

A large offshore oil rig under construction, featuring a tall derrick and various platforms, set against a blue sky with light clouds. The rig is situated over a body of water.

# OVERVIEW

2019

## SUSTAINABILITY PLAN

United Kingdom



# 2019 Sustainability Plan Overview



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

**14** Actions / **93%** Fulfillment

	<b>Ethics and transparency</b>	⋮	<b>1 ACTION</b>
	<b>People</b>	⋮	<b>5 ACTIONS</b>
	<b>Safe operation</b>	⋮	<b>3 ACTIONS</b>
	<b>Environment</b>	⋮	<b>2 ACTIONS</b>
	<b>Climate change</b>	⋮	<b>1 ACTION</b>
	<b>Innovation and technology</b>	⋮	<b>2 ACTIONS</b>

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

# 2019 Sustainability Plan

## Noteworthy projects



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

Safe operations: We pursue a target of Zero Accidents, paying particular attention to the protection of people and the surrounding environment, driven by competence of all site based workforce and good practices . People: 1) We promote gender equality across the oil & gas sector. 2) Support the local community's most vulnerables 3) Family life balance

### Engagement: Diversity and Inclusion at Repsol Sinopec

OGUK (Oil & Gas UK) awarded RSRUK with the Workforce Engagement award. This award recognises the outstanding steps taken by companies to give their workforce a voice in the organisation and develop and empowering culture that delivers commercial and reputational benefits for the company.



### Zero Hunger

We supported the CFIN (Community Food Initiatives North East)

CFINE improves health and well-being and the environment, tackles poverty and builds resilience through a range of support and services for and with disadvantaged, vulnerable, low-income individuals, families and communities in NE Scotland

### Getting Back to Nature Day

Family inclusion in the work environment, promoting activities among our employees in order to maintain the adequate balance between work and family and to look after the environment

Our sponsorship with HorseBack UK: ONG HorseBack UK uses horsemanship to inspire recovery, regain self-esteem and provide a sense of purpose and community to the wounded, injured and sick personnel





# PRESENTATION

## 2019 SUSTAINABILITY PLAN

United Kingdom



# CONTENTS

## 1 Our vision of sustainability and the preparation of this Plan \_\_\_\_\_ 6

## 2 2019 Sustainability Plan

Sustainable Development Goals _____	7
Summary _____	9
 Ethics and transparency _____	10
 People _____	11
 Safe operation _____	18
 Environment _____	22
 Climate change _____	25
 Innovation and technology _____	27

## 3 Process of updating the Plan \_\_\_\_\_ 30

### Legal Notice

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

© REPSOL, SA 2019: All rights reserved. This document is the exclusive property of REPSOL, S.A. and their total or partial reproduction is allowed only for non-commercial distribution.

# 1 Our vision of sustainability 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.

### SUSTAINABLE DEVELOPMENT GOALS

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



2019 Sustainability Plan  
United Kingdom / 14 Actions

 Ethics and  
transparency

1 ACTION

 People

5 ACTIONS

 Safe  
operation

3 ACTIONS

 Environment

2 ACTIONS

 Climate  
change

1 ACTION

 Innovation  
and technology

2 ACTIONS

#### 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

Improve our ethical behavior with third parties by reviewing our Code of Conduct and ethics policies.

## DESCRIPTION

We will align our stockholders with our best governance standards by deploying the following policies: Gift and Entertainment Policy, Repsol Sinopec Dawn Raid Policy, Repsol Sinopec Export Controls Embargoes and Trade Sanctions Policy and Whistleblowing Policy.

We will ensure that all employees receive an online course related to the “Code of Ethics and Business Conducts”, through which they will apply high ethical standards in their daily work.

## INDICATOR

Ensure 80% of our employees in Repsol Sinopec Resources UK complete the Code of Conduct training.

Implement the policies inside Repsol Sinopec Resources UK.

## WHAT HAVE WE ACHIEVED?



The policies were approved by the Board and deployed in Repsol Sinopec Resources UK as expected. In addition, 97% of our employees in Repsol Sinopec Resources UK completed the Code of Conduct training.

## 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

Drive excellence through the enhancement of our health and well-being program initiatives.

### DESCRIPTION

We will promote cardiovascular health and reduce potential cardiovascular issues among our employees by implementing a preventive campaign.

This campaign will focus on the identification of risk factors through lipid / cholesterol profiles and cardiovascular risk assessments.

### INDICATOR

Run the health and well being programme in 2019 in Repsol Sinopec Resources UK.

### WHAT HAVE WE ACHIEVED?



We have successfully implemented our 2019 health program by running a preventive campaign called HALO (Enhanced Health Screening For Onshore and Offshore Workforce).

The program runs onshore and offshore as part of our Health & Wellbeing workgroup commitments, these consisted of additional health screening, heart health campaign (including identification of cardiovascular risk factors) and a revised Health & Wellbeing Policy. Focus on mental health has also commenced.

### CONTRIBUTION TO THE SDGs:



### ACTION

Enhance family life balance among our employees.

### DESCRIPTION

We will support family inclusion in the work environment, promoting activities among our employees in order to maintain the adequate balance between work and family. We will organize the following activities: Bristow Helicopters Visit, Dance Event, Family Day, A glimpse into our Working World, Carpark Cuisine, Museum visits etc.

### INDICATOR

Implement at least two activities through the year in Repsol Sinopec Resources UK.

Implement at least one activity through the year in Repsol UK.

### WHAT HAVE WE ACHIEVED?



In Repsol Sinopec Resources UK several family activities took place. The most representative ones were: Getting Back to Nature Day, Young Hearts and Minds: Bristows Visit Calendar Kids and A Glimpse into the Working World. In Repsol UK all the employees and their families had a day trip to the Blair Drummond Safari Park. These activities improve the work and family balance, provide an environmental education and promote healthy environments for children and families.

### CONTRIBUTION TO THE SDGs:



### ACTION

Guarantee a correct workforce diversity, environment, and equality in our Company.

### DESCRIPTION

We will set a cultural survey to analyse the current status regarding gender equality and define an action plan.

We aim at reducing the gender pay gap within the organisation and support gender equality across the oil & gas sector.

### INDICATOR

Ensure 80% of employees participation in the survey in Repsol Sinopec Resources UK.

### WHAT HAVE WE ACHIEVED?



We have reached 78% participation for RSRUK and 100% for Repsol UK. The results will allow us to analyze the current status to set an action plan. The Diversity and Inclusion activity was held in RSRUK, and the OGUK (Oil & Gas UK) awarded RSRUK with the Workforce Engagement award. This award recognises the outstanding steps taken by companies to give their workforce a voice in the organisation and develop and empowering culture that delivers commercial and reputational benefits for the company.

### CONTRIBUTION TO THE SDGs:



### ACTION

Promote more flexible new working styles in Repsol UK.

### DESCRIPTION

We will set flexible days, which are considered a non-monetary reward that compensates the monthly extra hours worked above the agreed ones. We will emphasize the importance of our own time management allowing our workforce to adopt flexible working schedules.

### INDICATOR

Record and track the flexy days implementation.

Communicate to employees and implement the flexible days benefits in Repsol UK.

### WHAT HAVE WE ACHIEVED?



We have implemented and monitored flex days successfully.

A communication was sent to explain the procedure, and all employees have been able to take advantage of them, contributing to balance family and working life.

### CONTRIBUTION TO THE SDGs:



### ACTION

Support the local community's most vulnerable, developing partnerships with NGOs.

### DESCRIPTION

We will generate positive impacts on our communities by supporting those less favoured with new opportunities. We will ensure employee engagement with activities such as the 'Charity of the Year' program, the employee 'matched giving' and the schools engagement program.

### INDICATOR

Implement at least two of the initiatives in Repsol Sinopec Resources UK.

### WHAT HAVE WE ACHIEVED?



We have generated positive impacts on our communities by developing partnerships with the following NGOs: Maggie's, Alzheimer Scotland, Spinal Injuries Scotland, Forget-Me-Not Club, Horseback UK. The £100,000 2019 fundraising target has been surpassed and a lot of people have been benefited.

### 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.

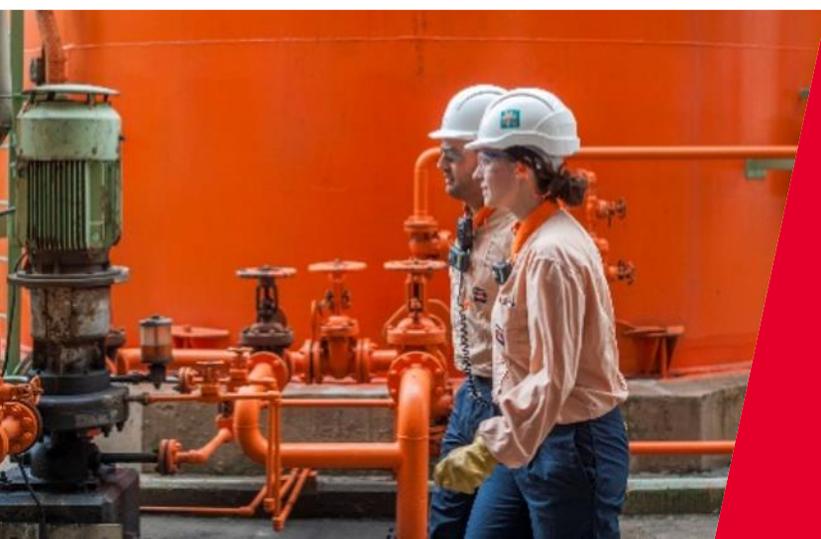


Prevention of personal, process,  
and transportation accidents

Incident Management

Emergency management

Safety in product use



### ACTION

Assure the competence of all site based workforce to deliver safe and efficient operations in Repsol Sinopec Resources UK.

### DESCRIPTION

We will implement the HSE (Health, Safety and Environment) online induction training course at contractor, employee, expatriate and visitor level so that all of them are aware of Repsol's safety standards.

### INDICATOR

Implement the induction training course by the end of 2019 in Repsol UK Business Unit .

### WHAT HAVE WE ACHIEVED?



The HSE online induction training course at contractor, employee, expatriate and visitor level was launched in 2019. All the employees will do the course in 2020. Therefore, there will be two courses available, that will assure the competence of all site based workforce to deliver safe and efficient operations:

- 1) HSE Induction for UK Business Unit Employees.
- 2) Induction for Visitors to the UK Business Unit.

### CONTRIBUTION TO THE SDGs:



## ACTION

Ensure our HSE (Health, Safety and Environment) standards are deployed in our non-operated assets in Repsol Sinopec Resources UK.

## DESCRIPTION

We will implement our HSE Operating Model for our non-operated assets in Repsol Sinopec Resources UK, so we ensure that Repsol HSE standards will be deployed in the Joint Venture.

## INDICATOR

Define the action plan by the end of 2019 in Repsol Sinopec Resources UK.

## WHAT HAVE WE ACHIEVED?



The action plan according to the archetype of non operated model has been defined and the HSE activities included in the new operating model for non operated have been implemented.

## CONTRIBUTION TO THE SDGs:



## ACTION

Share experiences, good practices and lessons learned in HSE (Health, Safety and Environment) between Repsol Sinopec Resources UK and Repsol UK.

## DESCRIPTION

We will develop and roll-out an effective HSE communication campaign for 2019, refreshing the most important HSE rules and reinforcing the HSE talks previous to the job execution, in order to engage and make the workforce aware of the importance of HSE issues. In addition, we will identify where learning capture is possible to keep building a continuous improvement culture.

## INDICATOR

Run the communication plan by the end of 2019 in Repsol Sinopec Resources UK.

## WHAT HAVE WE ACHIEVED?



Quarterly meetings were held between RSR UK and Repsol to share experiences, good practices and lessons learned in HSE (Health, Safety and Environment). In addition, RSR UK has prepared animation videos with lessons learned, that has shared with Repsol. On the other hand, Repsol is sharing lessons learned video, the incident investigations and the Safety Alerts that could be of interest for RSR UK.

## 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

Enhance knowledge and understanding of our Environmental Management System to minimize environmental impacts in Repsol Sinopec Resources UK.

### DESCRIPTION

We will develop an active program to enhance knowledge and understanding of our Environmental Management System. The program will focus on all environmental areas (atmospherics, offshore chemicals regulations, waste, radiation, spill prevention etc...) and will reach relevant individuals within the business via simple modules. With this initiative, we aim at minimizing environmental impacts and ensuring regulatory compliance at the same time.

### INDICATOR

Implement the program in 2019 in Repsol Sinopec Resources UK.

### WHAT HAVE WE ACHIEVED?



We have started to implement the program to enhance understanding of our Environmental Management System, in order to minimize environmental impacts. It remains an ongoing process in 2020.

### CONTRIBUTION TO THE SDGs:



### ACTION

Improve the management of redundant equipment to minimize inspection, maintenance and environmental impacts.

### DESCRIPTION

We will identify the equipment that has been taken out of operational service (obsolete equipment) and take the correspondent actions so we can either isolate them or take them out, to avoid operational and safety issues and environmental impacts.

### INDICATOR

Identify redundant equipment in Repsol Sinopec Resources UK.

### WHAT HAVE WE ACHIEVED?



The Redundant Equipment Procedure has been revised to simplify the process and allow a range of tiered decommissioning options; also the redundant equipment tagged in Maximo is updated in the Risk Based Program ARIA to ensure that inspection is minimised and commensurate with the level of risk. Work is continuing in this area.

### CONTRIBUTION TO THE SDGs:



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

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

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

Repsol aims to achieve net zero emissions by 2050, making it the first oil and gas company in the world to assume this ambitious goal. It is possible to achieve at least 70% of this target with the technology that can currently be foreseen, and we are committed to applying the best available technologies to increase this figure, including carbon capture, use and storage. We would, if necessary, additionally offset emissions through reforestation and other natural climate sinks to achieve zero net emissions by 2050.

Accordingly, we have joined the Oil and Gas Climate Initiative (OGCI) to share best practices and technology solutions, and participate in the OGCI Climate Investment Fund, to channel the committed investment of \$1 billion over ten years in the development of technologies to reduce GHG emissions on a significant scale.

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



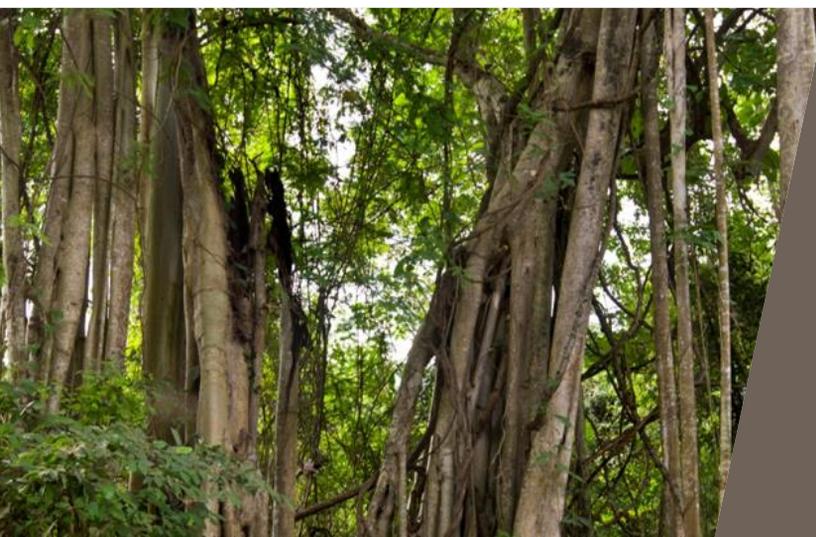
Efficient energy management

Drive the reduction of GHG emissions

Encourage the use of natural gas in electricity generation

Sustainable mobility

Low-emissions economy model



### ACTION

Identify measures for further reduction of greenhouse gases (GHG) emissions.

### DESCRIPTION

We will review in Repsol Sinopec Resources UK the current strategy to optimise energy use and manage GHG emissions. We will lower our emissions as part of our strategy to combat climate change.

We will focus on developing and sharing best practices supported by our capability to monitor the assets emissions.

### INDICATOR

Ensure that Repsol Sinopec Resources UK will be part of new group that Oil and Gas UK authority intend to organize in order to share best practice across the North Sea.

Develop a list of overarching principals to guide and support the asset development.

Monitor the assets emissions in real time, trough the Integrated Operated Centers (IOC).

### WHAT HAVE WE ACHIEVED?



Repsol Sinopec Resources UK is sharing good practices across the North Sea to minimize inspection, maintenance and environmental impacts: It is involved in the Atmospherics Tech Working Group and Carbon Metrics Group and also sharing sessions linked to energy transition. In addition, the assets emissions data are being transposed through Power BI and there is a work in progress in order to monitor the assets emissions in real time.

### CONTRIBUTION TO THE SDGs:



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

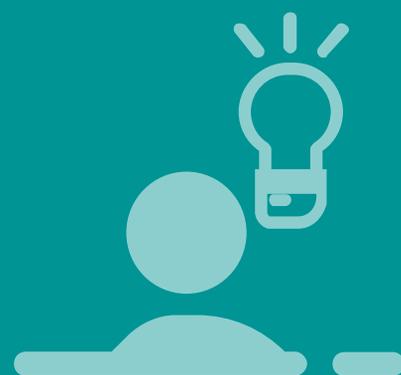
A sustainable future requires **companies that invest in science and technology** to meet the current and future energy challenges through real solutions. We believe in technological innovation as a way to build more efficient and environmentally sustainable energy systems.

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

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

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

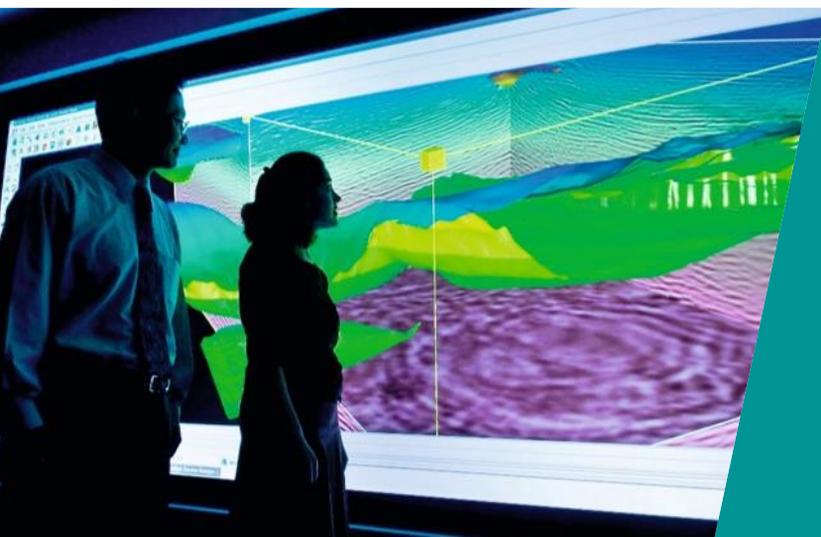
This Sustainability Plan includes a commitment to the following actions, in step with the lines of work that Repsol has set on this axis of sustainability.



Boost innovative activity

Use of new technologies

Promote training and facilitate the development of the environment



### ACTION

Ensure full visibility and awareness of well status for each individual area in Repsol Sinopec Resources UK.

### DESCRIPTION

We will implement a well visualization model (well Data Book) in order to improve the monitoring of the integrity and performance of wells. This technological improvement will allow us to identify environmental hazards that could cause environmental impacts.

### INDICATOR

Implement a pilot in Monarb and Claymore assets in Repsol Sinopec Resources UK.

### WHAT HAVE WE ACHIEVED?



We have completed and incorporated a pilot in Monarb and Claymore. This implementation will allow us to monitor the integrity and performance of the wells, anticipating any environmental hazard.

### CONTRIBUTION TO THE SDGs:



### ACTION

Implement a digital technology to improve the operations management in Repsol Sinopec Resources UK.

### DESCRIPTION

We will optimize our operational tasks applying new digital technologies. We will start up Integrated Operated Centers (IOC), in which the offshore operations are monitored, allowing us to take the proper decisions and analysis onshore instead of being located in the operation. This will decrease the fuel consumption and minimize the health, safety and environment risks.

### INDICATOR

Implement Integrated Operated Centers in three hubs in Repsol Sinopec Resources UK.

### WHAT HAVE WE ACHIEVED?



We have implemented Integrated Operated Centers in RSRUK in three hubs. This monitoring technology is allowing us to take the proper offshore decisions in real time from onshore, minimizing the health, safety and environmental risks and, in addition, decreasing the fuel consumption as the helicopter trips go down.

### 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.





**REPSOL**