



OVERVIEW

2019 SUSTAINABILITY PLAN

Bolivia



2018 Sustainability Plan

Overview



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

19 Actions / 74% Fulfillment



Ethics and transparency



2 ACTIONS



People



7 ACTIONS



Safe operation



3 ACTIONS



Environment



5 ACTIONS



Climate change



2 ACTIONS

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



PRESENTATION

2019 SUSTAINABILITY PLAN

Bolivia



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Legal Notice

This Sustainability Plan includes a set of actions which, in whole or in part, go beyond what is required by law and are aimed to contribute to sustainable development. Participating companies of Repsol Group have the firm intention to undertake and fulfill them. However, they reserve the right to modify, postpone or cancel their implementation without incurring liability, but undertake to publicly justify these possible cases.

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1 Our vision of sustainability

Preparation of this Plan



At Repsol, we contribute to sustainable development by seeking to satisfy the growing demand for energy, which is essential for the fulfillment of people's fundamental rights, and by creating value in both the short and long term.

We maximize our positive impact and minimize our negative impact on society and the environment throughout our value chain by acting ethically and transparently. In doing so, we seek to comply not only with the regulations in force but also with the main international standards.

Under these premises, our sustainability model incorporates ethical, environmental, and social considerations into our decision-making process, based on dialogue with stakeholders. We do this every year, creating initiatives that address the concerns of these stakeholders. This is how the **Sustainability Plans** — action plans that are available to the public and created on an annual basis — are born. The **Global Sustainability Plan** is the roadmap forming the basis for deployment of **Local Plans**. The plans also contain commitments in relation to the local context.

The **Sustainability Plans** are put together on the basis of the **six axes** of Repsol's Sustainability Model.



Ethics and transparency

We act responsibly and with integrity wherever we operate



People

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



Safe operation

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



Environment

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



Climate change

We want to be part of the solution to climate change



Innovation and technology

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



At Repsol we support the United Nations' **2030 Agenda** for Sustainable Development and use the 17 Sustainable Development Goals (SDGs) as a reference when defining our priorities.

We have drawn up this **prioritization** in due consideration of the SDGs considered most relevant to the company and our stakeholders, concluding that our efforts must primarily focus on **SDG 7** (Affordable and clean energy), on **SDG 8** (Decent work and economic growth) and on **SDG 13** (Climate action), in view of our role in access to energy, contribution to social and economic development, and the fight against climate change.

And, secondly, on **SDG 6** (Clean water and sanitation), due to our commitment to the optimization of water management; on **SDG 9** (Industry innovation and infrastructure), in view of our support of innovation and technology; and on **SDG 12** (Responsible production and consumption), due to our focus on the Circular Economy.

For Repsol, the most efficient manner of contributing to the 2030 Agenda is by collaborating with other public and private institutions to exchange knowledge and technologies. Thus we feel it is essential to join forces in connection with **SDG 17** (Partnerships for the goals).



Moreover, our responsibility in the way we act and our global presence in some extremely diverse environments enable us to make a significant contribution to all the SDGs.



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



2019 Sustainability Plan Bolivia / 19 Actions



**Ethics and
transparency**

2 ACTIONS



People

7 ACTIONS



**Safe
operation**

3 ACTIONS



Environment

5 ACTIONS



**Climate
change**

2 ACTIONS

79% of the actions included in this plan are linked to the variable remuneration system applied to Repsol's employees, which constitutes the Company's unequivocal commitment to the effective maximization of its contribution to sustainable development.

At Repsol, we contribute to sustainable development...

We act with integrity in all countries in which we are present.

Our ethical conduct involves strict compliance with both the letter and the spirit of the law.

On this axis, we establish the set of actions that ensure the Company promotes and encourages a **culture of integrity and responsibility** for all Repsol employees, as well as our suppliers, contractors, and business partners.

We also define **transparency and accountability** as differential elements in the Repsol sustainability model. To be credible, it must be consistently transparent.

In this Sustainability Plan, we have committed to actions that will help the Company overcome the challenges we have set for ourselves in this area, while responding to the main expectations of our stakeholders.



Good governance practices

Transparency

Responsible tax policy

Anti-corruption

Fair competition

Responsible political involvement

Fair marketing and sales



ACTION

Run an inventory on manpower capabilities and services available in the Caipipendi Area.

DESCRIPTION

We will conduct an inventory of capabilities and available services in the Margarita field's area of direct influence, thus enabling us to optimize and guarantee the transparency of commissioning processes and equal opportunities for local vendors and service providers. This information will be transferred to a computer platform.

INDICATOR

Complete the inventory by 31 July 2019.
Develop an IT platform by March 2020.

WHAT HAVE WE ACHIEVED?



An agreement has been established for the work to be developed by an academic institution such as the Universidad Autónoma Juan Misael Saracho. Currently, the digital tool to manage the Palos Blancos job bank is being developed.

CONTRIBUTION TO THE SDGs:



ACTION

Review the Bolivia Business Unit's Social Management Model.

DESCRIPTION

We will conduct a review of the Business Unit's social management, adapting our model to the company's new policies and involving the different areas. This initiative aims at achieving the best standards in terms of good governance.

INDICATOR

Complete and finish the report on the review process by mid 2019.

WHAT HAVE WE ACHIEVED?



The workshops have been developed and the closing one is planned for 2020. In the Social Management System, the strategic management objectives have been validated, which are: Impact and Risk Management, Generation of Local Benefits and Stakeholder Involvement. The overall objective is to generate shared value and maintain the Social License to operate.

CONTRIBUTION TO THE SDGs:



At Repsol, we contribute to sustainable development...

Our employees, communities, commercial relations, and customers are a primary axis in our sustainability model.

We know that the **people that make up Repsol** are our main competitive advantage and the key to being a sustainable company. We are committed to equal opportunities, the integration of people with disabilities, multi-culturalism, work-life balance, training and development, and attracting and retaining talent.

Business operations are carried out in an increasingly demanding and informed social environment, and companies strive to **establish sound relationships** based on the principles of respect, cultural sensitivity, integrity, accountability, transparency, good faith, and non-discrimination with the people they interact with, particularly local communities. At Repsol, we are committed to continue respecting human rights, and this means preventing our activities from having negative consequences for local people and, if such a thing does occur, doing everything possible to repair the damage done.

This axis includes the following initiatives.



Respect for Human Rights (labor rights and employment conditions, health, rights of vulnerable groups and others)

Grievance mechanisms

Diversity and work-life balance

Climate and talent retention

Opportunity management (training and development, dialogue with communities, and social investment)



ACTION

Update the social risk matrix for the Bolivia Business Unit.

DESCRIPTION

We will analyze the social risks and impacts to ensure and promote respect for human rights and our contribution to the social and economic development of the communities neighboring our operations.

INDICATOR

Carry out the risk analysis before 31 December 2019.

WHAT HAVE WE ACHIEVED?



The revision of the risk matrix has been postponed to 2020 because of the political situation. It has been identified that the strategic and mutually respectful relationship with the APG IG helps to maintain the social license to operate in the indigenous territory where Planta Margarita is located. The APG IG (Assembly of the Guarani People of Itika Guazu), is the indigenous people of the territory where the Margarita Plant is located, where gas processing takes place in the "Caipipendi area (Margarita plant), wells, lines and other facilities.

CONTRIBUTION TO THE SDGs:



ACTION

Complete the process to formalize corporate volunteering at the Bolivia Business Unit.

DESCRIPTION

We will conclude the process to secure legal person status for formalizing Integra Volunteering and thus enable it to carry out different activities.

INDICATOR

Secure legal person status.

WHAT HAVE WE ACHIEVED?



The legal process is in its final stage. The obtaining of the legal status has been prolonged by events beyond our control. This document will allow UNBO Corporate Volunteers to act as an independent organization and to seek alliances with other institutions; to be a legally recognized institution and to access external funding sources, for the development of projects in the areas of health, education, environment and humanitarian aid.

CONTRIBUTION TO THE SDGs:



ACTION

Create a social company to complete the production and marketing chain for the smoked goat production project.

DESCRIPTION

We will drive the process to establish a social company to close the marketing cycle for the smoked goat production project underway in the communities neighboring Margarita. By doing so, our company is lending locals in the zone a hand in terms of boosting development and equal opportunities, which is in line with our premise to be an integrated, diverse and inclusive company.

INDICATOR

Put together a social company by 31 December 2019.

WHAT HAVE WE ACHIEVED?



Consolidation and legalization of the Transformation and Commercialization Unit (U.T.C.) of the Itika Guasu Goat Producers Association (APROCA - IG), strengthening and promoting the production of goats and differentiated transformed products. The organization is made up of 45 family production units. The transforming unit has the corresponding sanitary registration which allows the commercialization of goat products.

CONTRIBUTION TO THE SDGs:



ACTION

We will continue training members of Bolivian security forces in human rights and international humanitarian law.

DESCRIPTION

We will provide members of the Bolivian government security forces with training to prevent possible violations of human rights and international humanitarian law in their actions when protecting Bolivian natural resources at a national level in general and the sites that Repsol operates in the country in particular.

INDICATOR

Arrange the training for at least 80 members of the Bolivian armed forces.

WHAT HAVE WE ACHIEVED?



We have given a four-day intensive course, with the participation of 77 people, to military personnel of the Security Forces of the Plurinational State of Bolivia and members of the Bolivian Red Cross. The training sessions were led by a group of senior professors from the Centre for the Study of International Humanitarian Law of the Spanish Red Cross.

CONTRIBUTION TO THE SDGs:



ACTION

Foster different types of cultural support as a tool for long-term social integration.

DESCRIPTION

We will work on different project that reflect our commitment to culture. Together with the Ministry of Cultures and Tourism, we will continue our efforts of identifying cultural assets that merit protection in case of armed conflicts. We will promote new cultural spaces and foster alliances with different institutions to cultivate talent.

INDICATOR

Consolidate the alliance with the Spanish Cultural Center for a new space in La Paz.
Accomplish the identification of at least 50 national heritage assets.
Consolidate an alliance between the Tarija and Santa Cruz philharmonic orchestras.

WHAT HAVE WE ACHIEVED?



The alliances in favour of culture in Bolivia have been consolidated through negotiations with the Spanish Cultural Centre in La Paz, the identification of more than 80 heritage assets by the Bolivian Ministry of Culture and Tourism and through the alliance between the philharmonic orchestras of Tarija and Santa Cruz.

CONTRIBUTION TO THE SDGs:



ACTION

Promote the inclusion of people with disabilities.

DESCRIPTION

We will encourage the incorporation of disabled persons based on the needs of the Bolivia Business Unit, job market availability and suitability of the infrastructure at our office building. We will develop actions to achieve the target percentage for incorporating people with disabilities or their family members.

INDICATOR

Present a procedure-flowchart.

Keep an incorporation percentage of at least 2% during the management.

WHAT HAVE WE ACHIEVED?



The number of people with different abilities as tutors remained at 2.4%. Since no selection processes were carried out for external hiring of staff during 2019, this objective was not met. A subcontractor with different capacities was incorporated to the drilling area.

CONTRIBUTION TO THE SDGs:



ACTION

Cultivate a better workplace environment at the Bolivia BU by encouraging the balance between work and family life, and the professional development of employees.

DESCRIPTION

We will continue promoting the application of useful tools to strike a balance between work and family for our employees, compliant with the vacation schedule and backed by the interns program when necessary. We will analyze implementation of the "Time-saving" corporate service program (concierge, administrative tasks and legal advice). We will promote temporary assignments and exchanges, and participation in worldwide projects.

INDICATOR

Provide two Bolivian staff members with mobility, sending them other business units. Have the Bolivia Business Unit receive two employees from other business units. Accomplish the participation of four members of the Bolivia BU in worldwide projects. Present a "Time-saving" implementation feasibility report. Comply with 90% of the vacation schedule.

WHAT HAVE WE ACHIEVED?



The actions to improve the work climate within the UN Bolivia were developed in their entirety, in order to achieve a balance between work and family life: 100% of planned vacations were achieved at the level of each management. In addition, professional development was promoted through six temporary exchanges between Bolivia, Peru and Ecuador.

CONTRIBUTION TO THE SDGs:



At Repsol, we contribute to sustainable development...

We pursue a target of **Zero Accidents** with a high level of safety in our processes and facilities, paying particular attention to the protection of people and the surrounding environment, and to the awareness of our **suppliers and contractors**.

In 2018, in the conviction that Safety and the Environment form the basis of value creation, excellence and responsibility, we launched our **2025 Safety and Environment Strategy**. We have established the key lines of action on which the Company will focus its Safety efforts up to 2025: we intend to drive culture, transformational leadership and awareness in connection with Safety and the Environment. Here one of the key features is **safety in our processes**, where we intend to lead the industry through management of our risks, the integrity of our facilities, and better preparation for crises and emergencies.

By way of a demonstration of our commitment, safety targets may have an **impact on the variable remuneration** of our employees of more than 15%.

Below we demonstrate courses of action pointing to our commitment to safety.

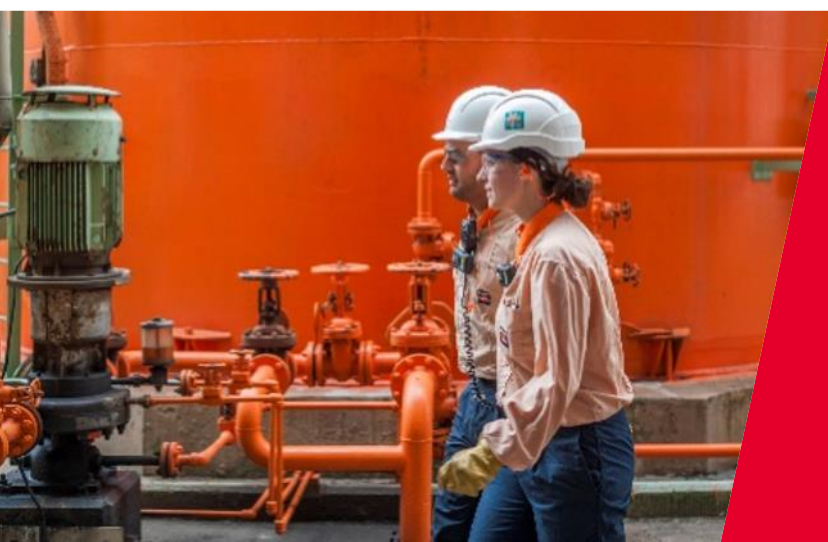


Prevention of personal, process,
and transportation accidents

Incident Management

Emergency management

Safety in product use



ACTION

Improve process safety performance regarding contracts for goods and services with high safety and environmental risks.

DESCRIPTION

We will incorporate a minimum percentage of safety criteria in the bid analysis and evaluation process for all new tenders. Based on these criteria, we will assess the compliance and performance of vendors who were awarded different jobs with a view to improving their performance.

INDICATOR

Include safety and environmental criteria in all contracts of the Bolivia Unit.

WHAT HAVE WE ACHIEVED?



We have incorporated safety and environmental criteria in the processes of contracting services in critical areas such as maintenance and drilling equipment rental, in accordance with Repsol procedure 20-00126PR Management of SMA in E&P contracts.

CONTRIBUTION TO THE SDGs:



ACTION

Shore up our emergency response and recovery capabilities regarding the impact of any undesired event.

DESCRIPTION

We will enhance our emergency response and recovery capabilities by reviewing and reinforcing the work of the teams tasked with responding to undesired events. We will conduct drills with the activation of the emergency organization at the Business Unit to the incident management team.

INDICATOR

Run a drill up to the Incident Management Team level.

WHAT HAVE WE ACHIEVED?



In 2019 we conducted a Level 2 emergency management drill, with activation of the Site Response Team (SRT) and Incident Management Team (IMT), which required the participation of company personnel and contractors from the Boycott South X1 exploration project.

CONTRIBUTION TO THE SDGs:



ACTION

Secure a better performance in safety, assessing the competencies associated with the critical tasks in our areas of operation.

DESCRIPTION

We will run an assessment on the competencies associated with the critical safety and environmental tasks identified in the Bow Tie study on the Caipipendi Asset surface facilities.

INDICATOR

Assess the competencies associated with critical tasks.

WHAT HAVE WE ACHIEVED?



We have performed 534 competency evaluations on critical security tasks, identified in the bow ties of the Caipipendi Asset, completing the 2019 competency assurance program.

CONTRIBUTION TO THE SDGs:



At Repsol, we contribute to sustainable development...

We share the concerns of society in relation to the need to look after the environment in which we live. We seek **minimum impact of our operations**, minimizing atmospheric emissions, optimizing water management, waste management, reduction of discharge pollutants, improvements to prevention systems and response to spills, considering biodiversity as a key component.

Our 2025 Safety and Environment Strategy, launched in 2018, establishes the key lines of action on which the Company will focus its environmental efforts up to 2025: we must be able to **quantify and assess environmental impacts and dependences** in order to back business decisions, placing the emphasis on more sensitive aspects wherever we operate, particularly water; our goal will also be to maintain a social license by means of **excellent sustainable environmental management** throughout the entire life cycle of our projects and operations. All this enhances the generation of new opportunities within the **Circular Economy**, making efficient use of natural resources, with criteria of maximum efficiency, maximum transparency and lesser environmental impact.

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



Efficient management of natural
resources

Environmental impact
minimization



ACTION

Apply action plans designed to mitigate the environmental impact of our operations.

DESCRIPTION

During 2019 and 2020, we will execute the action plans drawn up in 2018 based on the identification of all environmental situations of the Business Unit (BU). This enabled us to design specific plans for each area of operation.

INDICATOR

Begin executing the action plan and achieve implementation of at least 50%.

WHAT HAVE WE ACHIEVED?



We have implemented 50% of the Caipipendi Action Plan and 36% of the Mamoré Plan.

CONTRIBUTION TO THE SDGs:



ACTION

Contribute to the conservation of the Andean bear (*Tremarctos ornatus*) in a region of Bolivia considered to be priority for the survival of this mammal.

DESCRIPTION

We will sign an Andean Bear research and conservation agreement for the area of influence of our operations in the department of Tarija. The work will be carried out in stages during a period of three years.

INDICATOR

Complete the first stage of the agreement.

WHAT HAVE WE ACHIEVED?



We have signed the cooperation agreement for the implementation of the Andean bear research and conservation project. The first phase is scheduled to start in the first quarter of 2020.

CONTRIBUTION TO THE SDGs:



ACTION

Improve our environmental performance, identifying requirements that should be reinforced.

DESCRIPTION

We will examine the performance of the Boyuy X2 exploratory project against the environmental requirements adapted to the company's internal regulations and internationally recognized standards for hydrocarbon exploration and production operations.

INDICATOR

Draw up the report.

WHAT HAVE WE ACHIEVED?



We have satisfactorily compared the environmental performance of the Boyuy X2 exploration project with the environmental requirements of Repsol's internal Exploration and Production regulations (Environmental Performance Practices 20-00107PR).

CONTRIBUTION TO THE SDGs:



ACTION

Retool and implement the Biodiversity Action Plan of the Caipipendi Area to manage our potential impacts.

DESCRIPTION

Based on the results of the studies carried out, we will redefine and engage the actions contemplated in the Biodiversity Action Plan of the Caipipendi Contract Area for a five-year period. The aim is to systematically manage biodiversity issues throughout the lifecycle of activities in the area, including exploration and drilling projects.

INDICATOR

Completely redefine the biodiversity plan.
Establish the actions for the first year and then put them into practice.

WHAT HAVE WE ACHIEVED?



We have concluded the redefinition of the Biodiversity Action Plan of the Caipipendi Area and we have executed the 2019 actions among which we highlight the elaboration of the study of diversity and population dynamics of fish in the Pilcomayo River and main tributaries, the updating of the vegetation map of the Caipipendi Area. and the execution of Phase II of the hydrogeological study.

CONTRIBUTION TO THE SDGs:



ACTION

Upgrade and implement the Water Action Plan for Operated Assets and the projects run by the Bolivia Business Unit.

DESCRIPTION

We will define the guidelines and actions within the framework of a five-year plan aimed at optimizing and efficiently managing this resource. This work will be based on already executed initiatives and their results such as the Caipipendi hydrogeological study.

INDICATOR

Put a 5-year action plan in place.

WHAT HAVE WE ACHIEVED?



We have issued the Caipipendi Asset Water Action Plan and executed the 2019 actions. In addition, we have issued water action plans for the exploratory projects such as Boycobo X1 and Margarita X1001 in which we have prepared water balance, water consumption indicators, rainwater collection from the chemical shed in the BCS-X1 well project for the use and collection of condensation water from air conditioners.

CONTRIBUTION TO THE SDGs:



At Repsol, we contribute to sustainable development...

We share society's concerns regarding the effect of **human activity on the climate**, and are firmly committed to the ambition of limiting the average global temperature **rise to 2°C** above pre-industrial levels by the end of the century.

Our challenge is to supply safe, efficient, affordable energy, while reducing emissions of Greenhouse Gases (GHGs). There are many possible paths towards a low-emissions future, in which we have identified three common elements: enhanced energy efficiency and energy savings; reduction of emissions in the generation of electricity, where natural gas will be a key player, and the deployment of low-emission technologies in final sectors. Our commitment is made clear in the target of reducing emissions by 2.1 Mt CO₂ eq by the end of the period 2014-2020, and the Company recently extended this target to a new 2018-2025 Plan to reduce emissions by 3 Mt CO₂ eq. At the same time, we have defined objectives to reduce methane emissions and routine gas flaring by 2025.

We are signatories to the **Oil and Gas Climate Initiative** (OGCI) in a bid to share the best practices and technological solutions, and also partners in the OGCI *Climate Investment* fund to channel a committed investment package of \$1,000 million over ten years for the development of technology to reduce GHG emissions.

There follows a list of Sustainability Plan actions in this regard.



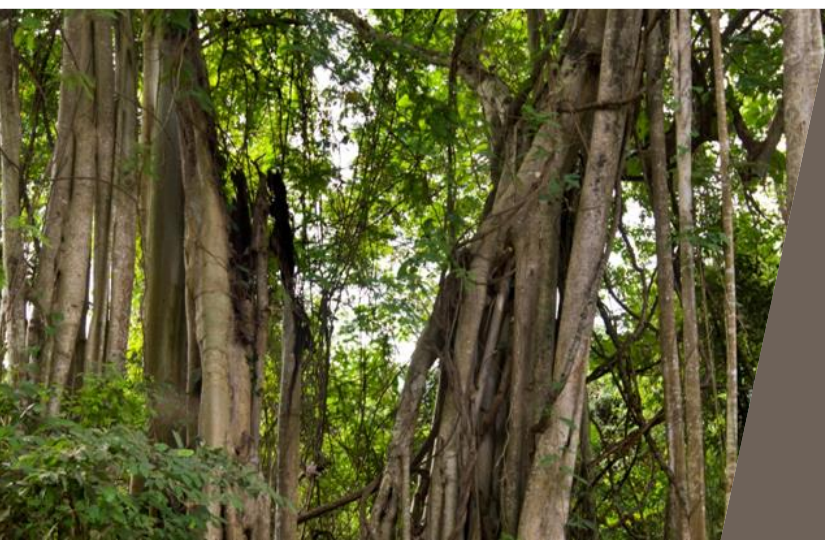
Efficient energy management

Drive the reduction of GHG emissions

Encourage the use of natural gas in electricity generation

Sustainable mobility

Low-emissions economy model



ACTION

Reduce the methane emissions inventory in the Caipipendi Contract Area.

DESCRIPTION

We will implement methane detection and measurement methodologies, applying LDAR (Leak Detection and Repair) technologies at the Caipipendi Asset with a view to securing this reduction. We will also have external verification in this regard.

INDICATOR

Decrease methane emissions inventory by 80% compared with the 2017 figures.

WHAT HAVE WE ACHIEVED?



We have applied LDAR (Leak Detection and Repair) methodology to the Caipipendi Asset and reduced the methane emissions inventory by 80% compared to 2017.

CONTRIBUTION TO THE SDGs:



ACTION

Reduce greenhouse gas emissions during the production test at the Huacaya 2 well with an external validation of the results.

DESCRIPTION

We will lower greenhouse gas emissions in the Huacaya 2 well test, sending the produced hydrocarbon to the Margarita processing facilities. We will thus avoid the combustion of gas where the well is located. We will also send the reduction for external validation according to ISO 14064 during the first half of 2019.

INDICATOR

Secure external verification of the emission reduction

WHAT HAVE WE ACHIEVED?



The reduction of greenhouse gas emissions from the Huacaya 2 well has been externally validated and a declaration of conformity has been obtained. This reduction action was carried out between December 2017 and May 2018, achieving a quantity of 35,048 tCO₂eq avoided.

CONTRIBUTION TO THE SDGs:



This Sustainability Plan is a dynamic document.

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

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

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

