## Effluents

We carry out responsible, efficient and transparent management of water resources. At our assets, we perform analyses of the generated effluents' internal flows and entry control in the treatment plant, allowing us to verify compliance with the regulatory requirements on effluent discharges.

The treatment system at the plants allows us to control the effluents before their discharge into surface water bodies and sewage networks. In this way, none of these bodies are affected by water discharges regarding the water body's size, habitat, or location.

Water effluents	Unit of measure	2020	2019	2018
Freshwater discharged	m <sup>3</sup>	5,553,642	5,433,277	7,259,026
Seawater discharged	m <sup>3</sup>	105,870,000	227,736,000	259,000,000
Reused water	m <sup>3</sup>	595,503	545,314	465,000
% of withdrawn freshwater		3.4%	3.3%	2.3%

**Note:** Figures calculated based on Pampa's Indicator Board.

Freshwater effluents, by business	2020	2019	2018
Power generation	49.2%	52.4%	46.1%
E&P	0.6%	0.5%	8.5%
R&D <sup>1</sup>	-	-	0.3%
Petrochemicals	49.0%	45.9%	44.2%
Holding and others	1.2%	1.2%	0.9%
<b>Total</b>	<b>100%</b> 5,553,642 m <sup>3</sup>	<b>100%</b> 5,433,277 m <sup>3</sup>	<b>100%</b> 7,259,026 m <sup>3</sup>

**Note:** 1. Pampa divested the R&D segment in 2018.

Freshwater discharged in 2020, by type	m <sup>3</sup>	%
Industrial	2,739,711	49.3%
Sanitation	16,378	0.3%
Mixed	2,797,553	50.4%
<b>Total</b>	<b>5,553,642</b>	<b>100%</b>

**Note:** Figures calculated based on the Indicator Board. Due to rounding, the total may not equal the sum of the figures.

## Freshwater reuse actions

### +9.2% vs. 2019 in freshwater reuse actions

In 2020, we continued with the performance monitoring and assessments and also kept implementing good practices in our assets, including the following:

- ✓ At CTLL's poplar plantation, 386,700 m<sup>3</sup> of discharged water was reused for irrigation. This practice has been carried out for several years between September and March, thus avoiding freshwater consumption from the lake. Besides, in 2020 we completed the works for the construction of a sewage treatment plant.
- ✓ At HPPL, 2,620 m<sup>3</sup> of water was reused for the irrigation of the forested area.



- ✓ At CPB, 19,188 m<sup>3</sup> of water was reused in recirculation pump tests and other operations.
- ✓ At E&P, 186,886 m<sup>3</sup> of freshwater was reused, of which 46,546 m<sup>3</sup> were destined for road maintenance and irrigation. The rest was reinjected to the formations.

#### 5.3.4. WASTE

GRI content

103-1, 103-2, 103-3, 306-1, 306-2, 306-3, 306-4, 306-5

As defined in our Environmental Principles, we promote waste reduction, reuse, and recycling. We conduct comprehensive management, focusing on:

- Minimizing the generation of waste at the source.
- Promoting waste reuse and recycling.
- Using the best available treatment technologies that are technically and economically feasible.
- Adopting (in all the process phases) the necessary precautions to prevent environmental, safety and health damages and avoiding future obligations and liabilities for the Company.
- In materials supply agreements, providing for the inclusion of post-consumption liability clauses and, if possible, their return to the manufacturer and/or supplier in conformity with applicable laws.

**In 2020, we managed to give new value to 14% of our non-hazardous waste, which is recycled or reused in secondary markets**

We do not make waste treatment abroad. However, specific waste may occasionally be generated in petrochemicals, which may not be treated and disposed of domestically or reused. This treatment is made with the proper approval by the competent authorities.

As regards waste management, our approach is reflected in recovery and/or recycling initiatives as from its separation at source. The non-hazardous waste is reused as raw material in secondary markets, such as scrap or by-products from our petrochemicals' rubber and polystyrene production processes.

Non-hazardous waste (NHW)	Unit of measure	2020	2019	2018
Recycled/reused <sup>1</sup>	Ton	137.4	154.7	277.5
Composted	Ton	4.6	2.4	NC
Household	Ton	836.4	1,357.3	NC
<b>Total NHW</b>	<b>Ton</b>	<b>978.4</b>	<b>1,514.4</b>	<b>902.5</b>
<b>% of recycled/reused NHW</b>		<b>14.0%</b>	<b>10.2%</b>	<b>30.7%</b>

**Note:** Due to rounding, the total may not equal the sum of the figures. <sup>1</sup> Recycled/reused non-hazardous waste includes paper, cardboard, plastic, wood, and scrap. NC = Not calculated.

Hazardous waste	Unit of measure	2020	2019
Generated hazardous waste	Ton	10,713	18,809
Transported and treated hazardous waste	Ton	10,729	17,572
Waste reused/with high heating power	Ton	588	1,147
<b>% over total generated hazardous waste</b>		<b>5.5%</b>	<b>6.1%</b>

**Note:** Hazardous waste includes, among others, hydrocarbon derivatives and chemicals containers.

In alignment with the environmental management standards, we are working on the internal review of waste indicators to refine the breakdown by type of treatment performed in each of the different waste flows. Besides, in 2020 classification and recycling improvements and at-source waste generation reduction actions were implemented. We also conducted the 'Recyclable Waste' campaign once again.

#### Dry waste separation and donation

- **White paper:** 10,024 kg of used paper donated to the Garrahan Children's Hospital Foundation from the Pampa Building.
- **Dry organic waste and cardboard:** 7,090 kg delivered to urban waste recyclers of Buenos Aires City.

## Green Seal assessment

We assessed to obtain the Green Seal at the Pampa Building. This program grants a quality seal for solid waste management in different public, private and residential organizations in the Autonomous City of Buenos Aires.

## Composting at CTG and HPPL

At CTG, we continued composting the waste produced in the cafeteria and green spaces destined for gardening areas in the same plant. At HPPL, composting is performed only for the waste produced in the cafeteria.

## Waste recycling at the different assets

- **CTLL:** plastic bottle waste is delivered for recycling to Dangen Plásticos, which receives, processes and transforms plastic waste into new valuable elements, such as benches, baskets, furniture, and solutions for industries. Pampa purchases some products for donation.
- **Polystyrene plant in Zárate:** we donated cardboard and pallets and launched a recycling project for PET bottles and caps.
- **HPPL:** 31% of the urban solid waste is recycled (compost, paper, cardboard, and plastic). There has been a year-on-year increase due to the management, diffusion campaign and incorporation of new containers in the different areas of the power plant.
- **CTGEBA:** turbine filters were delivered to the 'Recycling Dreams' Cooperative (29 tons) for subsequent recycling.

## Other at-source reduction actions

- At CTEB, waste segregation continues, separating paper, cardboard, wood and PET for a total approximate volume of 1,200 kg, delivered to La Plata's Urban Recyclers Union (*Unión de Cartoneros Platenses*).
- At CTLL, organic waste generated in the winemaking process (marc, stem and lees) is reused by placing on a drying yard for its subsequent use as vineyard fertilizer. The plant also has a scrap deposit for the segregation and final disposal of the discarded materials and the reorganization of reusable materials. The plant also has a Plastic Recycling Program, under which 7 kg of disposable waste was delivered to the Las Emprendedoras Cooperative in 2020. The cooperative is in charge of Neuquén City's Waste Transfer Center, which segregates the recyclable materials to be sold to recycling plants, thus affording the salaries of its employees.
- At E&P, in-person audits are performed to critical suppliers, such as the special waste treatment services, generating improvement actions and the possibility to observe the treatment given to the asset's waste. The purpose of these audits is to reduce the possibility of contingencies derived from the treatment of special waste generated during operations, guaranteeing its proper handling and final disposal.

---

### 5.3.5. HYDROCARBON SPILLS

We constantly take actions to help us reduce accidental spill risks. Under the Products' Management Environmental Principle, we seek to guarantee the integrity of the facilities and the proper storage, transportation, and handling of substances. To achieve such purpose, we work on constant monitoring of the facilities, the inspection of pipelines and tanks, internal and external audits and intensive training.

If a contingent spill associated with any of our operations occurs, we monitor and record the location, volume and type of substance variables to exercise greater control over our environmental management. Specifically, E&P's well construction facilities have spill prevention equipment and special waste containers with lids to prevent the wind from blowing waste into the surroundings.

If there is a spill in a natural environment at our assets, the affected soil is collected and sent to an authorized treater for its final disposal, the land is restored, and the event is informed to the applicable authority as required by the legislation in force.

In 2020, 5 minor soil events were recorded, with a cumulative 7.3% decrease compared to 2019, explained by the substantial improvement at E&P and the lack of events at power generation, offset by petrochemicals. Moreover, 13 containment structure events were recorded, with a cumulative volume of 4.3 m<sup>3</sup>, 95.3% lower than in 2019. The variation is mainly due to outstanding care by the staff at plants, where these events generally occur. Reported anomalies were entirely handled according to the contingency management procedures.

Hydrocarbon spills	2020		2019	
	Events	m <sup>3</sup>	Events	m <sup>3</sup>
In soils and water bodies	5	2.4	2	2.6
In containment structures	13	4.3	10	91.9

### 5.3.6. BIODIVERSITY

GRI content  
103-1, 103-2, 103-3, 304-1, 304-2, 304-3, 304-4

SASB indicators  
EM-EP-160a.1

As part of our comprehensive commitment to preserving the environment and managing natural resources, we foster biodiversity conservation and the local ecosystems where our assets are located. Even though none of our operations are located within protected areas, their proximity to highly biodiverse areas leads us to watch out for the aspects and impacts of the environmental risks we may face. Therefore, the sites' management manuals describe these areas and identify preventive measures and elements associated with each natural area.

As in previous years, in 2020, we continued conducting Environmental Impact Assessments (EIA) and other environmental studies, meeting the requirements by the local regulations applicable in each jurisdiction. In the E&P areas, we prepared environmental studies to construct roads and locations for drilling gas and oil wells and other works.

Together with the Annual Environmental Reports (*Informes Medio Ambientales Anuales*, IMAA) conducted at E&P in 2020, multiple improvement actions have been generated in the fields, such as fencing and conditioning wellhead warehouses, placing identification labeling at the facilities, and the scarifying areas for the reforestation of surfaces.

#### Preservation of species

Before executing a project, a baseline of the flora and fauna conditions of the place is established, considering the EIA and IMAA results. In both cases, the frequency is consistent with the activity level and each jurisdiction's legislation. The purpose of maintaining these practices periodically is to draw up a possible impact mitigation plan and implement a control and assessment program on the area's conservation status. This assessment contemplates the identification of local species included in international 'protected species' lists.

In E&P's primary operations in the Neuquina Basin, we have not identified any species listed in the IUCN Red List or national species preservation lists. However, some species affected by habitat alteration were identified, mainly as a result of extensive grazing.

Vulnerable species at E&P		
Class	Name	Red Book of Threatened Mammals and Birds in Argentina
Mammals	Patagonian hare	Vulnerable
	Plains viscacha rat	Vulnerable
	Red fox	Vulnerable
Birds	Greater rhea	Vulnerable

In line with our Environmental Principles promoting the Protection of Environmental Health, in 2020, we implemented a protocol to identify and recover native fauna. Thus, we will be able to implement the proper conservation measures in each case in the future.

#### Recovery of paleontological remains at Sierra Chata

Paleontological remains were found during the environmental survey tasks for constructing the SCH 1133 well at the E&P business. The findings were rescued upon the enforcement authority's approval, with the assistance of professional paleontologists and archaeologists, contributing to the conservation of the province of Neuquén's cultural and paleontological heritage. The discovered remains will be kept and exhibited in the museum of the town of Añelo.

#### Natural implantation of vegetal species in geo-referenced sites

One of the significant impacts of hydrocarbon activity is vegetation clearing for the construction of operational works. At Pampa, we plan and conduct each action with the EIA's prior approval by the authorities, monitoring

all intervened areas in all the Neuquina Basin's fields to restore the previously prevailing natural conditions. In this sense, we performed the natural implantation of vegetable species in geo-referenced sites and monitored their coverage percentage over time. All these actions are documented in individual fact sheets, where a statistical analysis of vegetation indicators is made: vegetation cover, richness and abundance, biological diversity, and floristic composition. These indicators allow us to follow the performed interventions and the degree of improvement in each site and the ecosystem in general.

### Biodiversity study at HINISA and HIDISA

In 2020 we continued performing annual biodiversity studies at the El Nihuil dam and Ichthyofauna and Ichthyopathology surveys at the El Nihuil, Valle Grande, Agua del Toro and Los Reyunos, with results within the expected values. Moreover, together with the Province of Mendoza's Department of Renewable Natural Resources and the Fishermans' Club, we performed the traditional sowing of rainbow trout, *odontesthes bonariensis* and *odontesthes hatcheri* at the Agua del Toro, Los Reyunos, Valle Grande, and Nihuales dams.

### Birds and beetles' species baseline survey

Since the beginning of our wind farms, we have given special attention and treatment to all issues associated with the potential impact on biodiversity in their specific area of influence. We set a birds and beetles' baseline survey and studies complementary to the EIA, which led to creating the 'Birds and Flying Mammals Monitoring Program,' aimed at preserving the wildlife integrity in operations and places near the wind farms. The species identified as threatened in the baselines are as follows:

Species in the wind farms' areas of influence		
Name	Threat level in Argentina	Threat according to UICN-Birdlife International
Greater rhea	Threatened	Near threatened
Upland goose	Threatened	Least concern
Upland sandpiper	Vulnerable	Least concern

## 5.3.7. ENVIRONMENTAL AWARENESS

GRI content  
103-1, 103-2, 103-3

We keep our teammates informed and updated through different awareness campaigns and training programs in all the Company's operational levels. Among these actions, the following are worth mentioning:

- Management systems and GHS: classification and labeling of substances
- Waste management
- Internal and external campaigns for International Earth Day, World Water Day, and World Environment Day.

#### World Environment Day -June 5

To celebrate this day, in 2020, we launched our Environmental Principles, reinforcing our commitment to preventive, responsible and proactive environmental management, which is cross-cutting to the daily work of each of the Pampa Energía teams

Within the framework of our Environmental Principles, we promote education and environmental knowledge, both within and outside the Company:

- **Corporate:** Training on emissions and climate change was given to all the QHSE teammates. Moreover, under the virtual Annual Professionalizing Practices Program, different environmental matters were dealt with to train students from technical schools in our assets' areas of influence.
- **CTLL:** on an annual basis, students from the Special Waste Seminar of the National University of Comahue receive remote training explaining the comprehensive waste management at the plant.
- **CTEB:** plant acquired in 2019; internal training was given to the operations and maintenance staff to manage waste and spills, which included an emergency drill.
- **CTG:** native specimens were planted.
- **E&P:** we trained with modifications and/or reviews to the aspects and impacts matrices, and environmental control sheets started to be used for the environmental health protection, waste and product management principles.





Our teammates

## 6. Our teammates

SDGs  
4, 8, 9

### Material topics

Employment, Health and safety at the workplace,  
Human capital formation and development  
Diversity, inclusion and equal opportunity

### TEAMWORK

Pampa is one of the largest employers in the country. Guided by our values, we strive for excellence and continuous improvement to meet the market demands and continue growing daily. In addition, the Company supports several human capital training, development, attraction, loyalty and management practices, thus creating a favorable context for achieving organizational results.

Due to the pandemic context in 2020, most initiatives were structured based on the axes of proximity, support and safety for all the persons making up our Company.

### 2020 milestones

- ✓ **COVID-19 preventive committee:** the creation of a multidisciplinary team reporting to the CEO that established measures to guarantee the health and safety of our teammates during the pandemic.
- ✓ **Virtuality:** more than 50% of our payroll worked remotely during the pandemic, and we digitalized all our training programs.
- ✓ **Communication:** we focused on the support and safety of all the persons making up Pampa.
- ✓ **Welfare:** we promoted new initiatives to address the pandemic context.
- ✓ **Leadership:** despite the pandemic, we continued developing tools so our leadership team may deploy their full potential and accompany their respective teams.
- ✓ **Work environment:** we performed our second Work Environment survey, obtaining better results than in 2018.
- ✓ **Diversity and inclusion:** we began working on awareness-raising and training, focusing on biases and conditioning when assessing events and persons different from each individual's specific perspective.
- ✓ **Relations with unions:** based on dialog and constructive negotiation, we have maintained effective relationships with the different organizations in each industry where we develop our business.

### 6.1. Strategic management of human capital

GRI content  
102-8, 103-1, 103-2, 103-3, 405-1

### 2,032 teammates compose Pampa

We work with professionalism and passion for maintaining labor relationships based on respect for individuals and regulations. Through strategic human capital management, we generate a positive work environment that meets the organization's objectives; these objectives are targeted at developing talent and organizational skills, strengthening leadership, and promoting a high-performing culture.

Employees	2020	2019	2018
Direct employees	2,032	2,039	2,127
Contractors	4,801	7,943	6,730

Due to the pandemic context and the completion of the asset portfolio restructuring in 2018, direct employees have remained mostly unchanged. However, the number of contractors by the end of 2020 was 40% lower year-on-year, mainly explained by the commissioning of most expansions in power generation and lesser E&P activity due to the pandemic and the sector's context.

## Main characteristics of our human capital

		2020	2019
<b>DIRECT EMPLOYEES</b>		<b>2,032</b>	<b>2,039</b>
<b>By gender</b>			
Men		1,747	1,731
Women		285	308
<b>By age range</b>			
Up to 30 years-old		257	247
Between 30 to 45 years-old		906	972
More than 45 years-old		869	820
<b>By business unit</b>			
Power generation		760	747
E&P		208	208
R&D		-	52
Petrochemicals		689	641
Corporate		375	391
<b>By professional category</b>			
Technicians & operators		1,133	1,116
Professionals & administrative staff		507	521
Heads & supervisors		259	268
Directors & managers		133	134
<b>By type of labor contract and gender</b>			
Permanent	Women	275	296
	Men	1,664	1,708
	Subtotal	1,939	2,004
Temporary	Women	6	9
	Men	80	19
	Subtotal	86	28
Interns	Women	4	3
	Men	3	4
	Subtotal	7	7
<b>By region and type of labor contract</b>			
Buenos Aires and others	Permanent	939	1,006
	Temporary	519	16
	Interns	7	7
	Subtotal	980	1,029
Santa Fe	Permanent	519	518
	Temporary	48	5
	Subtotal	567	523
Neuquén	Permanent	224	224
	Temporary	4	7
	Subtotal	228	231
Salta	Permanent	137	138
Mendoza	Permanent	120	118

## 6.2. Employment

GRI content  
103-1, 103-2, 103-3, 401-1

### Turnover rate in 2020 = 5.3% Improvement of 400 basis vs. 2019

To cover vacant positions in the different assets and corporate areas, we recruit dynamic profiles representing our teamwork culture, the search for continued excellence and our Company's values.

When there is a vacant position, we promote rotation and internal job searches to provide most opportunities to our teammates. However, when this is not possible, we launch an external search to recruit profiles aligned with our culture and predisposed to teamwork.

Item	2020	2019	2018
Turnover rate <sup>1</sup>	5.3%	9.3%	5.0%
New hire turnover rate <sup>2</sup>	3.7%	3.6%	4.4%
Voluntary turnover rate <sup>3</sup>	18.7%	20.6%	31.1%
Vacancies filled with internal search	2	6	39

**Note:** It does not include turnovers resulting from divestments, which involved transferring 101 and 1,011 payroll employees in 2019 and 2018, respectively. **1** Number of turnovers/average number of employees in the period. **2** Turnover for hires made in the year under analysis over total turnover, without considering temporary hires. **3** Voluntary turnover over total turnover.

Hiring and turnover		2020				2019			
		Hiring		Turnover		Hiring		Turnover	
By gender	Women	11	3.9%	34	11.9%	47	15.3%	33	10.7%
	Men	89	5.1%	73	4.2%	160	9.2%	161	9.3%
By age	< 30	57	22.2%	25	9.7%	74	30.0%	32	13.0%
	30-45	36	4.0%	45	5.0%	99	10.2%	63	6.5%
	> 45	7	0.8%	37	4.3%	34	4.1%	99	12.1%
By region	BA and others	45	4.6%	94	9.6%	159	15.5%	74	7.2%
	Mendoza	4	3.3%	2	1.7%	12	10.2%	9	7.6%
	Neuquén	6	2.6%	9	3.9%	28	12.1%	25	10.8%
	Salta	-	-	1	0.7%	2	1.4%	8	5.8%
	Santa Fe	45	7.9%	1	0.2%	6	1.1%	78	14.9%
<b>Total</b>		<b>100</b>	<b>4.9%</b>	<b>107</b>	<b>5.3%</b>	<b>207</b>	<b>10.2%</b>	<b>194</b>	<b>9.5%</b>

**Note:** Percentages are calculated over each group's subtotal under the GRI standard (for example, female hiring in 2020, 11/285 = 3.9%; Santa Fe's turnover in 2019, 78/523 = 14.9%). Not including turnover resulting from divestments.

### Internal development

In 2020 we had 63 internal staff movements, including promotions, lateral transfers and area changes for our teams in Holding and others and the E&P, Power generation and Petrochemicals businesses.



### Young Talent program

Our young professionals shape Pampa's potential. Therefore, we seek to add up the best talent to our teams, with the commitment of providing them with career development, training and the prospect of a challenging profession. Since 2017, we have recruited recently graduated professionals through this program under a strict and comprehensive selection process.

Over the first six months, the young professionals get a business overview, rotating through different teams and areas strategically associated with their professional interests and final position or sector in the Company.

They also participate in a training plan with a tutor/mentor assigned to them. During this period, they are accompanied as they develop skills such as self-leadership, self-development, creation of social capital and



project management, among other skills. At the end of this training period, the new hires submit their project to the management of the business, where they will develop professionally.

At Pampa, we pose the challenge of knowing and learning about our business with a comprehensive and systemic view, making up different work teams where they may interact and exchange ideas with each sector's technical heads and leaders

In the first months of 2020, we completed the 2<sup>nd</sup> edition of the program launched in August 2019 and hired 13 high-potential young professionals.

### Professional practices and internships

We continued conducting professional practices jointly with technical schools, so students could get acquainted with the professional and work environment. Later, and if there are vacancies, interns may participate in the selection processes for positions similar to the functions performed during the professional experience and become a part of the temporary or permanent payroll<sup>42</sup>.

Besides, we launched an internship program that allows university students to apply the knowledge acquired in their professional studies in an organization. The program includes a tutor, an onboarding schedule for the first 90 days and a support plan as they get adapted to Pampa's culture. In 2020, internships were performed in Accounting, Brands, Finance, Human Resources, Investor Relations and Sustainability, and other areas.

## 6.3. Diversity and equal opportunity

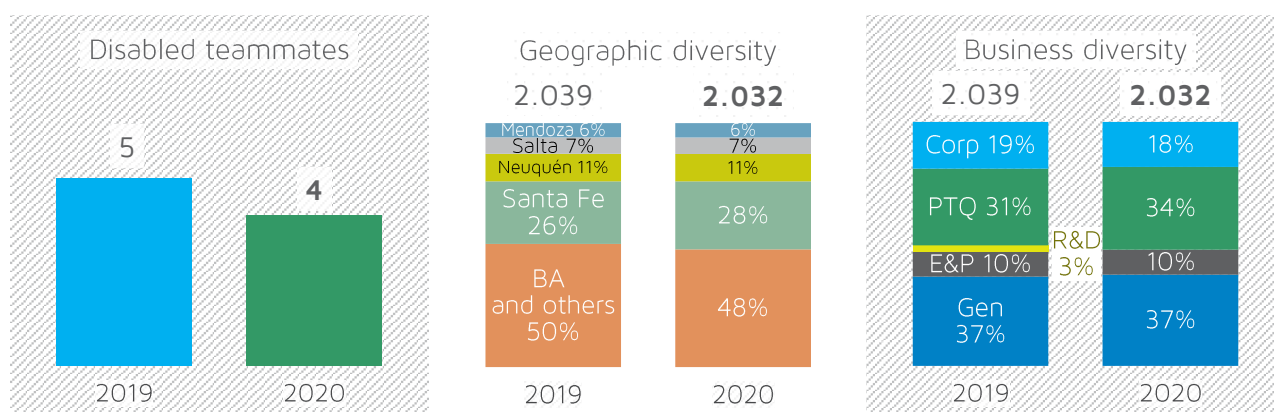
GRI content

103-1, 103-2, 103-3, 401-3, 405-1, 405-2

### Our teammates' attitude is based on respect, privacy and dignity

We conduct our businesses in environments that are diverse and free from discrimination, placing value on respect for individuals. We understand that diversity empowers individuals and, consequently, work teams and the work environment, necessary conditions to achieve optimal management.

Pampa does not allow valuing individuals based on criteria such as age, gender, sexual identity, race, color, or political, religious or union beliefs. These principles are established in our Code of Business Conduct, which compliance is mandatory for all our persons making up the Company. We also offer the Ethics Hotline and the communication channel with the Internal Audit Department so that teammates may report any breach on a confidential basis.



<sup>42</sup> For further information, see section 6.8.2 of this Report.

Gender diversity		2020		2019	
		Employees	%	Employees	%
Technicians & operators	Women	37	3.3%	54	4.8%
	Men	1,096	96.7%	1,062	95.2%
	Subtotal	1,133	100%	1,116	100%
Professionals & administrative staff	Women	190	37.5%	195	37.4%
	Men	317	62.5%	326	62.6%
	Subtotal	507	100%	521	100%
Heads & supervisors	Women	42	16.2%	44	16.4%
	Men	217	83.8%	224	83.6%
	Subtotal	259	100%	268	100%
Directors & managers	Women	16	12.0%	15	11.2%
	Men	117	88.0%	119	88.8%
	Subtotal	133	100%	134	100%
Pampa Energía	Women	285	14.0%	308	15.1%
	Men	1,747	86.0%	1,731	84.9%
	Total	2,032	100%	2,039	100%

Note: Percentages were calculated over the subtotal of each group under the GRI standard's requirements.

Age diversity		2020		2019	
		Employees	%	Employees	%
Technicians & operators	< 30	177	15.6%	161	14.4%
	30-45	523	46.2%	539	48.3%
	> 45	433	38.2%	416	37.3%
	Subtotal	1,133	100%	1,116	100%
Professionals & administrative staff	< 30	76	15.0%	83	15.9%
	30-45	240	47.3%	263	50.5%
	> 45	191	37.7%	175	33.6%
	Subtotal	507	100%	521	100%
Heads & supervisors	< 30	4	1.5%	3	1.1%
	30-45	102	39.4%	122	45.5%
	> 45	153	59.1%	143	53.4%
	Subtotal	259	100%	268	100%
Directors & managers	30-45	41	30.8%	48	35.8%
	> 45	92	69.2%	86	64.2%
	Subtotal	133	100%	134	100%
Pampa Energía	< 30	257	12.6%	247	12.1%
	30-45	906	44.6%	972	47.7%
	> 45	869	42.8%	820	40.2%
	Total	2,032	100%	2,039	100%

Note: Percentages were calculated over the subtotal of each group under the GRI standard's requirements.

## Awareness-raising initiatives

In 2020, we organized meetings focused on reinforcing the concept of diversity and inclusion as a kick-start to further its development in 2021.

### Workshops

We organized eight meetings open to the whole organization to raise awareness, provide training on unconscious biases and understand how those biases condition the way we value events and persons. About 150 teammates

attended the meetings. The main emerging topics for development were associated with gender, hierarchies and age generations within the Company.

## Institutional communications

We have reinforced the concept of diversity in institutional communications within the different celebrations associated with it. In all cases, a call for joint reflection was made.



## We promoted major milestones regarding integration and Pampa's culture

For the second consecutive year, we have organized Pampa Inspires, an event consolidated as a cultural identity initiative. Eleven persons of different genders, hierarchies and ages have inspired us with their stories. The call was open to all the Company's persons having a story, life experience or talent to share. In this edition, the whole Company could enjoy it via streaming.

Moreover, we joined the [Spartan Companies Club](#), which aims to support and promote initiatives of [Fundación Espartanos](#). This foundation supports the social and labor reintegration of individuals deprived of their liberty through rugby, education and spirituality. In 2020, we incorporated two former participants into our payroll. We also offered virtual tours through the [Holocaust Museum](#), with the participation of more than 100 teammates.

## Bloomberg's gender-equality index

For the third consecutive year, Pampa is one of the 380 companies from 11 different sectors included in the [2021 Gender-Equality Index](#), sponsored by Bloomberg, the world's largest financial information provider. In its first edition, in 2019, the index was composed of 230 companies. In this edition, the number has expanded to 380 companies from 44 countries and regions.



## Pampa Energía is the only Argentine company included and recognized in the Gender-Equality Index together with other 14 Latin American companies

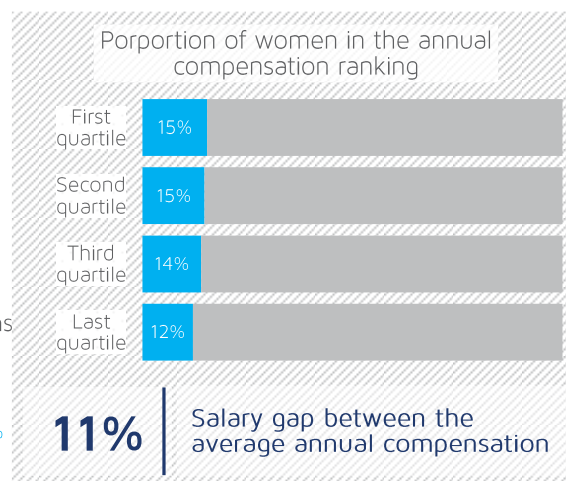
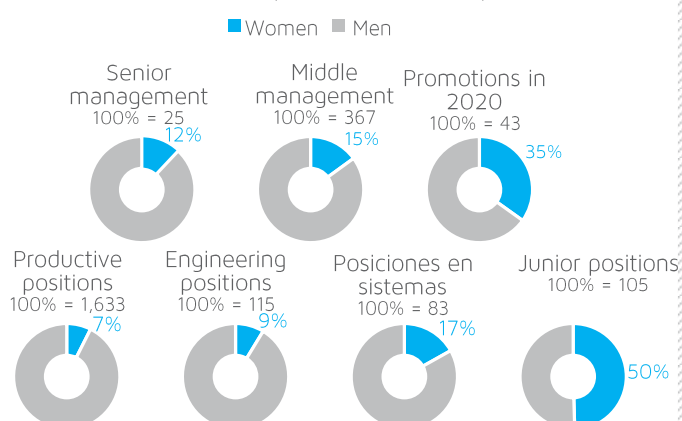
The global Gender-Equality Index (GEI), which is unique in this topic, highlights companies committed to promoting gender equality at the workplace and transparency in the disclosure of specific statistics based on five parameters: female leadership and talent pipeline, equal pay and gender pay parity, inclusive culture, sexual harassment policies, and pro-women brand. Therefore, it brings transparency to gender-related practices and policies at publicly traded companies, which increases the scope of ESG data available to investors. In addition, GEI's scoring methodology allows investors to assess the company's performance and compare companies from the same sector.

*'We are proud to receive this recognition for the third year in a row. At Pampa, we further an inclusive culture and keep working in this direction to outperform ourselves day by day.'*

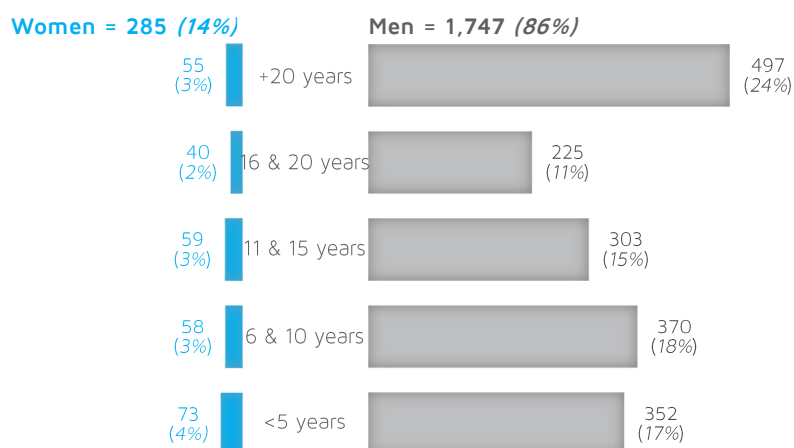
Marcelo Mindlin, Pampa Energía's Chairman

## Gender equality KPIs

### Female leadership and skills development



### Seniority in the workplace Number of employees and % of total personnel



The **11% salary gap** in the average annual compensation between genders is due to the male group's longer service length, representing 86% of the total payroll. **The longer the length of service, the higher the salary collected.** For example, 24% of the payroll are male teammates with more than 20 years of service to the Company.

Women vs. men salary ratio, by job category	December 2020	December 2019
Directors & managers	85%	99%
Heads & supervisors	111%	108%
Engineers & specialists	60%	66%
Other professionals & administrative staff	91%	87%
Technicians & operators	76%	69%
Non-unionized employees	100%	143%

Note: Based on the base salary median.

## Leaves and reincorporation KPIs

Retention rate	2020	2019	2018
Women	83%	80%	42%
Men	97%	71%	73%
<b>Global</b>	<b>95%</b>	<b>73%</b>	<b>67%</b>

Parental leave KPIs	2020		2019	
	Women	Men	Women	Men
People taking parental leave in the year under analysis	6	52	13	33
... and returning to work in the same year	6	52	6	33
<b>Return rate</b>	<b>100%</b>	<b>100%</b>	<b>46%</b>	<b>100%</b>
People starting their parental leave the year before that under analysis	7	-	4	-
... and returning to work in the year under analysis	7	-	4	-
<b>Return rate</b>	<b>100%</b>	<b>-</b>	<b>100%</b>	<b>-</b>
People returning from a leave taken the previous year	6	33	15	69
... and keeping their employment for 12 months	5	32	12	49
<b>Retention rate</b>	<b>83%</b>	<b>97%</b>	<b>80%</b>	<b>71%</b>

## 6.4. Well-being

GRI content

102-43, 103-1, 103-2, 103-3, 401-2, 403-4, 403-6, 404-2

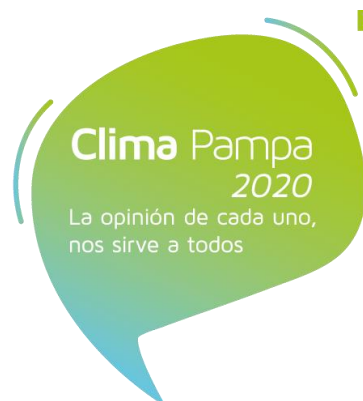
In response to the circumstances, in 2020 we performed different accompaniment activities<sup>43</sup>:

- **Pulse survey** to get to know our teammates' situation and adopt supporting measures.
- We created a **Coronavirus Committee** made up of a multidisciplinary team.
- We implemented a 24-hour **legal and psychological support line** (EAP) for our teammates and their families.
- We developed a **communication campaign** structured on the axes of proximity, support and safety.
- We organized **talks** on issues such as emotional support, parents with kids in lockdown, and others.

### 6.4.1. WORK ENVIRONMENT

In 2020 we conducted our second Work Environment Survey to measure and know our teammates' motivation and commitment. The results obtained allowed traceability with the first survey performed in September 2018.

Work environment survey	2020	2018
Total participation	83%	80%
Commitment dimension	90%	84%



- ✕ More than 1,680 teammates provided their feedback, with a total participation of 83%, 300 basis higher than in 2018.

Commitment, one of the most important surveyed dimensions, showed 90% of positiveness, 600 basis higher than in 2018. Moreover, significant growth was observed in the 'pride in belonging to Pampa' and 'would recommend Pampa' indicators.

The Communication and Senior Management dimensions, which had presented opportunities for improvement in 2018, showed a significant enhancement in 2020. Moreover, other dimensions such as Processes and Employee Experience gave some opportunities for improvement.

In 2021, we will continue with the work environment management process, accompanying the different areas and businesses with tools and actions plans to work on with their teams. Additionally, we will perform Pulse surveys to

monitor the initiatives underway.

<sup>43</sup> For further information, see section 6.8.2 of this Report.



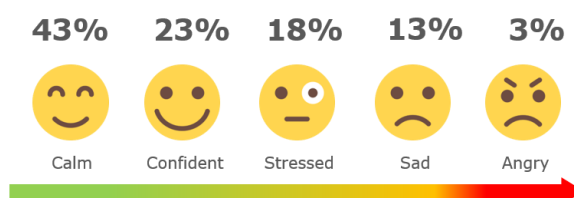
## 6.4.2. PULSE SURVEY

875 persons participated in the measurement

94% of the respondents highlighted Pampa's strength to address the pandemic

Well-being management was focused on support, empathy and proximity to all the persons making up the Company. Therefore, as a first measure, we implemented a Pulse Survey, which allowed us to assess key performance variables (mood, trust in the Company, team organization, safety, support). Hence, 875 persons participated, with the following results:

**How do you feel about the pandemic?**  
(You can choose more than one option)



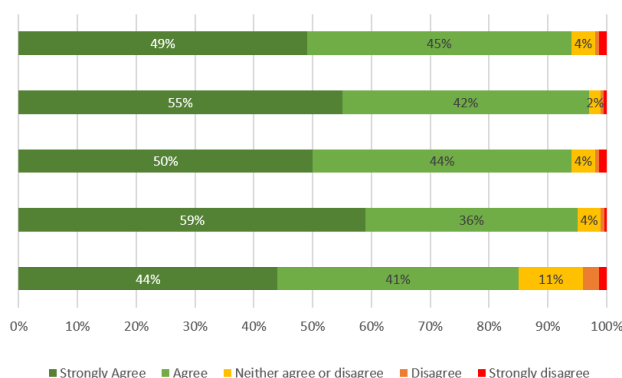
**Pampa has the soundness enough** to overcome the pandemic

**In my team we perform a good organization** in order to met the goals of the sector

**I'm confident about the decisions** made by Pampa's leadership team to face the pandemic

Pampa is taking **enough measures to take care of the health and safety** of their teammates, contractors and suppliers

I feel **emotionally accompanied and contained by my leader** to adapt to the current context



## 6.4.3. COMMUNICATION

We implemented a communication plan founded on proximity, support and safety reaching every person and focused on providing clear and concrete messages on the Company's situation. Besides, we communicated corporate definitions, recognitions and recommendations, including:

- Personal letters from our CEO to all the personnel.
- Early communications on the Company's decisions and status.
- Specific care and advice to take into account during the pandemic.
- Reinforcement of our communication channels.
- Implementation of Microsoft Teams as a working tool.
- We instated #OrgulloPampa in different media pieces, directly referring to recognitions to our teammates.
- Several reels with teleworking tips, active breaks, agile time management, etc.
- Virtual breakfast with our CEO for teammates from all our assets: throughout the year, we organized eight meetings with the participation of 75 people.

## 6.4.4. SUMA BENEFITS PROGRAM



guaranteed by law.

We continue strengthening our benefits program, which aims primarily to contribute to the well-being and work-life balance of our teams and their families.

Based on five themes, we generated several value proposals suited for our human capital's different life stages, including premium medical coverage, life insurance, gym, purchase discount programs and leaves additional to those

In 2020, we improved accessibility and space design for information on benefits and focused on customizing each proposal. The challenge for 2021 is to enhance or extend the current benefits proposal according to our employees' needs.

## Family

Family comes first, and we also want them to feel they are a part of these benefits.

- ✓ **Daycare:** recognition of children's care expenses.
- ✓ **Children's day:** we grant a gift card for every teammate's kid.
- ✓ **Back to school program:** a gift card for each kid at the beginning of the school year.
- ✓ **Accompanied children:** additional subsidy for teammates with disabled children, matching the amount paid by social security (ANSES).

## Finances

A plus is always welcome.

- ✓ **Covered parking** for certain employees based on their professional category.
- ✓ **Company vehicle** for certain employees based on their professional category, according to the Company's policy.
- ✓ **VIP bank customer:** exclusive discounts with several banking institutions.
- ✓ **Special discounts program** through Cuponstar.
- ✓ **Life insurance** is provided by Pampa in case of death or permanent disability for up to 40 salaries. Besides, the employee may take out additional insurance at their expense with a differential premium payment.
- ✓ **Let's take a break:** available refreshments at the workplace.
- ✓ **Lunch together:** supplement for lunch expenses or plant cafeteria.

## Time

Time is the only thing that you can't get back.

- ✓ **Honeymoon:** five calendar days additional to the ten days provided by law in case of marriage.
- ✓ **Continuous training:** five calendar days additional to the ten days provided by law for exam preparations.
- ✓ **New airts:** two calendar days for moving.
- ✓ **Accompaniment in tough times:** two calendar days additional to those provided by law in case of death of a relative.
- ✓ **Time management:** flexible entry (from 8:00 to 10:00 a.m.) and exit (from 5:00 to 7:00 p.m.) hours.
- ✓ **Let's rest!** Vacations are granted according to the available working days.
- ✓ **You're a mum:** post-maternity return to work with reduced working hours following the mandatory three-month leave.
- ✓ **You're a dad:** five calendar days additional to the 2-day legal leave on birth or adoption.
- ✓ **Take care of your family:** one business day off in case of illness of a direct relative.

## Experiences

Times and places that stay forever in our memory.

- ✓ **Merry Christmas:** a gift together with a Christmas basket.
- ✓ **Marriage:** we give away a gift card.
- ✓ **The family expands:** a gift card in case of birth, guardianship or adoption.
- ✓ **Family Day at Pampa:** we celebrate a children's day at the workplace. We adapted our traditional family event to the virtual format, allowing for simultaneous participation from all sites. More than 300 teammates and their families shared, from their homes, a meeting with activities and shows for all ages.
- ✓ **Lactation room at the Pampa Building:** we offer an especially equipped space so that our breastfeeding teammates may have a safe, healthy and reserved room.

## Health

Taking care of one's health is very important. We provide benefits so that our teammates always feel better.

- ✓ **We're being cared for:** we grant premium health coverage for employees and their family group (children up to 18).
- ✓ **We work out:** access to a gym chain at highly affordable prices.

In 2020, we updated the personal life insurance coverage for the Pampa Building, HINISA and HIDISA employees, substantially improving the capital, premium and covered risks. Furthermore, regarding health coverage, Swiss Medical's virtual health care assistance was implemented for the Pampa Building and CTA Neuquén's employees through a dedicated corporate box.

#### 6.4.5. RECOGNITION PROGRAM

For the second consecutive year, through our 'A round of applause!' program, we recognized more than 230 teammates who represent, day by day, the Company's culture.



### 6.5. Compensation

GRI content  
102-37

Our policy on compensation is based on ensuring external competitiveness and maintaining internal equity. The following updates are worth mentioning:

- In September 2020, we approved the salary advance and loan policies for employees.
- We digitalized payslips, income tax information and other documents requiring an electronic signature. In turn, to facilitate access to this tool, a Single Sign-On authentication process was incorporated.
- The LENEL system for working hours control was implemented at CTG and CPB, bringing further payroll accuracy, automation, and staff entries and exits monitoring capabilities.
- Salary increases were granted in line with the labor market to non-unionized personnel and collective bargaining agreements for unionized employees.

Unionized employees' fixed salaries are negotiated and determined through annual collective bargaining negotiations with each relevant union.

For non-unionized personnel, the fixed salary is based on the criteria of meritocracy, internal equity and external competitiveness. In addition, industry-specific surveys are commissioned and performed by experienced consulting companies, which guarantee the surveyed positions' comparability in size, scope and responsibilities. The variable remuneration is based on the performance assessment results made at the end of each period. According to the professional category, we apply an annual target bonus defined in wage multiple (for example, a manager may have a target bonus of three salaries in the year). It is necessary to meet the goals of the Company and the Department where the teammate works and the individual goals resulting from the performance assessment to collect this annual bonus. These goals result from the performance assessment defined annually between teammates and their superiors.

The Company goals analyzed in the bonus are set annually by our CEO based on the business priorities defined by the Senior Management and approved by our Board of Directors. These goals are geared at the Company's long-term sustainability in all aspects (economic-financial, environmental, social, and governance) and the specific priorities for each year. Besides, each Department determines its own goals, prioritizing each area's contribution to the general objectives' fulfillment.

Individual goals arise from an agreement on expectations between the teammate and their leader, who, in turn, assesses them with their peers and the department Director to thoroughly reflect the teammate's footprint.

Performance assessments		2020		2019	
		Employees	Scope	Employees	Scope
By gender	Women	240	84%	240	78%
	Men	927	53%	919	53%
By professional category	Professionals & administrative staff	477	94%	481	92%
	Technicians & operators <sup>1</sup>	319	28%	310	28%
	Heads & supervisors	253	98%	252	94%
	Directors & managers	118	89%	116	87%
Total		1,167	57%	1,159	57%

Note: 1 Unionized personnel is not subject to a performance assessment, except for directors and managers.

The Company's key staff receive part of their variable remuneration under Pampa's stock-based Compensation Plan. Founding shareholders are excluded from this group, and their variable pay is determined under the Executive Remuneration Agreements<sup>44</sup>.

## 6.6. Professional development

GRI content  
103-1, 103-2, 103-3, 403-5, 404-1, 404-2, 404-3

To accompany the professional development of our human capital, we have training programs in soft and technical skills for tools that are vital for business growth and development.

### Professional development KPIs

Training		2020		2019	
		Hours	Hours/employee <sup>3</sup>	Hours	Hours/employee <sup>3</sup>
By gender	Women	6,521	22.9	13,578	44.1
	Men	60,685	34.7	73,507	42.5
By professional category	Professionals <sup>1</sup>	62,824	38.3	70,913	43.3
	Leaders <sup>2</sup>	4,382	11.2	16,172	40.2
<b>Total</b>		<b>67,206</b>	<b>33.1</b>	<b>87,085</b>	<b>42.7</b>

**Note:** 1 It includes personnel from operations, technical and engineering areas, and analysts. 2 It only considers leadership and coaching topics for supervisors, heads and managers. 3 Calculation over total payroll.

In 2020, we adapted all our training programs to the distance learning modality. Although the content quality and the course schedule were not modified, the training hours were rescheduled and reduced, resulting in higher productivity.

### Main training programs

In 2020, our training investment was mainly focused on technical, business, soft and leadership skills. In addition, due to the context, we reconverted traditional classroom programs to the virtual format so that our work teams could receive ongoing training.

#### Skills development program



This program is targeted at no-staff employees, aiming to develop the skills necessary to embrace Pampa's work culture. With synchronous and asynchronous training contents, the program included virtual workshops, webinars, and supplementary digital material, available at our Success Factors e-learning platform.

In 2020, more than 340 persons participated in the program, which required an investment of approximately 1,000 hours.

#### Pampa's leadership development Program

This program aims to train Pampa's leading team. Its design is segmented into three sections: directors and managers, heads and supervisors. In 2020, about 400 leaders participated in the program, with an investment of 4,282 hours. Besides, we had support from three specialized consulting firms. Three group coaching processes and individual accompaniments to the Company's directors and managers were conducted.



We also organized a cycle of conferences with special guests, who helped our leaders understand and get inspired in different topics associated with the pandemic.

#### The second edition of the introduction to the leadership program

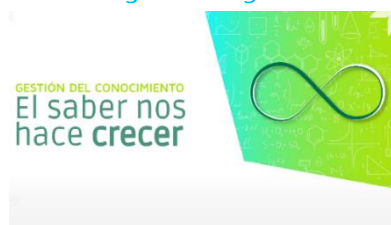
It is targeted at the Company's senior professionals, strengthening their team and individual management skills. We continued training the 2019 participants through a second edition of the program.

<sup>44</sup> For further information, see section 2.1.5 of this Report.

## Other training

- We accompanied the **academic training** of teammates that participated in postgraduate and masters' programs. In addition, we supported our teammates through technical training and participated in congresses both locally and abroad.
- We continued with our **language training** program, accompanying more than 95 teammates with English courses for improved performance in their work positions.
- We continued expanding the **virtual training platform** with contents and materials from synchronous workshops. Therefore, all personnel may have access to training on different topics and skills.

## Knowledge management



We designed and installed a **Knowledge Management** process in our Power generation business through the specific technical skills mapping methodology. This process allowed for defining the knowledge profiles expected in business-critical positions. We also performed a training gaps analysis, which we used to design training plans tailored to our worker's needs and interests. In 2020, 6 of our 15 power plants participated in this process, and more than 230 persons were assessed.

### 'Getting to know our businesses' program

Given the diversity of Pampa's businesses, this program's goal is that all our teams understand how the different Pampa's components operate, from the production processes to their sale, leveraging synergies. In 2020, we organized open talks with leaders of each business, implemented a business simulator, and developed virtual content.

## 6.7. Freedom of union association

GRI content

102-37, 102-41, 102-43, 103-1, 103-2, 103-3, 403-4, 403-7, 407-1

**54% of our 2,032 teammates are members of one of the unions associated with our activities**

The freedom of union association and collective bargaining are mainly governed by the Employment Contract and the Union Association Laws, which guarantee the right to free and democratic union organization. Besides, as Pampa is a publicly listed company, it is covered by the CNV rules.

Beyond the existing legal framework, Pampa has consistently developed an efficient relationship-building strategy with unions based on transparency, cooperation, proximity and decentralization. This strategy has allowed for a close and permanent connection with the several unions associated with our operations, setting up the foundation for a mature relationship that has recorded no significant conflicts throughout our history.

Collective Bargaining Agreements governing our operations may be classified by:

- Activity (for example, *Luz y Fuerza* in power generation or E&P for the oil activity)
- Region (for example, *Químicos de Zárate*)
- Company or asset (as is the case of the PGSM Petrochemical plant)

We actively participate in the business chambers that conduct activity-specific labor negotiations at national and regional levels to represent our business interests properly. Besides, we monitor the negotiation processes performed by our subsidiaries.

Safety and occupational health issues are deemed a priority in all Collective Bargaining Agreements, which also regulate working times, tasks subject to risk and control, working schemes and modalities, and necessary and minimum personnel. Furthermore, to prevent and anticipate situations that may affect the health and safety of our teammates, we actively participate in mixed committees made up of unions, companies and the Ministry of Labor. For example, facing the pandemic, we worked hard in coordination with different unions and professional organizations to ensure individual safety and the development of our operations.

The Ministry of Labor and the National Social Security Administration (ANSES, *Administración Nacional de la Seguridad Social*) have established differential pension systems of early retirement for those who develop activities and/or hold work positions where, on account of the type of tasks performed, they are exposed to extraordinary conditions that may produce premature aging. For example, harsh weather conditions, high temperatures or chemical subjects. In our Power generation, E&P and Petrochemicals activities, we have certain work positions covered by these differential systems.



The unions we have bonds with are as follows:

- Argentine Federal Electricity Workers' Association (*Federación Argentina de Trabajadores de Luz y Fuerza*) and adhering unions at the places where we operate
- Luz y Fuerza Association of the City of Buenos Aires (*Sindicato de Luz y Fuerza de la Ciudad de Buenos Aires*)
- Water and Energy Hierarchical Personnel Association (*Asociación del Personal Jerárquico del Agua y Energía*)
- Water and Electricity University Professionals' Association (*Asociación de Profesionales Universitarios del Agua y Energía Eléctrica*)
- Water and Energy Superior Personnel Association (*Asociación del Personal Superior de Agua y Energía*)
- Argentine Federal Oil, Gas and Biofuel Workers' Association (*Federación Argentina Sindical de Petróleo, Gas y Biocombustible*)
- Oil and Gas Private Workers' Unions (*Sindicatos de Petróleo y Gas Privados*) of Neuquén, Río Negro and La Pampa
- Oil, Gas and Biofuels Union (*Sindicato del Petróleo, Gas y Biocombustibles*) of Bahía Blanca, La Pampa and Patagonia
- Oil and Gas Union (*Sindicato del Petróleo y Gas*)
- Oil and Gas Hierarchical Personnel and Professionals' Union (*Sindicato del Personal Jerárquico y Profesional del Petróleo y Gas Privado*) of Neuquén, Río Negro and La Pampa
- Argentine National Truck Workers' Association (*Federación Nacional de Trabajadores Camioneros*) and adhering unions in the areas where we develop our business
- Construction Labor Union (*Unión Obrera de la Construcción*) and its different divisions
- United Petrochemical Personnel Union (*Sindicato Obreros y Empleados Petroquímicos Unidos*)
- United Chemical and Petrochemical Industries Personnel Union (*Sindicato del Personal de Industrias Químicas y Petroquímicas*) of Zárate

## 6.8. Occupational health and safety management

GRI content

103-1, 103-2, 103-3, 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 403-8, 403-9, 403-10

SASB indicators

IF-EU-320a.1, EM-EP-320a.1

At Pampa, we implement an Occupational Health and Safety Management System under the ISO 45001 standard. Whether own or third party's, all our workforce is covered by this system and subject to internal audit processes and external certification<sup>45</sup>.

Pampa's model consists of the dynamic, simultaneous and complementary combination of two lines of action: reducing risk factors through prevention and developing physical, mental and social well-being.

We rely on our QHSE Policy, focused on improving life quality and securing each employee's necessary abilities to manage their health, develop their skills, and achieve personal and professional goals. Thus, creating safe and healthy environments and caring for well-being through the participation and commitment of all our teammates.

### 6.8.1. COMPREHENSIVE MANAGEMENT

We continuously monitor QHSE KPIs in all our assets through the QHSE's Unified Indicator Board. This system allows us to generate concise and robust information, analyze trends and the long-term evolution of metrics, make better real-time decisions, and improve our performance.

In 2020, we continued incorporating improvements to the QHSE Board by adding new legal compliance indicators contributing to more proactive management. Moreover, we determined performance goals to minimize the risks in new projects and operations.

<sup>45</sup> For further information, see section 5.2 of this Report.

Target	2020 performance
Zero fatalities in own and contractors' personnel	✓ No mortalities recorded
Lost workday rate (LWR) = 89.88	✓ 58.12 were recorded
Behavior preventive observations (BPO)	✓
Total Recordable Injury Frequency Rate (TRIR) = 7.71	✓ 7.66 were recorded
Absenteeism rate in own payroll (AR)	✗ 2.60 were recorded
Periodical occupational health assessments (OHA)	✗ Suspended due to the pandemic

Due to the pandemic and the subsequent lockdown, in 2020 we could not meet the last two goals.

### Health and safety hybrid committee

Required by the legislation of Santa Fe and Buenos Aires provinces, these committees, made up of teammates and the Company's representatives, are operational in PGSM, CTGEB, CPB and CTB. The topics addressed in the periodic meetings are recorded in minutes.

### Health and safety golden rules

We continued the Health and Safety Golden Rules compliance campaign, targeted at all employees performing high-risk tasks. These rules are part of our daily work and are essential to managing risks in all our activities.

We have designed and executed several internal and external communication and dissemination campaigns, besides training on specific issues, to raise awareness and reinforce the objectives sought with each golden rule.



## 6.8.2. OUR RESPONSE TO COVID-19

Following the COVID-19 pandemic declaration in March 2020, we adopted the recommendations of the WHO, the Argentine Government and our QHSE Policy to reduce the disease transmission risk and its psychosocial impact and guarantee the continuity of our activities deemed essential.

Aligned with Pampa's Culture, we set the following strategic goals:

- Promoting adequate health and safety measures to operate in the pandemic context.
- Raising our employees' awareness of the symptoms compatible with COVID-19 and compliance with prevention and action protocols in case of possible infections.
- Guaranteeing the continuity of the operation and production of essential goods and services supplied by our Company.

Despite the uncertain and challenging context and given the pandemic dynamics, our coordinated actions evidenced the **Comprehensive Management System's** robustness to deal with the contingency. In turn, we were able to take maximum advantage of the implemented good practices.

Moreover, during the 5<sup>th</sup> edition of the 'Connecting companies with the SDG' program organized by the CEADS and Ernst & Young Argentina, Pampa and the Pampa Foundation submitted several initiatives in the environmental area that contribute to SDG 7 and 8. The initiatives are '[Potentiating us in the COVID-19 Complexity](#)' and '[Our Energy for those who take care of us](#)'<sup>46</sup>.

<sup>46</sup> For further information, see section 3.1 of this Report.

## COVID-19 Preventive Committee

On February 27, 2020, the Preventive Committee was created, which outlined several internal practices implemented in all our assets. The multidisciplinary committee is made up of several Company areas, including:

- Human resources
- QHSE
- Procurement and general services
- Legal
- Insurance
- Institutional relations and press
- Asset assurance
- A representative of each business: power generation, E&P and petrochemicals.

We work jointly with a team of specialists in infectious diseases that analyze internal and external KPIs and the setting of prevention and management strategies for positive cases. In addition, the committee closely monitors national, provincial and municipal laws, adjusting our action to the applicable regulations and the pandemic dynamics.

In turn, a local preventive committee was established in each of our assets, responsible for implementing the guidelines set by the central committee and establishing specific actions. Finally, the adopted measures were communicated to all the work teams through the 'Pampa Guidelines' channel.

## Implementation of a communication, training and support plan

For communications to our teammates, the different available channels (internal communications, Kaizala, billboards, social media, etc.) were used to provide permanent information on the measures defined by the COVID-19 Preventive Committee.

We provided virtual training courses with recommendations and specific care measures to prevent contagion. The occupational health services offered support through videoconference talks with updates on all instances of the pandemic dynamics.

Moreover, we published information on preventive and action protocols for suspected and confirmed cases and close contacts, ensuring full compliance with the requirements of the National Labor and Health Ministries.



To assist our leaders in supporting their work teams, we organized a virtual training course, 'Potentiating us under complexity.' It was presented by renowned speakers, which fostered a space for reflection on the context's main topics.

We launched a fully confidential legal and psychological support service (EAP) for all employees and their households, complementing the several health and safety actions and the Company leaders.

## Implementation of remote working

To minimize our personnel's exposure, guarantee our business operational continuity and ahead of a possible worsening of the pandemic, we implemented working from home for all teammates who could perform their tasks under such modality from March 16, 2020. Thanks to the professionalism and commitment of our IT area, we managed to make a fast and controlled transition to remote working.



## Continuation of the activity in the assets

Due to the nature of our operations (E&P, power generation and petrochemicals), our activities were exempted from the Preventive and Mandatory Social Lockdown (ASPO) under Sect. 6 of Emergency Executive Order No. 297/20.

Although we continued operating under the essential mode, work routines and shift schemes were modified to reduce the personnel's exposure and protect their health to the maximum possible extent. Moreover, we reinforced hygiene measures in the transfer of teammates and each shift change, restricting access to the control rooms only to authorized personnel.

We promoted the self-monitoring of symptoms both for direct and contractors' employees. If there are symptoms, the protocol provides staying at home, with the occupational health area handling each specific case. Before entering our facilities, we require the submittal of a health affidavit and perform temperature and smell controls and, in some cases, pulse oximetry tests.

We have defined an action sheet and a contingency plan in each asset for suspect cases, including, for example, the continuity of operations in an alternate control room or, if possible, through remote access.

We performed specific training and action drills to verify the efficiency of protocols. Besides, we identified safe corridors to provide a fast response and minimize the impact on personnel and operations.

Complementing the action of public health services and the specific health insurance coverage, we hired a laboratory service to allow for early diagnosis and/or the adoption of preventive and rapid actions.

**¿Qué debes hacer si presentas alguno de los siguientes síntomas compatibles con COVID-19?**



## Hygiene measures and flu immunization plan

Based on the recommendations issued by the WHO, the National Labor and Health Ministers and specialists in infectious diseases, we have adopted the following measures:

- Ventilation systems were conditioned, and air disinfection and hygiene measures were complemented with UV radiation.
- Dispatches and work areas were modified, desks were removed, and pathways were signposted.
- The specialized staff was trained to optimize cleaning and disinfection by increasing their frequency and using specific products. We made trials by swabbing surfaces that are commonly in contact with hands. These audits were performed in four power plants, where several sectors were visited at different times of the day. In total, 18 samples were taken, and none of them tested significant microbial growth.
- Signs informing on social distancing requirements and safety measures were put up.
- Alcohol gel dispensers were placed at accesses and strategic points, and contactless thermometers were used in entries.
- All food catering services received instructions to reinforce hygiene practices, adapting the service to the local operational needs.
- All employees were supplied with personal protection equipment.
- Specific protocols were established for personnel transportation, ensuring cleaning and disinfection before and after vehicle use, and social distancing subject to maximum capacities and vehicle activity, among other measures.

We reinforced the immunization plan by advancing our **annual flu vaccination campaign** in all our assets. Moreover, we incorporated home vaccination to prevent teammates' potential exposure to COVID-19. As a result, thanks to an intense communication and awareness effort, the flu immunization campaign showed a 69% increase compared to 2019<sup>47</sup>.

**VACUNACIÓN  
ANTIGRIPIAL  
2020**



<sup>47</sup> For further information, see section 6.8.3 of this Report.

## Asset management system

Prevention and contingent action protocols for suspected or positive COVID-19 cases were customized to each of our assets, shaping it to the activities and operating modalities, and following the specific local legislation requirements.

Despite the lockdown restrictions, it is worth highlighting that we continued with the overhauls and the CCGT project works at CTGEBA, located in Marcos Paz, Province of Buenos Aires, which was commissioned just 15 days after the committed date.

Due to the high community circulation of the virus in the AMBA, as a mitigation measure, we adopted rapid serological tests for all direct and contractors' employees at CTGEBA and CTEB. Through this program, we identified asymptomatic positive cases for their isolation and further follow-up.

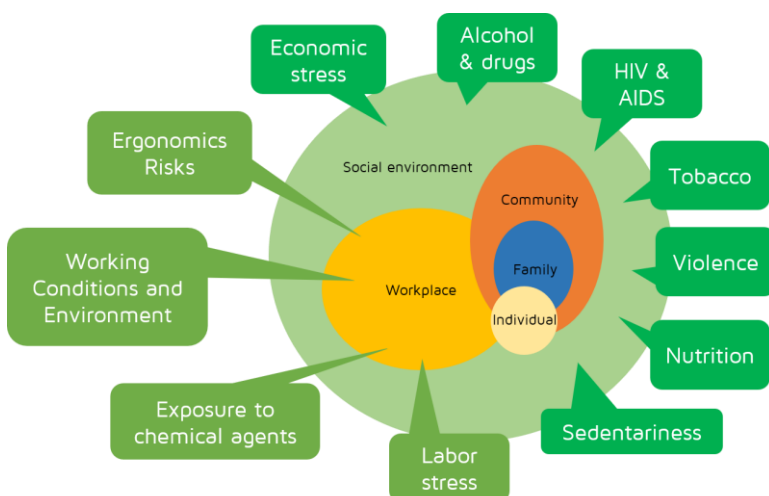
Other implemented actions:

- ✓ Separation of work teams in bubbles.
- ✓ Self-monitoring of symptoms at home by each teammate.
- ✓ Epidemiological surveillance protocol of suspected cases and close contacts.
- ✓ Fast tests in operations where there was a high community circulation of the virus and required the personnel's physical presence.

To ensure the proper understanding of guidelines, raise awareness and promote potential process improvements, we performed drill exercises in all our assets and protocol audits with the following characteristics:

- In power generation, audits were outsourced.
- In E&P, audits were performed by the union and the competent enforcement authority.
- In PGSM, the requirements of the Ministry of Labor of the Province of Santa Fe were adapted.
- We established alliances with contractors operating some of our assets and with specialized suppliers.

## 6.8.3. HEALTH MANAGEMENT



The **Occupational Health Risk Management System** seeks to reduce health risk factors and promote the development of a healthy lifestyle among our employees. Risk management is addressed based on the following axes:

We track our employees' health through an annual **Occupational Health Assessment (OHA)**, prioritizing the early diagnosis of potential risks with a clinical evaluation and individual complementary studies.

In 2020, a resolution of the Superintendence of Labor Risks (Ministry of Labor) suspended the OHA's execution due to the risk of COVID-19 transmission.

## Policy on alcohol, drugs and psychoactive substances

We perform training and awareness-raising programs in the different sites. We also tested all the employees who did not show signs or symptoms of preventing the task performance required for the position at the time of the exam. However, in 2020 the preventive examinations were restricted due to the risk of COVID-19 transmission.

## Virtual consultations

We have involved all the occupational health services through communication IT-based tools and the occupational health application (SALOC) to improve the quality of the limited care during the pandemic, reduce the risk of infections, and continue monitoring and treating diseases.



## Cardiac protection program<sup>48</sup>

It is a critical strategy in contingency plans, as heart conditions are the primary cause of death in Argentina (40,000 cases a year). Furthermore, it has been shown that knowing these practices increases the patient's chances of survival to 80%. In this sense, we implemented the COVID-19 bio-security recommendations by the Argentine Heart Association in courses on cardiopulmonary resuscitation (CPR) using automated external defibrillators (AEDs). Performing first aid, we incorporated the use of face masks by the victim and the rescuer.

## Flu immunization campaign

As a result of the pandemic, the annual immunization campaign was far more extensive than that performed in 2019, explained by home vaccination visits to employees. The immunization campaign was available and voluntary for all our personnel.

As of July 31, 2020, the flu immunization reached 1,451 persons (1,316 own employees and 135 contractors). No adverse effect cases were observed after administration.

## Healthy diet

For the care of our work teams during the pandemic, the government determined the risk factors exempting employees from onsite work (Res. No. 1643/2020). One of the risk factors is obesity, defined as having a body mass index over 40. Obesity is a multicausal disease affecting a person's internal and external balance. Its complexity requires the commitment, responsibility and determination of the patient and their family, labor and other environments.

Therefore, we implemented **My possible weight**, a comprehensive self-managed program that includes consultations with nutritionists, the promotion of physical activity and emotional support. Furthermore, Pampa's health service provided support through virtual consultations, and specialized workshops were organized. As a result, in November 2020, there were 43 teammates affected by this condition; as of this date, 20 of them have succeeded in reducing their body mass index below 40.

## Food safety

To verify the food preparation degree of compliance and the effective application of protocols and good practices by the food catering service and avoid potential infections among the personnel, we performed:

- Audits of good manufacturing practices, with corrective actions and implementation follow-up, if applicable.
- Microbiological assessment of food and contact surfaces.

In 2020 we performed three audits at the AMBA plants. Based on the performed samplings, no microbiological deviations regarding food, surface contacts, and food handlers' hands were identified.

## Smoking cessation program

Pampa is certified as a smoke-free company, a recognition granted by the National Ministry of Health. Controlling the use of tobacco is a top priority for our teammates' health.

## Ergonomics

We made a video detailing ergonomic and care measures for teammates working from home, suggesting working positions and tips for equipment care and user safety.

## Physical activity

The pandemic lockdown reduced participation in gyms, which remained closed, and increased physical inactivity, posing a risk of physical, mental and emotional consequences. To this effect, we promoted active breaks, with virtual yoga and stretching classes given by our teammates, walking and moderate physical activity.

### ERGONOMÍA Y TIPS DE CUIDADO DE EQUIPOS DE PAMPA

Te damos algunos consejos sobre ergonomía para trabajar desde casa y algunos tips sobre cómo cuidar nuestros elementos de trabajo que hoy más que nunca, nos ayudan a poder desarrollar nuestras tareas diarias sin problemas.

## Breastfeeding support

At the Pampa Building, we have a lactation room, contributing to children's good health<sup>49</sup>.

<sup>48</sup> For further information, see section 6.8.4 of this Report.

<sup>49</sup> For further information, see section 6.4 of this Report.

## Voluntary blood donation program



For the past four years, we have taken part in a voluntary blood donation initiative. In 2020, together with the Pampa Foundation, 62 volunteers from our assets in the provinces of Buenos Aires, Salta and Neuquén participated in the campaign in alliance with local organizations encouraging donation.

Participation area	Volunteers
Neuquén	31
Salta	26
Buenos Aires	5

## 6.8.4. OCCUPATIONAL SAFETY MANAGEMENT

### Behavioral Preventive Observations Program

1,509 performed observations, -44% vs. 2019, explained by the pandemic

One of the cornerstones of safety management consists of observing the behavior of our teammates and implementing preventive actions to minimize potential operational risks. In this line, we went ahead with the **Behavioral Preventive Observations (BPO) Program**. Every year, we execute initiatives geared at supporting and improving its efficiency. The deviations detected through the BPO are corrected immediately, a differentiating aspect that prevents future labor incidents.

Although 2020 was a great year because of the mobility restrictions to reduce the spread of infections, we continued performing the BPO program. Besides, it allowed for an *in situ* verification of the use of personal protection equipment for COVID-19 and the established preventive protocols.

### Risk maps in industrial hygiene

We continued working on improvements in the hygiene, chemical, physical and ergonomic risk maps. In addition, we assessed and optimized measurements of work environments and individual dosimetries. Consequently, we have made progress in the assets and minimized risks.

In 2020, we implemented the **carcinogenic substances and compounds surveillance system** established by the Superintendence of Labor Risks and applicable to all the assets handling this kind of substance.

### Change management process

The power generation business implemented the change management initiative to eliminate or mitigate risks and adverse impacts of any possible modifications in the assets due to the maintenance, operation, technology, projects, inputs, spare parts, documents or services. At E&P, the change management procedure was applied to adjust the high-pressure Early Production Facility (EPF) to identify, control, minimize or eliminate risks associated with this improvement.

### Preventive labor environments

We have maintained the **preventive labor environments' certification** for two years, 2019-2021, for all assets operated by Pampa, according to the requirements established by the Secretariat of Comprehensive Drug Policies of the Republic of Argentina (*Secretaría de Políticas Integrales sobre Drogas de la Nación Argentina*, SEDRONAR) and the Cooperation Program between Latin America, the Caribbean and the European Union on Drugs Policies (COPOLAD). This certification seeks to implement and strengthen preventive actions in the work environment and has a coordinated vocal support and supervision process. For further information: [www.argentina.gob.ar/sedronar](http://www.argentina.gob.ar/sedronar).

### Cardiac-safe company

This certification seeks to promote a preventive culture, raising awareness on cardiovascular risks and training employees to take efficient action in case of emergency. Together with the certifying body, we offered CPR, first-aid and AED use workshops in all Pampa's assets. As a result, all Pampa's assets have AEDs with the corresponding signs, and thirteen of our sites have been certified. We trained 350 people and performed 13 drills with cardiac emergency scenarios.

## 6.8.5. OCCUPATIONAL HEALTH AND SAFETY KPI MANAGEMENT<sup>50</sup>

### Direct and contractors' KPIs

In 2020, no significant incidents were reported and, for the second year in a row, no fatalities have been recorded

	TRIR			LTIR			LWR		
	2020	2019	2018	2020	2019	2018	2020	2019	2018
Power generation	10.67	6.96	9.33	5.33	3.98	7.77	69.87	36.31	152.84
E&P	5.06	9.09	7.22	0.84	1.58	2.89	78.44	73.93	2,963,77 <sup>2</sup>
R&D <sup>1</sup>	-	-	5.15	-	-	2.06	-	-	105.06
Petrochemicals	10.41	10.95	12.24	5.95	6.78	3.30	69.38	115.21	140.78
Headquarters	0.84	1.54	-	-	1.54	-	-	33.93	-
<b>Total</b>	<b>7.66</b>	<b>7.74</b>	<b>7.25</b>	<b>3.67</b>	<b>3.48</b>	<b>3.40</b>	<b>58.12</b>	<b>67.70</b>	<b>776.84</b>

**Note:** 1 Pampa divested the R&D segment in 2018. 2 In 2018, a contractor died in E&P, an event that is penalized with 6,000 lost workdays.

The **TRIR**, considering own and outsourced staff, recorded 7.66 incidents per million man-hours worked in 2020, lower than the management goal (7.71) and the 2019 record. Even though there was a decrease in the number of hours worked in 2019 due to the pandemic, this reduction is due to 20% fewer occurrences with and without lost time compared to 2019.

Instead, the **Lost Time Injury Frequency Rate is (LTIR)** increased by 6% compared to 2019, mainly because the decrease in the number of worked hours was proportionately higher than the reduction of cases.

Incidents in 2020, by business		Direct	Third-Party	Total	
				Number	Vs. 2019
Power generation	With lost time	4	6	10	+25%
	Total recordable	12	8	20	+43%
E&P	With lost time	-	1	1	-75%
	Total recordable	-	6	6	-74%
Petrochemicals	With lost time	10	2	12	-8%
	Total recordable	14	7	21	-
Headquarters	With lost time	-	-	-	-100%
	Total recordable	-	1	1	-50%
<b>Total</b>	With lost time	14	9	23	-15%
	<b>Total recordable</b>	<b>26</b>	<b>22</b>	<b>48</b>	<b>-20%</b>

**Note:** Total occurrences comprise incidents with and without lost time, data used to calculate the TRIR.

Man-hours worked in 2020, by business	Direct	Third-Party	Total	
			Number	Vs. 2019
Power generation	1,076,618	798,313	1,874,931	-7%
E&P	278,933	906,714	1,185,647	-53%
Petrochemicals	1,377,062	640,933	2,017,995	+5%
Headquarters	1,068,656	116,031	1,184,687	-9%
<b>Total</b>	<b>3,801,269</b>	<b>2,461,991</b>	<b>6,263,260</b>	<b>-19%</b>

In 2020, the **LWR** recorded 58.12 days per million man-hours worked, 14% lower than the rate recorded in 2019, explained by the lower severity and frequency of incidents.

<sup>50</sup> For further information, see the formula definitions in the Glossary.

Days lost by an incident in 2020, by business	Direct	Third-Party	Total	
			Number	Vs. 2019
Power generation	61	70	131	+79%
E&P	-	93	93	-50%
Petrochemicals	80	60	140	-37%
Headquarters	-	-	-	-100%
<b>Total</b>	<b>141</b>	<b>223</b>	<b>364</b>	<b>-31%</b>

In 2020, the vehicle accident frequency rate per million kilometers driven (VAR) was 0.27, 79% higher than in 2019, mainly explained by a 7% decrease in km driven and five traffic accidents with light and heavy-duty vehicles, slightly higher than the three incidents recorded in 2019.

## Direct employees KPIs

	TRIR			LTIR			LWR			AR		
	2020	2019	2018	2020	2019	2018	2020	2019	2018	2020	2019	2018
Power generation	11.15	8.70	11.41	3.72	5.22	10.59	56.66	36.56	196.34	3.04	2.40	1.99
E&P	-	3.56	-	-	-	-	-	-	-	1.26	0.95	1.07
R&D <sup>1</sup>	-	-	6.81	-	-	2.72	-	-	138.86	-	0.57	2.19
Petrochemicals	10.17	10.89	15.06	7.26	8.38	5.27	58.09	185.17	155.17	4.17	3.24	3.93
Headquarters	-	0.97	-	-	0.97	-	-	42.61	-	0.56	1.24	0.80
<b>Total</b>	<b>6.84</b>	<b>6.84</b>	<b>8.23</b>	<b>3.68</b>	<b>4.65</b>	<b>4.64</b>	<b>37.09</b>	<b>83.98</b>	<b>115.81</b>	<b>2.60</b>	<b>2.25</b>	<b>2.25</b>

Note: 1 Pampa divested the R&D segment in 2018.

In 2020, the TRIR remained at 6.84 as the man-hours worked (3,801,269 hours) and the total recordable incidents (26 occurrences) increased by 4% compared to 2019.

The LTIR for direct employees recorded a 21% decrease compared to 2019, mainly due to the 18% reduction in lost time incidents.

The LWR for own employees continued dropping significantly, recording a 56% decrease compared to 2019, explained by the lower severity and frequency of incidents.

The AR experienced a 16% year-on-year increase, reaching 2.60, due to higher absenteeism on COVID-19 and, to a lower extent, a slight reduction in available hours.

Hours lost in 2020	No. of hours	Vs. 2019
Occupational (incidents and professional diseases)	5,155	+30%
Non-occupational (blameless diseases)	95,965	+14%
<b>Total lost hours</b>	<b>101,120</b>	<b>+15%</b>
<b>Total available work hours</b>	<b>3,883,517</b>	<b>-1%</b>

Due to inconsistent data because of the pandemic, we decided not to report the total reported occupational illness frequency rate (TROIR) in 2020. COVID-19 is considered a presumptive occupational illness, and its clearance depends on the labor risk insurance company.

## Contractors' KPIs<sup>51</sup>

	TRIR			LTIR			LWR		
	2020	2019	2018	2020	2019	2018	2020	2019	2018
Power generation	10.02	4.64	5.69	7.52	2.32	2.85	87.68	35.99	76.85
E&P	6.62	9.78	8.26	1.11	1.78	3.31	102.57	83.15	3,393.11*
Petrochemicals	10.92	11.04	7.54	3.12	4.14	-	93.61	-	116.79
Headquarters	8.62	3.79	-	-	3.79	-	-	-	-
<b>Total</b>	<b>8.94</b>	<b>8.54</b>	<b>6.12</b>	<b>3.66</b>	<b>2.44</b>	<b>1.96</b>	<b>90.58</b>	<b>53.18</b>	<b>1,544.26</b>

**Note:** \*In 2018, a contractor died in E&P, an event that is penalized with 6,000 workdays lost.

In 2020, the **TRIR** for outsourced workers increased by 5%, to 8.94, as the man-hours worked (2,461,991 hours) decreased by 40% compared to 2019. In contrast, incidents with or without lost time (22 occurrences) experienced a 37% year-on-year decrease. This also explains the increase in the **LTIR**, where the reduction in the number of hours was higher than the 10% year-on-year decrease in third-party lost time incidents.

The **LWR** increased by 70% compared to 2019, explained by the previously mentioned decrease in man-hours and the increase in lost time in power generation and petrochemicals.

### Actions jointly developed with carriers

In 2020, we continued performing a semiannual comprehensive audit scheme for carriers, which included 48 items for verification (speed controls, checking tachograph charts, resting periods, and stops, among others). As a result, we performed ten audits, all of them with an acceptable average compliance rate. Moreover, no heavy truck fleet accidents were recorded throughout 2020.

On the other hand, as part of the tasks of the Logistics Management Center (LMC), we reinforced prevention actions in the area of road safety (driver, vehicle and environment) through:

- Monthly awareness - raising talks focused on addressing emergencies, with an average attendance of 77 drivers. Due to the pandemic, it was performed via videoconference.
- Verification of the vehicles' condition for public road use, elements for loading/unloading operations and protective equipment, including the COVID-19 kit, with 4,824 reviews made.
- Communication billboards in the drivers' room, addressing topics associated with weather, road and accident alerts and the COVID-19 preventive protocol.

### Emergency response programs

We started the corporate contingency management review, which included updating the standard and critical scenario emergency cards. As a result, the structure of response plans is aligned with applicable regulations and benchmark technical standards.

We performed drill exercises in all assets contemplating different scenarios: fire and explosions, product spills, uncontrolled well, casualty evacuations and trauma scenarios, among others. Some of them were performed with the participation of contractors, and others with local companies and authorities. In 2020, more than 30 drill exercises were performed, including:

- Annual audits by the National Contingency Plan (*Plan Nacional de Contingencia*, PLANACON)
- Major Emergencies Plan (*Plan de Emergencia Mayores*, PEMA)
- Major Emergencies Mutual Assistance Plan (*Plan de Ayuda Mutua para Grandes Emergencias*, PAMGE)
- Community Alert Plan in case of Industrial Emergencies (*Plan de Alerta Comunitario ante Emergencias Industriales*, PACEI)
- Dam Failure Emergency Plan (*Plan de emergencia por rotura de presas*)
- APELL Plan, Bahía Blanca

During the critical analysis of the process, improvement opportunities were detected in both response and response preparedness, helping us better address contingencies.

<sup>51</sup> Workers who are not Pampa's direct employees, but whose works or workplaces are controlled by the Company.





Community

## 7. Community

SDGs  
4, 7, 8, 12, 17

Material topics  
Local Communities

### WE TRANSFORM REALITIES

We are committed to the social development of the local communities where our assets are located. To that effect, we work on programs and actions from our CSR department and the Pampa Energía Foundation. The social investment initiatives are strategically designed from the relationship with our stakeholders, focused on improving individuals' life quality, promoting education and strengthening the institutions in the communities where we operate.

#### 2020 milestones

- ✓ We adapted our programs to the virtual format and launched two new initiatives: 'Pampa Foundation Schools Network' and 'Energy Efficiency Program.'
- ✓ In virtual format, the **Energy Researchers program** was declared of educational interest by the Ministries of Education of Salta and Neuquén. Teacher scoring points are awarded by the Ministries of Education of Mendoza and Neuquén.
- ✓ We invested US\$2.7 million in 2020, 58% of which was destined to education and the rest mainly to assistance addressing the social and health emergency arising from the pandemic.

#### 7.1. Commitment to social investment

GRI content  
102-43, 102-44, 103-1, 103-2, 103-3, 203-1, 203-2, 413-1

SASB indicators  
EM-EP-210b.1

Our social investment strategy aims to maximize our support to the communities where we have a footprint, improve their quality of life, strengthen their institutions, focus on social-value programs, and, subsequently, quantify the impact. We develop this strategy based on three axes:

- **Education:** an essential element for individuals' growth and autonomy. We believe it is a necessary condition to access professional and work training.
- **Employment:** a driver for the individuals' effective development in the short term and communities in the medium and long term.
- **Social and community inclusion:** bringing opportunities and resources for individuals to actively participate in their surroundings' social, environmental, cultural and economic activities.

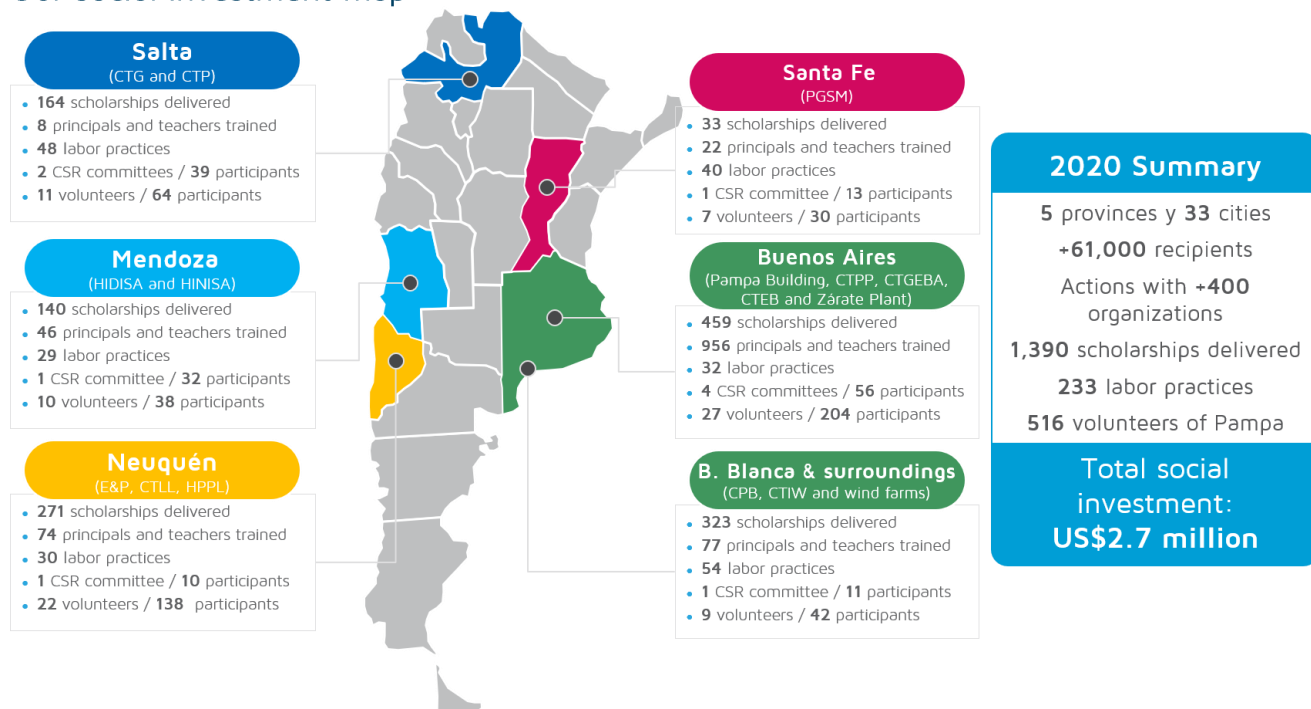
Click on the video to see a summary of the main actions developed in 2020.



Moreover, within the 5<sup>th</sup> edition of the 'Connecting companies with the SDGs' Program organized by the CEADS and Ernst & Young Argentina, Pampa and the Pampa Foundation submitted initiatives, which mainly include projects offering education and training for labor placement (SDG 4), renewable energies in our community (SDG 7) and our support in the COVID-19 health emergency (SDG 8)<sup>52</sup>.

To enhance the impact, we developed our social investment actions in coordination with social organizations and public entities, reaffirming our contribution to SDG 17, which is cross-cutting to all our initiatives.

## Our social investment map



## Dialog with the community<sup>53</sup>

To generate genuine value in our communities, we are convinced we should know their needs and socio-economic situation. Consequently, we work to establish a close and fluid dialog in the areas where we operate. In addition to the usual channels, we have periodic meetings with leaders to set a work agenda in line with the community's expectations.

In 2019, together with the Production and Engineering Department, we defined a stakeholders' relationship-building methodology under its strategic map. In 2020, we performed a new thorough analysis on stakeholders and identified topics, considering the impact of COVID-19. Highlights include:

- Ensuring the availability of **skilled resources** to address emergencies adequately.
- **Improving the local suppliers' experience**, favoring the possibility to receive these quality goods and services.
- **Boosting presence in our areas of influence** through media.
- **Social and health support addressing the COVID-19 emergency** in neighboring communities and social organizations.

Moreover, we engaged in dialog with indigenous communities to support them and understand their needs. In CTP's area of influence, we established relationships with the *guaraní* community of Piquirenda Viejo, made up of 150 families. Two members of this community are Pampa's teammates and active participants of the CSR Committees<sup>54</sup>.

<sup>52</sup> For further information, see section 3.1 of this Report.

<sup>53</sup> For further information, see section 3 of this Report.

<sup>54</sup> For further information, see section 7.4 of this chapter.

## Pampa responds

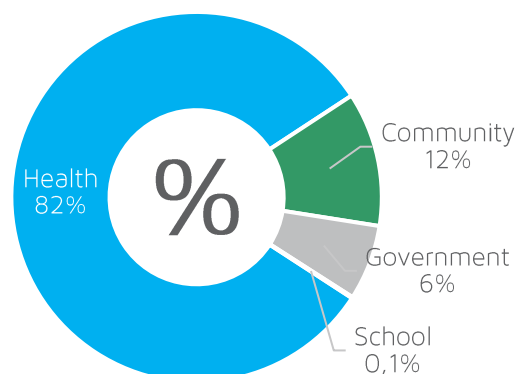
We strive to address our communities' expectations that are aligned with our work axes. Our support may consist of financing NGOs or public agencies projects, independent initiatives, and specific donations.

Although we have always focused on social promotion programs, the pandemic triggered urgent aid requests for health, food and education emergencies under a mandatory lockdown context.

### Commitment in times of pandemic

Within the global health emergency context, we reinforced our social investment in 2020. By donating and supporting civil society organizations and public health institutions, we have improved skills and provided supplies to protect essential workers, safeguarding social assistance and health. Contributions were made at different levels:

By asset/location	In AR\$ million	%
National campaign	30.9	63%
Prov. of Buenos Aires	4.4	9%
CPB	3.5	7%
E&P	3.4	7%
CTEB	2.0	4%
CTPP	1.2	2%
CTGEBA	1.1	2%
HIDISA & HINISA	1.0	2%
Petrochemicals	0.8	2%
CTG & CTP	0.5	1%
<b>Total</b>	<b>48.8</b>	<b>100%</b>



One of our first actions consisted of joining the 'Argentina Needs Us' campaign led by the Argentine Red Cross, which sought to support and strengthen health institutions. Thanks to this joint effort, 15 ventilators were delivered to the **Cuenca Alta Hospital in Cañuelas** and 4 to the **Dr. René Favaloro Hospital in La Matanza**. We also participated in 'Let Us Be One,' a public-private initiative to deliver food and essential items to one million homes throughout the country.

### Agreements with provincial and municipal bodies

By contributing equipment and supplies, we coordinated and signed agreements with different provincial and municipal bodies to strengthen the local health institutions' response capacity, provide protective supplies to the staff and facilitate testing spaces. We delivered prevention kits and protective masks, ventilators, orthopedic beds and other supplies. In addition, under the *Detectar* Plan in San Martín de los Andes and Cutral Có, we rented containers for health control tasks.

### Protection and hygiene supplies to hospitals, healthcare centers and community organizations

We surveyed the needs in the towns where we hold presence and responded to the requests for cooperation to protect hospitals and healthcare centers' medical staff. Besides, we collaborated with social organizations assisting vulnerable persons or senior adults by donating personal protection items and care products, contactless thermometers and non-perishable food.

### School supplies

We provided raw material supplies to schools in Ensenada, Marcos Paz, Cañuelas, Moreno, Zárate and Bahía Blanca, Province of Buenos Aires, so that students can assemble protection items for local hospitals with 3D printing technology. On the other hand, we contributed educational materials to favor the bond with students and distance activities.

## 7.2. Education

Education is a driver for growth, an essential tool to construct active and responsible citizenship, which is key to development and social and labor market inclusion. In this sense, through our programs and initiatives, we seek to promote equal opportunities for vulnerable persons.

## Support for the completion of studies

Every 8 minutes, a young student drops out of high school in Argentina<sup>55</sup>, which means that for every 100 children entering high school, only 50 graduate. Besides, among students aged 18-24 in the poorest sectors, only 47% finish their studies, whereas the statistic increases to 90% in the highest-income sectors<sup>56</sup>.

Moreover, among the population above 25, only 18% finish higher education<sup>57</sup>, and only 27% of the graduates complete their studies in the expected time. Moreover, 36% of students at public universities drop out in the first year<sup>58</sup>. The situation is more complicated for young people in a vulnerable context, as only 1 out of 5 youngsters (18-29) have access to college and university<sup>59</sup>.

These indicators have worsened with the pandemic. It is estimated that almost 10% of all students drop out of the educational system at all levels<sup>60</sup>. Given this context, we reinforced strategies to support the educational paths of young people from the communities where we operate, so they can finish their secondary technical studies and later attend university and/or college courses of study associated with our businesses, mainly engineering.

The social situation of our scholarship grantees:

- 40% live in households where the responsible adult has not completed secondary school.
- 69% of university scholarship grantees are the first generation of students in higher education in their families.
- 78% of scholarship grantees are living in poverty.
- In 2020, they had to allocate 44% of the scholarship to assist the household economy.

## Economic support to students

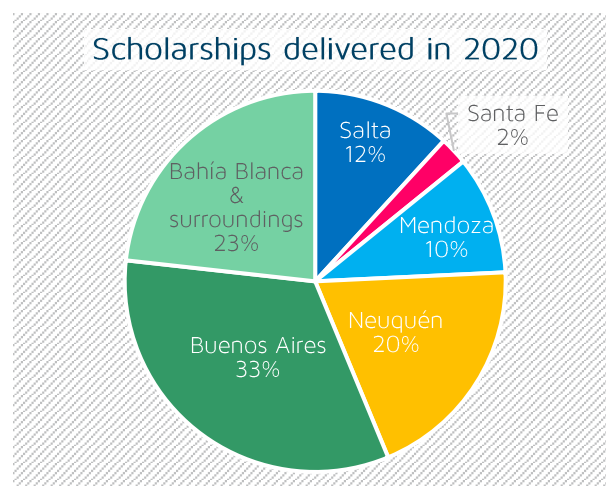
Since 2016, we have accompanied a total of 2,638 secondary and university students with our support program

Scholarship details	2020	2019
Total scholarships granted	1,390	1,443
Female scholarship grantees	40%	32%
% high-school retention	86%	84%
% higher education retention	65%	69%

In 2020, we incorporated 617 students into the program through a selection process with 1,163 applicants. Overall, we awarded scholarships to 1,025 students in the last three years of technical secondary schools and 365 university and college students, of which 248 secondary and 7 university students graduated, with majors associated with our businesses, mainly engineering.

Since 2016, 1,069 young students have graduated from the high-school scholarship program<sup>61</sup>, of which 24% joined the university scholarship program in courses of study associated with our businesses. Moreover, 85% of the graduates were studying and/or working in the months following the completion of secondary studies<sup>62</sup>.

Out of the total 51 university graduates in our program, 29% are women, 92% graduated in engineering studies, and 88% finished their studies in the expected time, reinforcing the importance of educational accompaniment.



<sup>55</sup> Argentines for Education Observatory (*Observatorio Argentinos por la Educación*), 'Noticeable but insufficient improvements in secondary education', 2019.

<sup>56</sup> CIPPEC, 'Transforming secondary education', Alejandra Cardini and Vanesa D'Alessandre, 2019.

<sup>57</sup> National educational system, Statistical Report, January 2017, National Department of Educational Information and Statistics, Ministry of Education, Culture, Science and Technology

<sup>58</sup> Summary of universities' statistical information, 2017 - 2018, Ministry of Education, Culture, Science and Technology.

<sup>59</sup> Otero, Analía and Corica, Agustina, 'Young people and higher education in Argentina. Evolution and trends', November 2015.

<sup>60</sup> Argentines for Education Observatory (*Observatorio Argentinos por la Educación*), 'Studies show that interrupted school attendance jeopardizes learning and deepens the educational gap', 2021.

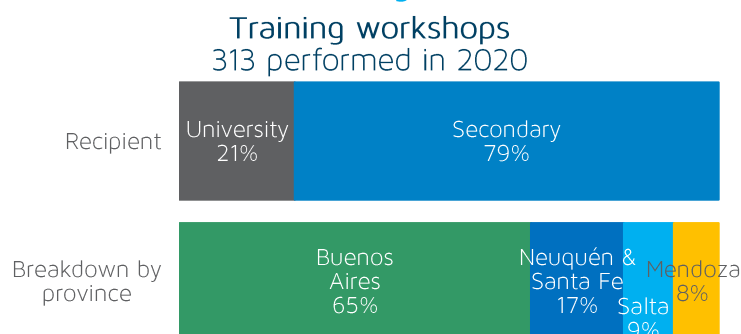
<sup>61</sup> The graduation rate for high school scholarship grantees, from the program's start to its completion, reaches 83%.

<sup>62</sup> Survey on 531 graduates made 6 and 12 months after the completion of the program.



## Mentoring, training and educational trips

+300 training workshops  
+4,600 individual tutoring sessions



In 2020, we organized 313 workshops for scholarship grantees, completing 766 hours of training in tools essential for labor market inclusion and the achievement of academic goals: soft skills, employability, career guidance, personal finances, communication, and study techniques.

We also organized 63 parent meetings to accompany families on relationships with adolescents during the pandemic, household economy, family organization and communication, and other topics.

Regarding individual accompaniment, 4,660 follow-up interviews and tutoring sessions were conducted. Throughout the year, 78% of the scholarship grantees have met the goals set in these spaces.

### 2020 Youth Project

The [Youth Project](#) supports university students in the last part of their studies, offering training in innovation, collaborative leadership, business model, pitch and communication. Besides, it promotes the development of triple-impact projects in energy, technological innovation, human development and sustainability areas. The program consolidates the support and skills provided by the scholarship program for at least three years and furthers new ways of thinking about future energy.

Pampa's internal and external mentors and tutors, trainers and leaders of prominent organizations in project-related issues, such as Mayma, Socialab and Kolibri, participated in the project, strengthening the students' professional, social and emotional skills.

The 42 grantees that started the program in June 2020 joined 41 students and teachers into their teams. From the 19 projects presented in Greater Buenos Aires, Bahía Blanca, Mendoza, Neuquén and Salta, 4 will receive seed capital and support throughout 2021, allowing them to develop and materialize ideas.



With these initiatives and the help of Pampa's volunteers, we fostered young people's creativity and guided them in developing ideas. We performed surveys with the following results:

- 65% of the scholarship grantees thought that the accompaniment motivated them to improve their academic performance.
- 23% stated that it is of financial help.
- 12% expressed that the scholarship assists them in personal issues.
- 93% believe that the training offered them tools to face the pandemic.
- 99% consider that the program has a positive impact on their future development.

*'If correctly applied, today's effort and weariness can turn into tomorrow's success and rest.'*

Luis Alberto Moreno, Pampa Foundation's scholarship grantee

### Virtual accompaniment in 2020

We developed different complementary activities to support students and their families.

#### Talks with Pablo

For more than three months, we held 23 meetings with 62 university and 55 high-school students, the Foundation's director —Pablo Díaz— and his team's members. These meetings aimed to know how students were going through the lockdown, their uncertainties and projects, and analyze improvement options for our program.

#### Building tomorrow

These are optional workshops for students on different topics: comprehensive sexual education and family planning, street harassment, environmental footprint, digital world and financial education, with 220 secondary and university attendees.

#### Visit the Holocaust Museum in Buenos Aires

Aiming to educate new generations and preserve memory, since 2019, we have participated in the educational initiatives developed by the Museum. In 2020, we performed six visits with 178 students from Mendoza, Santa Fe and Buenos Aires through audiovisual resources, interactive platforms, and survivors' testimonies.

#### Training via Instagram

We performed streaming meetings with 2,300 viewers through the Foundation's account.

- Mateo Salvatto gave a talk on technology, motivation, inclusion and entrepreneurship.
- Dr. Diego Pereyra offered a talk on neuroscience and the future.
- We celebrated World Environment Day with 'Energy researchers for the whole family.'
- *Espacio Sustentable's* specialists offered a talk on SDGs and renewable energies.

## Strengthening of infrastructure and educational equipment

As part of our commitment to improving community and educational institutions, we performed refurbishments and donated equipment to schools, universities and training and community centers of the communities where we operate.

### In 2020, we made donations for over AR\$13 million

In Buenos Aires, together with the General Department of Culture and Education, we supported building improvements in Primary School No. 6 in Cañuelas, Primary School No. 17 and Technical School No. 2 in Pilar. Besides, we continued contributing to the building of workshops at Technical School No. 1 in Ensenada.

In March 2020, we donated a P-DS-1 drilling and well control simulator to the Municipality of Cutral Có, Neuquén, **the first of its kind installed in the country**. This device aims to improve the professional workforce quality and further labor placement through education and training administered by the Neuquén Regional School of the National Technological University.

## Teacher training

### 1,183 educators and school principals trained

We believe that the students' educational paths should also be thought about with their environment in mind. Therefore, the educator's role is essential to develop critical and creative thinking and in supporting students. In this sense, we bring teacher training and educational management proposals to the institutions of our programs to provide them with tools and knowledge to maximize their profession.

## Teacher training initiatives

Since 2011, we have implemented '[Energy Researchers](#),' a natural and social sciences program aimed at primary schools' second cycle. The program seeks to raise awareness on the responsible use of energy and encourage scientific thinking in kids through the inquiry-based learning methodology.

Due to COVID-19, in 2020, the program was redesigned in a 100% digital format. Together with the MG Consulting firm, we provided 20 virtual workshops to 167 second-cycle students of 146 primary schools in Neuquén, Mendoza, Buenos Aires and Santa Fe. As a result, the satisfaction level reached 9.86 over 10, and the tools incorporated by teachers were targeted at more than 2,500 kids.

At the secondary level, we launched the '[Pampa Foundation Schools Network](#),' an educational space transforming teaching methodologies through teacher training and the supply of tools. The program creates a collaborative

network contributing to schools' institutional improvement and activities, enhancing academic indicators. We developed this program in 19 technical schools covered by our high school scholarships program.

Teacher training includes 9 hours of formation through 6 synchronous meetings on neurosciences, digital clearness and good student practices. Principals received 30 hours of synchronous training on strategic planning, institutional assessment and uncertain educational scenarios management. Both groups also had asynchronous training hours and teamwork activities. In 2020, 103 principals and teachers of institutions attended by more than 10,000 students from Mendoza, Santa Fe, Buenos Aires and Salta participated in the program.

Besides, 13 students from 6 schools participated in the **Energy Efficiency program** in Neuquén and Buenos Aires. Together with the *AcercaRSE* NGO, we performed eight virtual training sessions in 2020 for 900 primary school teachers in Campana, Zárate and Lima. Topics addressed were related to the new ways of working imposed by the context and the importance of proper food and nutrition education.

#### Initiatives and partnerships to foster research in educational issues

The Pampa Energía Foundation supports the Argentines for Education Observatory (*Observatorio Argentinos por la Educación*), which gathers and publishes data about the Argentine educational system, contributing to a public debate and positioning education as a critical issue for the 21<sup>st</sup> century.

Moreover, as part of the Group of NGOs and Companies (*Grupo de Fundaciones y Empresas*, GDFE), we supported the Educational Policies diploma developed jointly with the Torcuato Di Tella University. With the participation of several players in national education, it aims to provide education decision-makers in the private sector with an understanding of major educational problems to execute better strategies.

We also participated in the Network for Education of Mendoza. This initiative brings together organizations to achieve quality education in the province.

## 7.3. Employment

In Argentina, 3.9 million work positions were lost in the first semester of 2020, 1.3 million of which correspond to young people aged 18-30<sup>63</sup>. Driven by our commitment to the individuals' professional training and raise the vulnerable groups' employability, we organized first - job workshops and labor practices for secondary, college and university students. Therefore, they can learn formal work environments and have concrete employment possibilities.

### Work practices for technical secondary schools' students

Program details	2020	2019
Students	230	197
Professionalizing practice hours	21,260	21,185
Number of schools involved	20	24
Number of volunteers	98	92

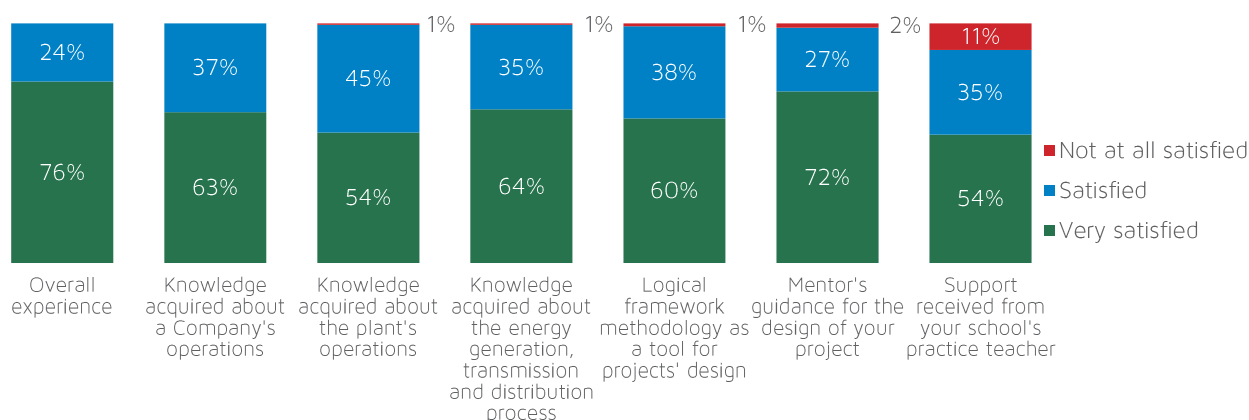
We foster young people from the last years of technical schools to perform their labor practice in the Group's companies and projects coordinated with other institutions. Between 2017 and 2020, more than 760 students completed professionalizing practices at Pampa's companies and assets.

In 2020, we adapted the [Professionalizing practices to the virtual modality](#), with 100 training hours to 230 students from 24 technical schools in 5 provinces. 98 volunteers joined this practice, teaching 67 global, local or optional workshops and serving as mentors through project development using the logical framework approach, impacting the SDGs.

- **Grading:** 76% had a very satisfactory and 24% satisfactory participation.
- **Influence:** 40% of the students expressed that they planned to continue studying after finishing school, 52% to work and study, and 8% to work. 78% of the participants stated that the practice helped them decide or reinforce their professional choice.
- 100% of the schools showed high satisfaction with the students' experience during the virtual practices.

<sup>63</sup> Center of Metropolitan Studies (*Centro de Estudios Metropolitanos*), 'Youth unemployment and social policies', M. Sosa, I. Smith and D. Romano, 2021.

## Results of the student survey on professionalizing practices



Moreover, part of the equipment donated to educational institutions was destined to foster students' practices. At the Higher Technological Institute (INSUTEC, *Instituto Superior Tecnológico*), in the province of Mendoza, we donated two 28 m<sup>2</sup> containers to be conditioned as educational spaces, to perform professionalizing practices on renewable energies. The General Schools Department of the province of Mendoza also takes part in this project.

## Professionalizing practices and employment opportunities for college and university scholarship grantees

In 2020, 3 scholarship grantees performed internships and practices under professional supervision. The other 3 underwent practices in different Pampa Group's assets and companies. Since launching this support program, 42 scholarship grantees have conducted practices and internships and/or have been hired.

### First-job workshops

#### Three first-job workshops destined for 269 students

To contribute to labor placement through training, we performed first-job workshops in our different assets.

- Under the AcercaRSE program, we held the 'Technician Day's Annual Meeting' virtually for 200 students from Zárate, Campana, and neighboring towns. We addressed first employment and entrepreneurship issues.
- Volunteers from the Pampa Building and CTGEBa participated in professional workshops sponsored by *Asociación Conciencia* for 26 students. Moreover, CPB's employees talked with 43 university scholarship grantees on job searches and gender perspectives at work, offering tools based on knowledge sharing.

### Skills training

#### 41 persons were certified in courses given by the UTN – Bahía Blanca

Given the lockdown context imposed by COVID-19, we could not conduct some of the crafts courses we were offering in the communities where we operate.

However, in Bahía Blanca, Province of Buenos Aires, we accompanied the 'Good Job' program sponsored by Dow and the Municipality. The 94-hour virtual proposal, facilitated by the local UTN, was mainly targeted at graduates from previous editions of the program who were unemployed and in an economically vulnerable situation. In addition, soft skills training activities were offered to 29 participants and an e-commerce course for 19 enrollees. As a result, 41 students were certified.

### Labor reintegration program

We participated in the launching of the Spartan Companies Club (*Club de Empresas Espartanas*) at the San Martín prison, sponsored by [Fundación Espartanos](#). This pool of 15 companies aims to drive social and labor reintegration of individuals deprived of their liberty by decreasing recidivism and favoring social inclusion through rugby, education, work, and spirituality.

It is a privilege to be part of this initiative, which allows us to reflect on second chances. One of the program's participants is currently an employee at Pampa.

## Labor placement for people with disabilities

Regarding labor placement, the affected vulnerable groups include people with disabilities.

- In partnership with the Baccigalupo Foundation, we granted scholarships to 3 students with disabilities who graduated as sports assistants. Since 2016, we have awarded scholarships to more than 20 students, 6 of whom have entered the labor market.
- We provided supplies to the 'Accervil' Protected Workshop to manufacture products by 45 workers with motor disabilities. In addition, given the pandemic and the suspension of activities at the workshop, we accompanied the families with food donations.
- In 2020, our scholarship grantees participated in a virtual training on waste separation, 'The 3Rs of recycling and responsible consumption', given by intellectually disabled persons of the Green Helmets Foundation. As a result, a tight social interaction was achieved among educators, the awareness-raising campaign and the trained persons.

## 7.4. Social and community inclusion

As part of the stakeholder identification and dialog process, we run diagnoses in the communities where we operate to design and implement effective development projects coordinated with municipalities and NGOs. In addition, our CSR Committees<sup>64</sup> are in permanent contact with local leaders to identify specific issues and define strategic lines of action associated with our business.

### Sustainable energy

As a power company, we develop social projects facilitating access to energy through renewable sources and contribute ideas for improving energy efficiency. Although we were not able to continue installing new low-power wind turbines due to the health context, we furthered initiatives that could be developed virtually or by taking the necessary precautions. In total, **we estimate that our programs have avoided annual GHG emissions for 477 tCO<sub>2</sub>e.**

**30 families with eco-stoves, which prevent the logging of native trees**  
**40 families managed to save 40% in energy consumption**  
**90 young students and 13 teachers implemented energy efficiency actions**

### Construction of eco-stoves and kitchens, in partnership with Solar Inti (Piquirenda, Salta)

We operate our CTP unit at Piquirenda, a town located on Route 34, 26 km to the north of Tartagal, province of Salta. An ancient settlement of the *guaraní* aboriginal community is located there, to which some CTP's employees or their families belong. CTP has maintained a historical bond with the community by granting scholarships and support to the primary school and institutions such as the cooperative, the healthcare center, active forces and others.

Currently, the community's main productive activity is small-scale livestock farming and agriculture. Households frequently made of female heads and their children do not have access to the gas network. On top of the energy precariousness, a significant social and economic vulnerability in many aboriginal communities and homes in northern Argentina is witnessed.

We partnered with the Solar Inti Foundation to support the socio-economic development of 30 women and their families in the *guaraní* community of Piquirenda with the eco-stoves and kitchens self-construction program, boosting their autonomy and entrepreneurial skills through cooking and workshops.

After three years of implementation, we estimate the following positive impact in the life of 216 persons and their environment:

- The logging of 870 native trees and the burning of 144 tons of firewood were prevented.
- Smoke in homes was reduced by 55% and GHG emissions, by an average of 1 ton per year and per family.
- The consumption of gas bottles decreased by 88%, contributing to improving the household economy.
- **The initiative prevented emissions of 365 tCO<sub>2</sub>e a year.**

This program also contributes to the United Nations SDGs: leadership promotion and skills development for the community's women (SDG 5); reduced environmental impacts through the generation of renewable energies (SDG 7); responsible consumption and efficient resource management (SDG 12) and protection of terrestrial ecosystems (SDG 15) through partnerships helping reach the 2030 Agenda goals (SDG 17).

---

<sup>64</sup> For further information, see section 7.5 of this Report.



### Installation of solar water heaters in partnership with Vivienda Digna (Pilar, Buenos Aires)

One problem area in this community is access to gas, as they have to use electricity for heating water, cooking and conditioning homes. The proposal includes a water heater's use and maintenance workshop to maximize its performance and improve home energy efficiency. As of this date, we have covered 40 low-income families, and we continue working to reach the 90 families to which the program is targeted.

The program allows to reduce electricity consumption by approximately 40% and has also avoided emissions estimated at 1 tCO<sub>2</sub>e/year per family.

### Energy efficiency, in partnership with MSI (Neuquén and Buenos Aires)

In 2020, we launched the '[Energy Efficiency](#)' initiative at 4 educational institutions in Buenos Aires and 2 in Neuquén, aiming to enhance the new generations' commitment to the environment and reduce costs associated with energy. Besides teachers and students, authorities and families were also engaged for the attainment of higher impact results.

We delivered 147 kits made up of trees, LED lamps and/or equipment to reduce energy consumption (according to the baseline and diagnosis performed in each home). As a result, we have reached 72 projects and 1,925 energy efficiency actions per trained person, estimating annual savings of 22% in energy consumption and 0.6 tCO<sub>2</sub>e per participant. Ninety young students and 13 teachers completed the course.

#### Environmental awareness on waste

We have implemented the '*La Basura Sirve*' (Waste Is Useful) program since 2009, in association with the AcercaRSE group companies and the Interindustrial Committee for Environmental Conservation of Campana-Zárate (*Comité Interindustrial de Conservación del Ambiente Campana-Zárate*). In 2020, the program was developed in 65 schools in Campana, Zárate and Lima, reaching 20,412 students. In this edition, the content was adapted to the virtual format with collaborative platforms and topics to raise awareness on how we can contribute to environmental and educational improvement from our homes.

### Enhancement of local organizations

We believe that strengthening and professionalizing local organizations is essential for the development of our communities. Therefore, we accompany these institutions, with which we develop organizational management improvement initiatives.

For the third year straight, we have awarded 12 scholarships to support the graduate degree in Social Organizations taught at the Argentine Catholic University, providing tools to strengthen the management and impact of community work.

Besides, in Bahía Blanca, we accompanied the ImpulsaRSE program, which trains social organizations to attain greater visibility and reach. Five volunteers from our Press and Marketing area joined two social organizations to redesign logos and ideas and improve their external image and social media presence.

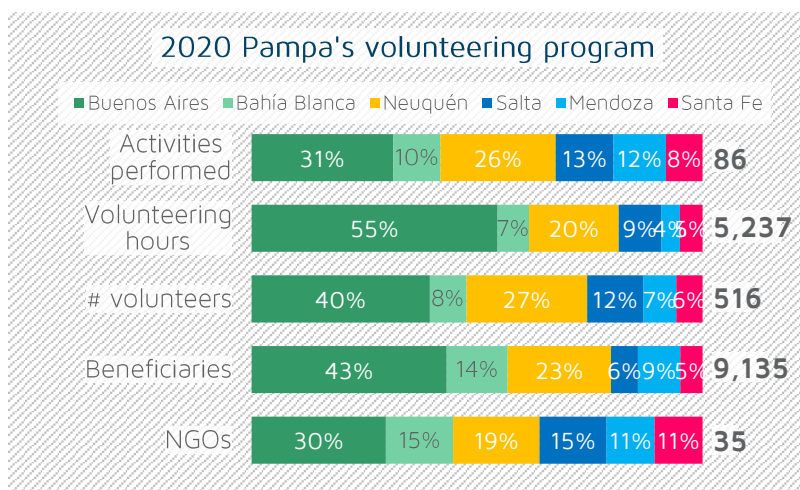
In light of the situation in the north of Salta, in early 2020 the Government launched an emergency plan for native people suffering health conditions due to difficulty accessing drinking water. In coordination with the Federal Council of Social Policies, we have drilled a well to supply drinking water to the *wichi* community of Santa Victoria Este, Salta, where 4,000 members of the indigenous community live.

From E&P, we also support Los Chihuidos Rural Development Association by improving rural roads and donations to develop forage programs that benefit more than 70 farmers.

Finally, in partnership with the Food Bank Foundation (*Banco de Alimentos*), we continued donating food to the Carlos Menem Jr. soup kitchen in General Güemes, which provides daily assistance to 120 children.

## 7.5. Pampa's volunteering program

At Pampa, we are convinced that creating shared value in and with the communities where we operate should also involve our teammates, our main asset. We seek to help the development and life quality of the communities where we have a presence and generate a space to place energy and knowledge aiding others by volunteering initiatives and in partnership with other civil organizations.



In the pandemic context, we continue virtually accompanying the social organizations and neighbors of the communities where we are present. To do it in the best possible way and get tools to develop virtual volunteering projects, we offered 510 hours of training to the members of the CSR Committees.

We called social leader Manuel Lozano to launch the virtual program, who shared his experience at *Fundación Sí* with 262 teammates. He helped us to think about the role of volunteering and its transformation capacity.

### Volunteers' testimonials

On Volunteer Day, we celebrated the contributions of our participants who, with effort and enthusiasm, have joined each of the proposed activities.

*'I like it a lot to feel that, with our actions, we empower other people, and the kids' enthusiasm for learning confirms that perception, which is extremely rewarding.'*

*'Being able to accompany my city on COVID issues from the company seemed to be a really significant contribution.'*

*'I enjoy the progress made despite the adversity posed by this 2020.'*

- 92% of the surveyed volunteers considered that Pampa's Volunteering program adapted effectively to the pandemic context.
- 85% consider that performing volunteering actions is 'very rewarding.'
- 100% would participate again in the program.

## CSR committees

10 active committees  
161 participant teammates

For our community work to have a more significant impact and be managed on a decentralized basis, we have CSR Committees in our different assets and business units. Through them, we plan, manage and monitor volunteering actions and provide for coordination with our stakeholders.

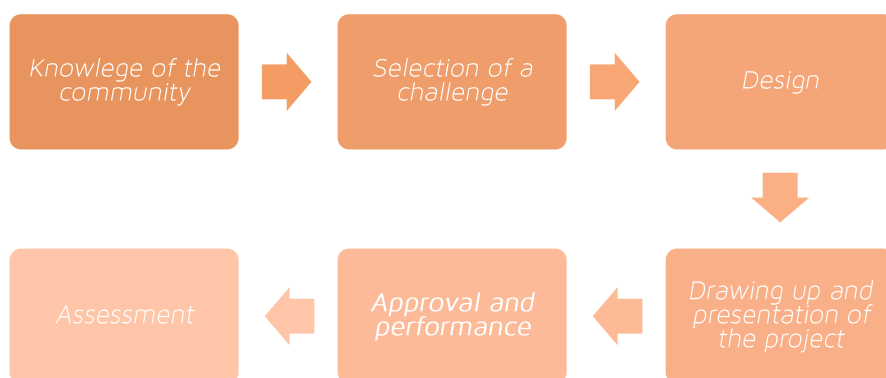
Teammates actively participate through periodic meetings. They submit arising initiatives from locally identified social problems; their feasibility is defined, and an annual action and follow-up plan are established, together with its final assessment. These actions allow for reinforcing bonds with the community, contributing to its socio-economic development and strengthening teamwork and the values we foster as a Company.

In 2020, considering the pandemic context, we performed four workshops of 2 hours each to offer training on virtual volunteering and define stages for community projects with impact on the SDGs prioritized by Pampa.

Some of the goals addressed in the CSR Committees aim at:

- ✓ Developing a sense of solidarity
- ✓ Channeling and promoting a spirit of solidarity
- ✓ Empathizing with the communities where we are working and those where our teammates live.

## Process for the identification of support opportunities and their tracking



### Professional volunteering

We encourage teammates' involvement and participation in online or in-person activities and projects where they can put specific knowledge at the service of causes, projects and organizations needing them. The performed actions mainly include:

#### Open Doors

To contribute to the training of students of all educational levels, in early 2020, we made two visits to the PGSM plant and the El Mangrullo field. Furthermore, in the second semester, we started working on an online 360° visit to CTGEBa to show how we operate and produce energy in a virtual format.

#### Pescar Center

For the second year in a row together with the Pescar Foundation, we set up an educational center at the Pampa Building to train young students in vulnerable situations and foster social and labor inclusion. Although the training was initially on-site, the program was maintained in a virtual format due to the lockdown.

Over five months, 20 youngsters received training on work skills targeted at learning more about computer technologies. Training sessions were given by 19 volunteers from the IT area, including its director. Besides, they were accompanied by 22 mentors from different Company areas to favor professional development and the students' and teammates' personal development.

Since 2019, 40 young participants aged 18-24 have joined the program, of whom 70% found employment and 75% continued studying.

*'Unquestionably, we got a lot from each class, which helped us expand our knowledge and be motivated to study and become professionals so that, in the future, we can be in your position and return what you have given us.'*

### Social and community impact and/or organizational optimization sessions

Online or on-site proposals, adding value to educational and social institutions of the towns where we operate.

#### Building of 'La Casita de Malen'

In Mendoza, we donated construction materials so HINISA and HIDISA's volunteers could assist in building a place that belongs to the Youth's Association Fighting against Childhood Cancer (*Asociación de Jóvenes por la Lucha contra el Cáncer Infantil*). Fabiola Yáñez, the first lady and chair of UN's Early Childhood Advisory Board, participated in the announcement made at a virtual meeting. This contribution will enable the completion of the building's ground floor, destined to a primary healthcare center for 27 kids under oncological treatment and their families.

#### Nayahue Educational Center

Forty-six internship grantees and volunteers from our assets in Neuquén participated in two working sessions to refurbish the property belonging to the Ministry of Education. Students from all the schools in the province attend this center.

#### 'Silver hair, gold heart'

Volunteers accompanied senior adults during the pandemic by exchanging more than 200 calls and 25 letters between volunteers and attendees at San José Nursing Home and Flores Day Club in Buenos Aires.

## Annual solidarity campaigns

### Blood donation

More than 60 teammates from Buenos Aires, Salta and Neuquén participated in the program in alliance with several local NGOs encouraging voluntary blood donation.

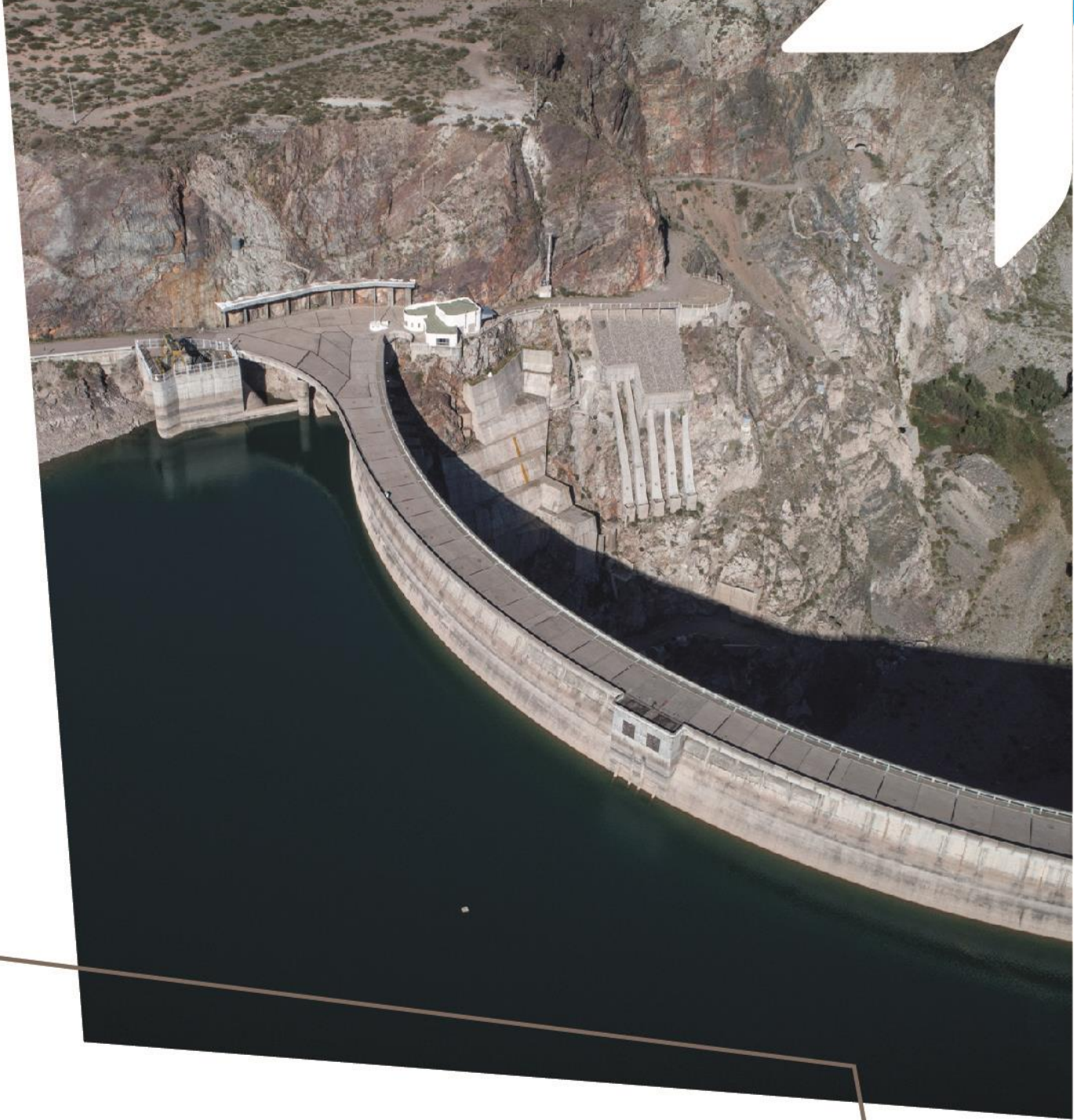
### Together against cold weather

In partnership with 10 NGOs, we assisted in collecting and sorting winter clothing, bed linen and personal hygiene items. We participated in the deliveries following the protocol of each organization. The activity was developed in Mendoza, Neuquén, Buenos Aires and Santa Fe.

### A Christmas Eve for everyone/Solidarity month

To complement our December annual activity 'A Christmas Eve for everyone,' in which food boxes are prepared and delivered to more than 1,500 vulnerable families for the holiday season's celebrations, we launched our first initiative to participate in virtual goodwill actions. As a result, 156 volunteers participated in talks and workshops to make eco bottles, shared work tips with young kids living in foster homes, made video tell stories to kids, manufactured toys and participated in a virtual solidarity marathon for inclusion, organized by the Messengers of Peace organization.





# Glossary



## 8. Glossary

Term	Definition
+GC Panel	ByMA's Corporate Governance Plus Panel
AMBA	Buenos Aires metro area
AR	Absenteeism rate = total lost work hours / total available work hours
Bbl	Oil barrel
BPO	Behavior preventive observations
Boe	Barrels of oil equivalent
ByMA	Buenos Aires Stock Exchange ( <i>Bolsas y Mercados Argentinos</i> )
CCGT	Combined cycle gas turbine
CNV	National Securities and Exchange Commission ( <i>Comisión Nacional de Valores</i> )
Code	Pampa's Code of Corporate Governance
COVID-19	Disease caused by coronavirus
CPB	Piedra Buena Thermal Power Plant
CSR	Corporate Social Responsibility
CTBSA	CT Barragán SA
CTEB	Ensenada Barragán Thermal Power Plant
CTG	Güemes Thermal Power Plant
CTGEBA	Genelba Thermal Power Plant
CTIW	Ingeniero White Thermal Power Plant
CTLL	Loma De La Lata Thermal Power Plant
CTP	Piquirenda Thermal Power Plant
CTPP	Parque Pilar Thermal Power Plant
Discontinued operations	Assets under sale process or divested
E&P	Exploration and Production
EcoEnergía	EcoEnergía Co-Generation Power Plant
Edenor	Empresa Distribuidora y Comercializadora Norte SA
Foundation / the Foundation	Pampa Energía Foundation
FS	Financial Statements
FX	Nominal exchange rate
GHG	Greenhouse Gas Emissions
GRI	Global Reporting Initiative
HIDISA	Diamante Hydroelectric Power Plant
HINISA	Los Nihuiles Hydroelectric Power Plant
HPPL	Pichi Picún Leufú Hydroelectric Power Plant
IFRS	International Financial Reporting Standards
IGJ	Public Registry of Organizations ( <i>Inspección General de Justicia</i> )
Kton	Thousand tons
kW	Kilowatt
KPI	Key performance indicator
LPG	Liquefied Petroleum Gas
LTIR	Lost Time Incident Rate = total number of lost time incidents in workplace / [total number of man-hours worked / 1,000,000]
LWR	Lost Workday Rate = total number of working days lost due to injuries in workplace / [total number of man-hours worked / 1,000,000]
M&A	Mergers and acquisitions
MW	Megawatt
MWh	Megawatt-hour
NGL	Natural Gas Liquids
NGO	Non-governmental organization
NYSE	New York Stock Exchange

Term	Definition
OHA	Occupational Health Assessments
OldelVal	Oleoductos del Valle SA
Pampa / the Company / the Group	Pampa Energía SA
PEMC	Ingeniero Mario Cebreiro Wind Farm
PEPASA	Former Petrolera Pampa SA
PEPE	Pampa Energía Wind Farm
PGSM	Puerto General San Martín
Plan Gas.Ar	Encouragement Program for the Investment in Development of Natural Gas Production from Unconventional Reservoirs Program, MEyM Res. No. 46, 419, 447 /17 and 12/18
QHSE	Quality, Health, Safety and Environment
R&D	Refining and Distribution
Refinor	Refinería del Norte SA
The Report	Pampa Energía's Sustainability Report
RMM	Operational Risk Management Matrix
SADI	Argentine Electricity Grid ( <i>Sistema Argentino de Interconexión</i> )
SASB	Sustainability Accounting Standards Board
SDG	Sustainable Development Goals
SEC	Securities and Exchange Commission
Sect.	Section
TCO2e	Metric ton of carbon dioxide equivalent
TGS	Transportadora de Gas del Sur SA
Ton	Metric ton
Transba	Empresa de Transporte de Energía Eléctrica por Distribución Troncal de la Provincia de Buenos Aires Transba SA
Transener	Compañía de Transporte de Energía Eléctrica en Alta Tensión Transener SA
TRIR	Total Recordable Incident Frequency Rate = total number of incidents in the workplace with and without lost time (including first aid cases) / [total number of man-hours worked / 1,000,000]
TWh	Terawatt-hour
UN	United Nations
VAR	Vehicle Accident Frequency Rate = total amount of car accidents during worktime / [total kilometers driven / 1,000,000]
WHO	World Health Organization
YPF	YPF SA



## GRI and SASB tables of contents

## 9. GRI and SASB tables of contents

### 9.1. GRI table of contents

GRI Content  
102-55

GRI Standard	Content	Section No./ Page	Global Compact	SDG
GENERAL DISCLOSURES				
GRI 102: General Disclosures 2016	<b>Organizational profile</b>			
	102-1 Name of the organization	1.1		-
	102-2 Activities, brands, products, and services	1.1; 1.2		-
	102-3 Location of headquarters	1.1.1		-
	102-4 Location of operations	1.1.1; 1.2		-
	102-5 Ownership and legal form	1.1.1		-
	102-6 Markets served	1.2		-
	102-7 Scale of organization	Page 8; 1.1.3; 1.2		-
	102-8 Information of employees and workers	Page 8; 6.1	4	8, 10
	102-9 Supply chain	4.2.2		-
	102-10 Significant changes to the organization and its supply chain	4.2.2		-
	102-11 Precautionary Principle or approach	2.2; 5.1		-
	102-12 External initiatives	3.1; 3.4		17
	102-13 Membership of associations	3.1; 3.4		17
	<b>Strategy</b>			
	102-14 Statement from senior decision-maker	Page 5		
	102-15 Key impacts, risks, and opportunities	2.2		
	<b>Ethics and integrity</b>			
	102-16 Values, principles, standards, and norms of behavior	1.1.2	10	16
	102-17 Mechanisms for advice and concerns about ethics	2.3	10	16
	<b>Governance</b>			
	102-18 Governance structure	2.1		-
	102-19 Delegating authority	2.1, 3.2		-
	102-20 Executive-level responsibility for economic, environmental, and social topics	2.1; 3.2		-
	102-21 Consulting stakeholders on economic, environmental, and social topics	3.5		16
	102-22 Composition of the highest governance body and its committees	2.1		5, 16
	102-23 Chair of the highest governance body	2.1		16
	102-24 Nominating and selecting the highest governance body	2.1		5, 16
	102-25 Conflicts of interest	2.3	6	16
	102-26 Role of highest governance body in setting purpose, values, and strategy	2.1		-
	102-27 Collective knowledge of highest governance body	2.1		-
	102-28 Evaluating the highest governance body's performance	2.1		-
	102-29 Identifying and managing economic, environmental, and social impacts	2.2; 3.2		16
	102-30 Effectiveness of risk management processes	2.2; 3.2		-

GRI Standard	Content	Section No. / Page	Global Compact	SDG
GENERAL DISCLOSURES				
GRI 102: General Disclosures 2016	<b>Governance</b>			
	102-31 Review of economic, environmental, and social topics	2.2; 3.2		-
	102-32 Highest governance body's role in sustainability reporting	2.1		-
	102-35 Remuneration policies	2.1.5		-
	102-36 Process for determining remuneration	2.1.5		-
	102-37 Stakeholders' involvement in remuneration	6.5; 6.7		16
	<b>Stakeholder engagement</b>			
	102-40 List of stakeholder groups	3.3		
	102-41 Collective bargaining agreements	6.7		8
	102-42 Identifying and selecting stakeholders	3.3		
	102-43 Approach to stakeholder engagement	3.3; 3.5; 4.2.2; 6.4; 6.7; 7.1		
	102-44 Key topics and concerns raised	3.3; 3.5; 7.1	6	
	<b>Reporting practice</b>			
	102-45 Entities included in the consolidated financial statements	Page 10		
	102-46 Defining report content and topic boundaries	3.5		
	102-47 List of material topics	3.5		
	102-48 Restatements of information	Page 10		
	102-49 Changes in reporting	Page 10; 3.5		
	102-50 Reporting period	Page 10		
	102-51 Date of most recent report	Page 10		
	102-52 Reporting cycle	Page 10		8, 10
	102-53 Contact point for questions regarding the report	Page 10		
	102-54 Claims of reporting in accordance with the GRI Standards	Page 10		
	102-55 GRI content index	9		
	102-56 External assurance	Page 10; 10		
TOPIC-SPECIFIC STANDARDS – MATERIAL TOPICS				
<b>Economic performance 2016</b>				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its boundary	3.5; 4.1		
	103-2 The management approach and its components	4.1		
	103-3 Evaluation of the management approach	4.1		
GRI 201: Economic performance 2016	201-1 Direct economic value generated and distributed	4.1		8, 9
	201-2 Financial implications and other risks and opportunities due to climate change	2.2		13
<b>Indirect economic impacts 2016</b>				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its boundary	3.5; 4.1; 4.2.2		
	103-2 The management approach and its components	4.1; 4.2.2		
	103-3 Evaluation of the management approach	4.1; 4.2.2		
GRI 203: Indirect economic performance 2016	203-1 Infrastructure investments and services supported	4.1; 7.1		5, 9, 11
	203-2 Significant indirect economic impacts	4.1; 4.2.2; 7.1		1, 8



GRI Standard	Content	Section No. / Page	Global Compact	SDG
TOPIC-SPECIFIC STANDARDS – MATERIAL TOPICS				
<b>Anti-corruption 2016</b>				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its boundary	3.5; 2.3		
	103-2 The management approach and its components	2.3		
	103-3 Evaluation of the management approach	2.3		
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	2.3	10	16
	205-2 Communication and training about anti-corruption policies and procedures	2.3	10	16
<b>Anti-competitive behavior 2016</b>				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its boundary	3.5; 2.3		
	103-2 The management approach and its components	2.3		
	103-3 Evaluation of the management approach	2.3		
GRI 206: Anti-competitive behavior	206-1 Legal action for anti-competitive behavior, anti-trust, and monopoly practices	2.3	10	16
<b>Materials 2016</b>				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its boundary	3.5		
	103-2 The management approach and its components	5.3.1		
	103-3 Evaluation of the management approach	5.3.1		
GRI 301: Materials	301-1 Materials used by weight or volume	5.3.1	7, 8, 9	7, 8, 12, 13
<b>Energy 2016</b>				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its boundary	3.5; 5.3; 5.3.1		
	103-2 The management approach and its components	5.3; 5.3.1		
	103-3 Evaluation of the management approach	5.3; 5.3.1		
GRI 302: Energy 2016	302-1 Energy consumption within the organization	5.3.1	7, 8, 9	7, 8, 9, 12, 13
	302-3 Energy intensity	5.3.1	7, 8, 9	7, 8, 9, 12, 13
	302-4 Reduction of energy consumption	5.3.1	7, 8, 9	7, 8, 9, 12, 13
	302-5 Reductions in energy requirements of products and services	5.3.1	7, 8, 9	7, 8, 9, 12, 13
<b>Water and effluents 2018</b>				
GRI 103: Management approach 2018	103-1 Explanation of the material topic and its boundary	3.5; 5.3.3		
	103-2 The management approach and its components	5.3.3		
	103-3 Evaluation of the management approach	5.3.3		
	303-1 Interactions with water as a shared resource	5.3.3	7, 8	6, 12
	303-2 Management of water discharge-related impacts	5.3.3	7, 8	6
GRI 303: Water 2018	303-3 Water withdrawal	5.3.3	7, 8	6
	303-4 Water discharge	5.3.3	7, 8	6
<b>Biodiversity 2016</b>				
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its boundary	3.5; 5.3.6		
	103-2 The management approach and its components	5.3.6		
	103-3 Evaluation of the management approach	5.3.6		

GRI Standard	Content	Section No. / Page	Global Compact	SDG
TOPIC-SPECIFIC STANDARDS – MATERIAL TOPICS				
<b>Biodiversity 2016</b>				
<b>GRI 304:</b> Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	5.3.6		15
	304-2 Significant impacts activities, products, and services on biodiversity	5.3.6		15
	304-3 Habitats protected or restored	5.3.6		15
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	5.3.6		15
<b>Emissions 2016</b>				
<b>GRI 103:</b> Management approach 2016	103-1 Explanation of the material topic and its boundary	3.5; 5.3.2		
	103-2 The management approach and its components	5.3.2		
	103-3 Evaluation of the management approach	5.3.2		
<b>GRI 305:</b> Emissions 2016	305-1 Direct (scope 1) GHG emissions	5.3.2	7, 8	12, 13
	305-2 Energy indirect (scope 2) GHG emissions	5.3.2	7, 8	12, 13
	305-4 GHG emissions intensity	5.3.2	7, 8	12, 13
	305-5 Reduction of GHG emissions	5.3.2	7, 8	12, 13
	305-7 Nitrogen oxides (NOx), sulfur oxides (Sox), and other significant air emissions	5.3.2	7, 8	12, 13
<b>Waste 2018</b>				
<b>GRI 103:</b> Management approach 2018	103-1 Explanation of the material topic and its boundary	3.5; 5.3.4		
	103-2 The management approach and its components	5.3.4		
	103-3 Evaluation of the management approach	5.3.4		
	306-1 Waste generation and significant waste-related impacts	5.3.4	7, 8	6; 12
	306-2 Management of significant waste-related impacts	5.3.4	7, 8	6; 12
<b>GRI 306:</b> Waste 2018	306-3 Waste generated	5.3.4	7, 8	6; 12
	306-4 Waste diverted from disposal	5.3.4	7, 8	6; 12
	306-5 Waste directed to disposal	5.3.4	7, 8	6; 12
<b>Environmental compliance 2016</b>				
<b>GRI 103:</b> Management approach 2016	103-1 Explanation of the material topic and its boundary	3.5; 5.1		
	103-2 The management approach and its components	5.1		
	103-3 Evaluation of the management approach	5.1		
<b>GRI 307:</b> Environmental compliance 2016	307-1 Non-compliance with environmental laws and regulations	5.1	7, 8	6; 12, 13, 15
<b>Supplier environmental assessment 2016</b>				
<b>GRI 103:</b> Management approach 2016	103-1 Explanation of the material topic and its boundary	3.5; 4.2.2		
	103-2 The management approach and its components	4.2.2		
	103-3 Evaluation of the management approach	4.2.2		
<b>GRI 308:</b> Supplier environmental assessment 2016	308-1 New suppliers that were screened using environmental criteria	4.2.2	1, 2	

GRI Standard	Content	Section No. / Page	Global Compact	SDG
TOPIC-SPECIFIC STANDARDS – MATERIAL TOPICS				
<b>Employment 2016</b>				
<b>GRI 103:</b> Management approach 2016	103-1 Explanation of the material topic and its boundary	3.5; 6.2; 6.4		
	103-2 The management approach and its components	6.2; 6.4		
	103-3 Evaluation of the management approach	6.2; 6.4		
<b>GRI 401:</b> Employment 2016	401-1 New employee hires and employee turnover	6.2		5, 8, 9, 10
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	6.4		3, 5, 8, 9
	401-3 Paternal leave	6.3		5, 8
<b>Freedom of association and collective bargaining 2016</b>				
<b>GRI 103:</b> Management approach 2016	103-1 Explanation of the material topic and its boundary	6.7		
	103-2 The management approach and its components	3.1; 4.2.2; 6.7		
	103-3 Evaluation of the management approach	3.1; 4.2.2; 6.7		
<b>GRI 407:</b> Freedom of association and collective bargaining 2016	407-1 Operations and suppliers in which the right of freedom of association and collective bargaining may be at risk	3.1; 4.2.2; 6.7		
<b>Occupational health and safety 2018</b>				
<b>GRI 103:</b> Management approach 2016	103-1 Explanation of the material topic and its boundary	3.5; 5.1; 6.6; 6.8		
	103-2 The management approach and its components	5.1; 6.6; 6.8		
	103-3 Evaluation of the management approach	5.1; 6.6; 6.8		
	403-1 Occupational health and safety management system	5.1; 6.8		8
<b>GRI 403:</b> Management approach disclosures 2018	403-2 Hazard identification, risk assessment, and incident investigation	5.1; 6.8		8
	403-3 Occupational health services	6.8		8
	403-4 Worker participation, consultation and communication on occupational health and safety	5.1; 6.8		8
	403-5 Worker training on occupational health and safety	5.1; 6.8		8
	403-6 Promotion of worker health	6.8		8
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	5.1; 6.8		8
<b>GRI 403:</b> Occupational health and safety 2018	403-8 Workers covered by an occupational health and safety management system	5.1; 6.8		8
	403-9 Work-related injuries	5.1; 6.8		8
	403-10 Work-related ill health	5.1; 6.8		8
<b>Training and education 2016</b>				
<b>GRI 103:</b> Management approach 2016	103-1 Explanation of the material topic and its boundary	3.5		
	103-2 The management approach and its components	6.6		
	103-3 Evaluation of the management approach	6.6		
<b>GRI 404:</b> Training and education 2016	404-1 Average hours of training per year per employee	6.6		4, 5, 8, 10
	404-2 Programs for upgrading employee skills and transition assistance programs	6.4; 6.6		4, 5, 8, 10
	404-3 Percentage of employees receiving regular performance and career development reviews	6.6		4, 5, 8, 10

GRI Standard	Content	Section No. / Page	Global Compact	SDG
TOPIC-SPECIFIC STANDARDS – MATERIAL TOPICS				
<b>Diversity and Equal Opportunity 2016</b>				
<b>GRI 103:</b> Management approach 2016	103-1 Explanation of the material topic and its boundary	2.1; 3.5; 6.1; 6.3		
	103-2 The management approach and its components	2.1; 6.1; 6.3		
	103-3 Evaluation of the management approach	2.1; 6.1; 6.3		
<b>GRI 405:</b> Diversity and equal opportunity 2016	405-1 Diversity of governance bodies and employees	2.1; 6.1; 6.3	6	5, 8
	405-2 Ratio of basic salary and remuneration of women to men	6.3	6	5, 8, 10
<b>Local communities 2016</b>				
<b>GRI 103:</b> Management approach 2016	103-1 Explanation of the material topic and its boundary	3.5; 7.1		
	103-2 The management approach and its components	7.1		
	103-3 Evaluation of the management approach	7.1		
<b>GRI 413:</b> Local communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	7.1	1, 2	4, 7, 8, 12, 17
<b>Risks management and regulatory compliance</b>				
<b>GRI 103:</b> Management approach 2016	103-1 Explanation of the material topic and its boundary	3.5		
	103-2 The management approach and its components	2.2		
	103-3 Evaluation of the management approach	2.2		
<b>Own indicator</b>	Risks management and regulatory compliance	2.2		16
<b>Cybersecurity</b>				
<b>GRI 103:</b> Management approach 2016	103-1 Explanation of the material topic and its boundary	3.5; 2.2.2		
	103-2 The management approach and its components	2.2.2		
	103-3 Evaluation of the management approach	2.2.2		
<b>Own indicator</b>	Cybersecurity	2.2.2		
<b>Customer satisfaction</b>				
<b>GRI 103:</b> Management approach 2016	103-1 Explanation of the material topic and its boundary	3.5; 4.2.1		
	103-2 The management approach and its components	4.2.1		
	103-3 Evaluation of the management approach	4.2.1		
<b>Own indicator</b>	Customer satisfaction	4.2.1		

## 9.2. SASB table of contents

Code	Accounting metric	Section No./ Response
<b>ELECTRIC UTILITIES &amp; POWER GENERATORS</b>		
<b>Greenhouse gas emissions &amp; energy resource planning</b>		
IF-EU-110a.1	(1) Gross global Scope 1 emissions, percentage covered under (2) emissions-limiting regulations, (3) emissions-reporting regulations	(1) 5.3.2
IF-EU-110a.2	GHG emissions associate with power deliveries	5.3.2
<b>Air quality</b>		
IF-EU-120a.1	Air emissions of the following pollutants: (1) NOx (excluding N2O), (2) SOx, (3) particulate matter (PM10), (4) lead (Pb), (5) mercury (Hg); percentage of each in or near areas of dense population	(1) 5.3.2
<b>Water management</b>		
IF-EU-140a.1	(1) Total water withdrawn, (2) total water consumed, percentage of each in regions with high or extremely high baseline water stress	(1) 5.3.3
<b>Workforce health &amp; safety</b>		
IF-EU-320a.1	(1) Total recordable incident rate (TRIR), (2) fatality rate, (3) near miss frequency rate (NMFR)	(1) 6.8.5 (2) 6.8.5
<b>OIL &amp; GAS – EXPLORATION &amp; PRODUCTION</b>		
<b>Greenhouse gas emissions</b>		
EM-EP-110a.1	Gross global scope 1 emissions, percentage methane, percentage covered under emissions-limiting regulations	5.3.2
IF-EU-110a.2	Amount of gross global scope 1 emissions from: (1) flared hydrocarbons, (2) other combustion, (3) process emissions, (4) other vented emissions, (5) fugitive emissions	(1) 5.3.2 (2) 5.3.2 (3) 5.3.2 (4) 5.3.2
<b>Air quality</b>		
EM-EP-120a.1	Air emissions of the following pollutants: (1) NOx (excluding N2O), (2) SOx, (3) volatile organic compounds (VOCs), (4) particular matter (PM10)	(1) 5.3.2 (2) 5.3.2
<b>Water management</b>		
EM-EP-140a.1	(1) Total fresh water withdrawn, (2) total fresh water consumed, percentage of each in regions with high or extremely high baseline water stress	5.3.3
<b>Biodiversity impacts</b>		
EM-EP-160a.1	Description of environmental management policies and practices for active sites	5.3.6
<b>Community relations</b>		
EM-EP-210b.1	Discussion of a process to manage risks and opportunities associated with community rights and interests	2.2.1; 7.1
<b>Workforce health &amp; safety</b>		
EM-EP-320a.1	(1) Total recordable incident rate (TRIR), (2) fatality rate, (3) near-miss frequency rate (NMFR), (4) average hours of health, safety, and emergency response training for (a) full-time employees, (b) contract employees, and (c) short-service employees	(1) 6.8.5
<b>Business ethics &amp; transparency</b>		
EM-EP-510a.2	Description of the management system for prevention of corruption and bribery throughout the value chain	2.3.2





# Auditor's Report

## Informe de aseguramiento limitado de contadores públicos independientes (sobre Reporte de Sustentabilidad)

Señores

**Pampa Energía S.A.**

Maipú 1 (C1084ABA),

Ciudad Autónoma de Buenos Aires

CUIT: 30-52655265-9

### 1. Identificación de la información objeto del encargo.

Hemos sido contratados por Pampa Energía S.A. para emitir un informe de aseguramiento limitado sobre la información contenida en el Reporte de Sustentabilidad 2020 de Pampa Energía adjunto, correspondiente al período 1° de enero al 31 de diciembre de 2020.

### 2. Responsabilidad de Pampa Energía en relación con la información objeto del encargo.

Pampa Energía S.A. es responsable de:

- El contenido del Reporte de Sustentabilidad adjunto, lo que implica determinar cuál es la cobertura y los indicadores de desempeño a ser incluidos, y de relevancia para los grupos de interés a los cuales está dirigido;
- La definición de los criterios aplicables en la elaboración de dicho Reporte. Los criterios adoptados por la Entidad son los definidos en los Estándares GRI (*Global Reporting Initiative*) "de conformidad" esencial y los indicadores de SASB para la industria;
- El mantenimiento de registros apropiados para soportar el proceso de gestión de la información relevante a los efectos aquí enunciados y de la ejecución de la medición del desempeño basada en los criterios establecidos;

- El diseño, implementación y ejecución de controles internos adecuados para la preparación de la información objeto de análisis;
- La preparación y presentación del Reporte adjunto.

### 3. Responsabilidad de los contadores públicos.

Nuestra responsabilidad consiste en llevar a cabo nuestro encargo de emitir un informe de aseguramiento limitado e independiente, de conformidad con las normas establecidas en la Resolución Técnica N° 35 de la Federación Argentina de Consejos Profesionales de Ciencias Económicas. Dichas normas exigen que cumplamos los requerimientos de ética, así como que planifiquemos y ejecutemos el encargo con el fin de emitir un informe de seguridad limitada e independiente sobre el Reporte de Sustentabilidad con el alcance aquí detallado.

La verificación externa la planteamos como una Revisión Limitada, basada en la *International Standard on Assurance Engagement 3000* (ISAE-3000) de la *International Auditing and Assurance Standard Board* (IAASB), la cual establece una serie de procedimientos a los auditores para emitir su opinión sobre aspectos distintos de la información financiera, conjuntamente con la Norma *Accountability 1000 Assurance Standard* (AA1000AS).

En un encargo de aseguramiento limitado se obtiene evidencia, en función de pruebas sobre

bases selectivas, de la evidencia relacionada con la información de sustentabilidad alcanzado por nuestro informe. También se incluye una evaluación de las estimaciones, e indagaciones a las personas responsables de la preparación de la información presentada, y otros procedimientos similares, que tienen un alcance menor en comparación con una auditoría y, por consiguiente, no permite obtener seguridad de que hemos tomado conocimiento de todos los temas significativos que podrían identificarse en un trabajo de auditoría o de seguridad razonable.

Para obtener aseguramiento limitado sobre la información identificada en el Anexo 1 de este Informe, nuestra tarea consistió en:

- entrevistar a la dirección y al personal de la entidad responsable de la recopilación de la información y de la elaboración de los indicadores de desempeño seleccionados con el propósito de obtener una comprensión de las políticas de la Entidad en materia de sostenibilidad, las actividades de control implementadas, los sistemas de recopilación de información utilizados y de evaluar la aplicación de los lineamientos de los Estándares GRI y SASB;
- realizar pruebas, sobre bases selectivas, para verificar la exactitud de la información presentada en lo que se refiere a los indicadores seleccionados;
- analizar, en su caso, los sistemas de información y metodología utilizada para la compilación de los datos cuantitativos correspondientes a los indicadores de desempeño de la Entidad;
- inspeccionar, sobre bases selectivas, la documentación existente para corroborar las manifestaciones de la Gerencia en nuestras entrevistas.

Consideramos que la evidencia y los elementos de juicio que hemos obtenido proporcionan una base suficiente y adecuada para nuestra conclusión de seguridad limitada. La información no financiera está sujeta a limitaciones propias, dada su naturaleza y los métodos utilizados para calcular, hacer muestreos o estimar valores, los cuales están

sujetos a suposiciones y criterios individuales. No hemos realizado ningún trabajo fuera del alcance acordado y, por consiguiente, nuestra conclusión se limita solamente a la información de sustentabilidad seleccionada y revisada.

#### 4. Conclusión

Sobre la base del trabajo descrito en el presente Reporte, nada llamó nuestra atención que nos hiciera pensar que el Reporte de Sustentabilidad correspondiente al período 1° de enero al 31 de diciembre de 2020 de Pampa Energía, no ha sido preparado, en todos sus aspectos significativos, de acuerdo con los lineamientos previstos por los Estándares GRI 2016, 2018 y 2020; ni que la información e indicadores de desempeño incluidos en dicho documento contengan elementos incorrectos significativos con los registros y archivos que sirvieron de base para su preparación.

Ciudad Autónoma de Buenos Aires, 13 de octubre de 2021.

#### DELOITTE & Co. S.A.

(Registro de Sociedades Comerciales  
C.P.C.E.C.A.B.A. - T° 1 - F° 3)



#### Esteban Enderle (Socio)

Contador Público U.B.A.  
C.P.C.E.C.A.B.A. - T°364 - F°233

## ANEXO 1

Indicador	Descripción
GRI 302-1 (2016)	Consumo de energía
GRI 303-3 (2018)	Extracción de efluentes
GRI 303-4 (2018)	Vertido de agua
GRI 305-1 (2016)	Emisiones directas de GEI (Alcance 1)
GRI 306-3 (2020)	Residuos generados
GRI 401-1 (2016)	Nuevas contrataciones de empleados y rotación de personal
GRI 403-9 (2018)	Lesiones por accidente laboral
GRI 405-1 (2016)	Diversidad en órganos de gobierno y empleados
Indicador propio	Derrames de hidrocarburos
Indicador propio	Total de becarios/beneficiarios de inversión social y monto invertido

Este Anexo es parte integrante de nuestro Informe con fecha 13 de octubre de 2021.

### DELOITTE & Co. S.A.

(Registro de Sociedades Comerciales

C.P.C.E.C.A.B.A. – T° 1 - F° 3)

### Esteban Enderle (Socio)

Contador Público U.B.A.

C.P.C.E.C.A.B.A. - T°364 - F°233