



# Overview 2020 Sustainability Plan Indonesia



# Index

<b>1</b>	<b>Our vision of sustainability and the preparation of this Plan</b>	<b>3</b>
<b>2</b>	<b>Sustainability Plan 2020</b>	<b>4</b>
	Sustainable Development Goals	5
	Overview	6
	 Ethics and transparency	8
	 People	11
	 Safe operation	16
	 Environment	21
	 Climate change	25
	 Innovation and technology	28
<b>3</b>	<b>Process of updating this Plan</b>	<b>30</b>

## 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

**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.

 <b>Ethics and Transparency</b> We act responsibly and fully where we are present	 <b>People</b> We are committed to people and promote their development and social environment	 <b>Safe operation</b> We guarantee the safety of our employees, contractors, partners, and the local community
 <b>Environment</b> We consume the resources needed to generate power more efficiently and with the least possible impact	 <b>Climate change</b> We want to be part of the solution to climate change	 <b>Innovation and technology</b> We encourage innovation and incorporate technological advances to improve and develop ourselves and our environment

# 2 2020 Sustainability Plan

## Sustainable Development Goals



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

We believe that we must focus on the SDGs in which we can maximize our impact. Thus, regarding the company's strategic plan, the material issues and the local contribution in each of the Sustainability plans, the following SDGs have been selected:

Given our role in access to affordable energy, our contribution to social economic development and the fight against climate change, we have prioritized SDGs 7, 8 and 13.



We believe that the most efficient way of contributing to the 2030 Agenda is to collaborate with other entities



We believe that the most efficient way of contributing to the 2030 Agenda is to collaborate with other entities.



Given our commitment to the optimization of water management, our support for Innovation and Technology, and our focus on the Circular Economy, we have prioritized SDGs 6, 9 and 12.

In 2020, we want to go one-step further in our commitment to sustainable development by publishing an Annual Report on our contribution to the SDGs for the first time.

We wish to make our contributions to the 2030 Agenda clear by publishing more than 30 indicators and commitments, painting a panorama of the efforts we make all around the Company, both locally and globally, to provide solutions to the social challenges we face.

We want to be agents of environmental and social change in the territories in which we operate. We have the resources, the ambition and, most importantly, the commitment we need. That is our ambition and the United Nations 2030 Sustainable Development Agenda shows us the way that we can make this happen.

# 2 2020 Sustainability Plan

## Sustainable Development Goals



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



# 2 2020 Sustainability Plan

## Overview: Noteworthy projects

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

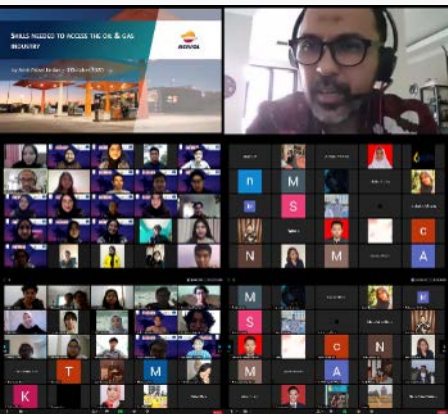
We have into account the expectations of our stakeholders to define Repsol's strategy in Indonesia.

### Repsol Goes to Campus Project

We have raised environmental awareness among students through Repsol Goes to Campus session.

The session, conducted online due to Covid-19 pandemic, shows Repsol still moving forward to give knowledge and information to Indonesian young generations. It began with an overview of Repsol, its mission and concern for the environment.

The program received great enthusiasm from government, stakeholders and students who participated.



### Environmental Studies

We are carrying out environmental risk analysis integrated with the environmental baseline assessment for the new blocks for South East Jambi, South Sakakemang and Andaman.

One of the challenges encountered in scoping is avoiding biases created by the background of whoever tries this exercise, given they can have a profound effect on how the priorities for the impacts are perceived and it would be required in order to predict each potential impact properly.



### Sustainable office project

We have successfully moved to the new office in Jakarta during the pandemic. We are setting a new office up which is safe, healthy and environmentally friendly, reducing energy consumption with the installation of smart device systems on several electric equipment.

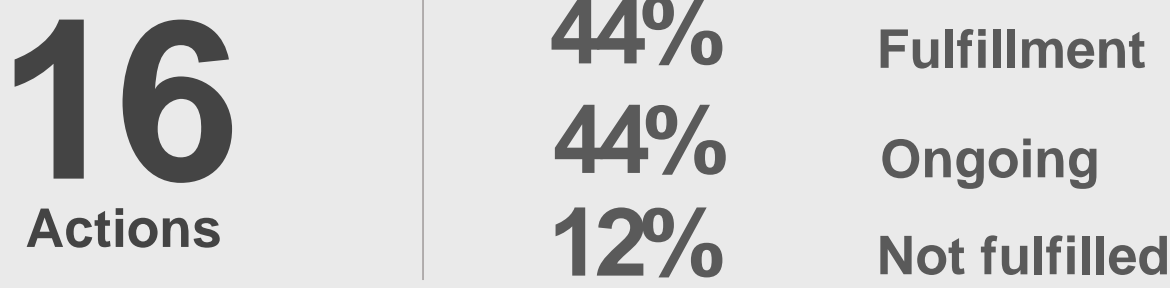
We are providing a comfortable working place for our employees, while contributing to Repsol climate change goals. The improvement received great enthusiasm from our employees in the first day opening the Jakarta Office.



# 2 2020 Sustainability Plan

## Overview: Summary

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



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

# 2 2020 Sustainability Plan

## Ethics and transparency



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

**We act with integrity** in all countries in which we are present. Our ethical conduct involves strict compliance with both the letter and the spirit of the law.

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

We also define **transparency and accountability** as differential elements in the Repsol sustainability model. To be credible, it must be consistently transparent. We want to be publicly recognized as an honest and transparent company in tax-related matters. Thus, **we are engaged in EITI** (Extractive Industries Transparency Initiative) with the aim of strength our cooperative relationships with the administrations.

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





## Ethics and transparency

### Action

Continue the campaign and implementation on anti-bribery and corruption. Introducing new corporate compliance policy and concept of conflict of interest.

### Description

As an organization, we are committed to eliminate the chance of corruption and create a fair competition culture. We will achieve this by:

1. Continue to conduct training and sharing session with the employees on gift and hospitality, and ensure report is made appropriately.
2. Develop strategy on the implementation of the new corporate compliance policy campaign and submit report to regional compliance officer.
3. Conduct sharing session with the employee on the concept of conflict of interest.

### Indicator

Conduct compliance training for 80% Indonesia employees on anti-bribery and corruption.

Conduct gift and hospitality training for 80% Indonesia employees.

Conduct sharing session on conflict of interest to 80% Indonesia employees.

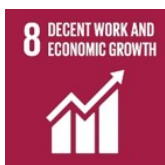
### What we've achieved



We have carried out the training programme among our employees as required by the corporate compliance team.

We have trained 80% Indonesia employees on compliance, anti-bribery and corruption, gift and hospitality and conflict of interest. Moreover, we have highlighted the role of the inspiring leader in the face of basic regulation.

### Contribution to the SDGs:





## Ethics and transparency

### Action

Simplify our corporate structure by obtaining tax ID deregistration for inactive block/entity relinquished back to the Indonesian government.

### Description

Repsol Indonesia will obtain tax ID deregistration such as for Repsol Cendrawasih I and Cendrawasih IV, which has been relinquished to Indonesia government to assist simplification of the corporate structure aimed for free from tax burden that is still borne.

### Indicator

Submit Tax ID deregistration application.

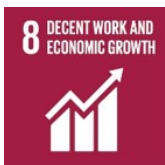
Successfully to get Tax ID deregistration approval.

### What we've achieved



We have completed the tax id deregistration as expected. We submitted the tax ID deregistration application, and our request was approved. Consequently, we are moving forward in the simplification of the corporate structure.

### Contribution to the SDGs:



# 2 2020 Sustainability Plan

## People



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

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

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

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

This axis includes the following initiatives.





## People

### Action

Encourage best practices in sustainability and regularly review its performance.

### Description

We will provide an introduction to the Sustainable Development Goals (SDGs) for representatives of the Indonesian Business Unit departments through a training course. We will highlight the role of the private sector and Repsol's challenges in maximizing its contribution.

### Indicator

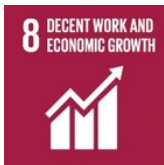
Train 80% of representatives of departments related.

### What we've achieved



We have promoted the online course ODStories among our employees, being trained 80% of representatives of departments related in 2020. The course is a different way of getting to know the 2030 Agenda and how Repsol is contributing to the Sustainable Development Goals (SDGs). Through this "ODStories" social network, you can dive deep into each of these 17 objectives with different videos, interviews, and challenges.

### Contribution to the SDGs:





## People

### Action

Develop a social baseline and study for new block South Sakakemang and an update for current blocks Sakakemang and Andaman.

### Description

We will carry out social baselines and studies because they are the basis for considerations in taking business decisions with possible impact to the surrounding stakeholders. South Sakakemang is the newly awarded block and having the study occurred for this new asset will be key in terms of engaging the local stakeholders.

### Indicator

Develop a social baseline and study report for South Sakakemang block.

Update the social baseline and study report for Sakakemang block as reference document to design community investment program within the area.

Update the social baseline and study report for Andaman block as reference document to design community investment program within the area.

### What we've achieved



South Sakakemang, Andaman and Sakakemang social baseline will be performed next year because we have just received approval from Special Task Force for Upstream Oil and Gas Business Activities Republic of Indonesia (SKK MIGAS) through 2021 work plan and budget to conduct such program.

### Contribution to the SDGs:





## People

### Action

Implement the grievance mechanism as a tool to facilitate communication.

### Description

We will strengthen our license to operate by implementing the grievance mechanism. We are committed to socially responsible business practice and aware of the importance of managing social risk, especially grievances, to minimize social impacts and ensure the operation activities.

### Indicator

Implement grievance mechanism in conducting an engagement with stakeholders.

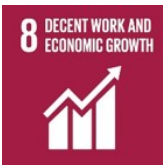
### What we've achieved



We have conducted refreshment and socialization regarding the grievance mechanism in Indonesia on 25 November 2020 to all Stakeholders Relations Department (SRD) team members. In Indonesia local context, grievances from local community are directly received by the Community Relations Field Representative.

So basically the engagement to stakeholders is conducted during meetings with village head or informal meetings with the local communities by the Community Relations Field Representative.

### Contribution to the SDGs:



# 2 2020 Sustainability Plan



## People

### Action

Continue to promote a work-life balance among our employees.

### Description

We will propose to continue implementing a pilot project for Friday Off or Teleworking in Indonesia and creating Hobby Clubs within Repsol employees. These mechanisms develop, promote and facilitate the balance between personal and professional life. The program should provide flexibility for our employees to manage their family/personal life while they continue pursuing their own carrier in Repsol.

### Indicator

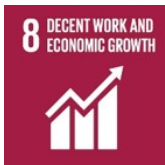
Implement a pilot project for Friday Off/Teleworking and Hobby Clubs as a work-life balance program.

### What we've achieved



Due to current pandemic, the hobby clubs are on hold for now. The specific mechanism for teleworking is also put on hold as for Indonesia office currently is still based on essential personnel. They are the only ones doing work from office (WFO) and the rest is doing work from home (WFH).

### Contribution to the SDGs:



## 2 2020 Sustainability Plan

### Safe operation



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

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

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

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

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



# 2 2020 Sustainability Plan



## Safe operation

### Action

Collaborate with our partners to improve safety performance and ensure safe operation.

### Description

We will support continued enhancement of safety in our non operated asset. We will join the HSE (Health, Safety and Environment) meeting with our partner, conduct field visits at partner assets and review HSE performance. The aim of those activities is to ensure the operation in safe condition as per Repsol goal.

### Indicator

- Join two HSE meetings with ConocoPhillips.
- Conduct two field visits for HSE assessment.
- Monitor and review our partner quarterly report.

### What we've achieved



We have had quaterly collaboration meetings to get update on operation and HSE programs and share each other input and information with our partners. Due to COVID-19 pandemic, field visit were not conducted in 2020. Additionaly, we have reviewed, analysed and given feedback to our partners related to the critical issues and Covid-19.

### Contribution to the SDGs:



# 2 2020 Sustainability Plan



## Safe operation

### Action

Socialize Repsol Observation Card to Jakarta Office employees to increase their safety awareness.

### Description

We will develop and conduct socialization of the Electronic Repsol Observation Cards (e-ROC) to Repsol Jakarta Office employees. It is a tool to improve our safety culture and the involvement of our employees. Moreover, it eliminates paper usage for the reporting system.

### Indicator

Develop the e-ROC system.

Conduct the e-ROC socialization to 80% Jakarta office employees.

### What we've achieved



We have implemented the Electronic Repsol Observation Cards (e-ROC) in the operation area of the Indonesia Business Unit. The development of the e-ROC system is a collaboration between HSE department and IT department. The socialization to all our employees was conducted in the last quarter of the year.

### Contribution to the SDGs:





## Safe operation

### Action

Conduct floorwarden training for new floorwarden personnel in new Jakarta office.

### Description

We will deliver floorwarden training, which will include basic first aid and basic fire contents. This training is aiming at improving knowledge, task development and responsibility of floorwarden during emergency condition.

### Indicator

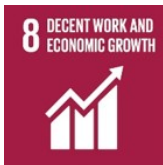
Make sure 100% floorwarden team follow the training.

### What we've achieved



We have prepared the floorwarden training material for the new Jakarta office, but we have postponed the training because our employees are working from home due to COVID-19 pandemic. We just give the HSE Induction to employees who need to come to Jakarta office for urgent matters.

### Contribution to the SDGs:





## Safe operation

### Action

Deliver training on firefighting and forest fire prevention awareness to the community surrounding the operation area.

### Description

Last year, an incident of forest fire occurred near Repsol operation area, and we provided a basic training for community members to assist the fire brigade to minimize the impact of the incident. This year, we will continue the programs, not only to provide the basic training but also to create community awareness, to create prevention actions and to avoid future forest fires.

### Indicator

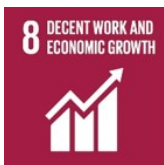
Perform one session of basic fire fighting training and forest fire prevention awareness at Kec. Bayung Lencir.

### What we've achieved



We could not perform the session due to restriction from government to gather people due to COVID-19. Special Task Force for Upstream Oil and Gas Business Activities Republic of Indonesia (SKK MIGAS) also directed the oil and gas company to reallocate the agreed budget into COVID-19 assistance programs. We may see the possibility to conduct the program next year, hoping that COVID-19 is already manageable and the cases are decreasing.

### Contribution to the SDGs:



# 2 2020 Sustainability Plan

## Environment



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

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

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

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





## Environment

### Action

Conduct an environmental, social and health impact assessment and environmental baseline assessment for new blocks.

### Description

We will carry out environmental, social and health impact assessment for Andaman block and South East Jambi blocks. Also, we will carry out and environmental baseline assessment for South Sakakemang block. The purpose of these assessments is to identify and mitigate the potential impacts of the projects.

### Indicator

Deliver the environmental, social and health impact assessment for Andaman block and South East Jambi blocks.

### What we've achieved



We are completing the environmental study for Andaman block and South East Jambi blocks.  
The study for South Sakakemang block will be continued in 2021 because the South Sakakemang project is going to be postponed and will be conducted in 2021/2022,

### Contribution to the SDGs:



# 2 2020 Sustainability Plan



## Environment

### Action

Provide environmental education and awareness to students and communities.

### Description

We will conduct an environmental awareness program aimed at junior and high school students, as well as communities in our operation area.

### Indicator

Conduct one session on environmental awareness at one school at Kec. Bayung Lencir, South Sumatra Province.

Conduct one session on environmental and health awareness in Bireun Regency, Banda Aceh Province.

### What we've achieved



We have completed to conduct the awareness program to students through Repsol Goes to Campus dated on 23rd July, 14th August and 3rd Oct 2020. However, the events were conducted virtually due to COVID-19.

### Contribution to the SDGs:





## Environment

### Action

Implement the reclamation for revegetation of abandoned exploration well within three years process.

### Description

Repsol will carry out the implementation of the reclamation for reforestation of the abandoned exploration wells Ayu-1, Elok-1 and Anggun-1 and include the road access to the wells which will be implemented within three years.

Seeds need to be planted in 625 ha, with a distance between seeds of 4 m X 4 m, requiring a total of 14,300 trees.

A monitoring report will be provided to local forestry department every six months and maintenance acceptability is 80% seed grow in the 3th year.

### Indicator

Award to contractor tender and contract for revegetation.

Set up contractor plantation team.

### What we've achieved



This project has been delayed. We are preparing the Statement of Work (SoW), budgeting and licensing for revegetation and tender activities will be started in 2021.

## Contribution to the SDGs:



# 2 2020 Sustainability Plan

## Climate change



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

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

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

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

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

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





## Climate change

### Action

Work in a more sustainable office.

### Description

We will move to a new office that is more environmentally friendly, as well as safe and secure. We will reduce energy consumption thanks to LED lamps, a dimming system & motion sensor lighting, a wash and dry hands system at the sink, and hand wave and motion sensors to open toilet cubicles.

### Indicator

Fulfill 100% of requirements as environmentally friendly and safe office of description.

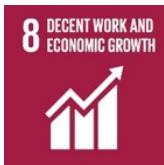
### What we've achieved



We have fulfilled 100% of requirements as environmentally friendly and safe office of description.

Jakarta office has moved to the new building with lower energy consumption thanks to LED lamps, a dimming system & motion sensor lighting, a wash and dry hands system at the sink, and hand wave and motion sensors to open toilet cubicles. Our employees will move to the new building when the pandemic allows us to do so safely.

### Contribution to the SDGs:





## Climate change

### Action

Perform a CO2 capture and injection study for Sakakemang block.

### Description

The Carbon Geological Storage Group will carry out the CO2 capture and injection study for Sakakemang. It aims at the geological study in the Dayung and Gelam fields within the corridor block, so that in the future development of the entire Sakakemang field, all CO2 produced, as well as the CO2 produced by Corridor, can be captured and re-injected with a substantial decrease at country level of CO2 emissions.

### Indicator

Conduct the study of CO2 capture and injection for Sakakemang Corridor and deliver the report.

### What we've achieved



We have performed a study of geomechanics and dynamics model for Gelam and Dayung Area to ensure when we inject the CO2 in to the formation, it will be safe and we will reach optimum in production.

The studies will continue through next year (2021).

### Contribution to the SDGs:



# 2 2020 Sustainability Plan

## Innovation and technology



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

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

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

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

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

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



# 2 2020 Sustainability Plan



## Innovation and technology

### Action

Implement SharePoint 365 digital forms.

### Description

We will use SharePoint 365 to develop digital forms for visitor forms. It is part of paperless office program which will reduce paper-based documents in the office.

### Indicator

Implement the digital visitor form.

### What we've achieved



We are developing the digital forms for visitor on SharePoint 365, but we have not finished this project yet. We are in the system analyses phase and will continue in 2021.

### Contribution to the SDGs:



### 3 Process of updating the Plan

#### **This Sustainability Plan is a dynamic document.**

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

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

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



