



# OVERVIEW

2019  
SUSTAINABILITY  
PLAN

Indonesia



# 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:

15 Actions / 93% Fulfillment



**Ethics and transparency**

1 ACTION



**People**

5 ACTIONS



**Safe operation**

3 ACTIONS



**Environment**

4 ACTIONS



**Climate change**

1 ACTION



**Innovation and technology**

1 ACTION

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...

Generating positive impacts both, on the local communities and on our employees.

### Safety Driving Awareness

It was held from 29 August to 5 September in Cibubur, West Java, and almost all employees took part. It encourages drivers to take precautions to prevent accidents before they happen. The program also provides a mastery of the rules of the road and the basic mechanics of driving. Its aim is to reduce the risk of collision by anticipating dangerous situations, despite adverse conditions or the mistakes of others.



### DayCare 2019

We have successfully implemented a DayCare program during Idul Fitri period, facilitating the employee with expert caregivers during the period when the children's caregivers are in absence. This initiative received great enthusiasm from parents and children with full participation throughout the program.

### Safety Riding Awareness

It was held in SMAN 1 Bayung Lencir, the biggest high school within the area, with most of the students using motorcycle. Around 200 students attended.

This program is expected to help students of SMAN 1 Bayung Lencir to improve their driving skills by reducing their driving risks by anticipating situations and making safe well-informed decisions.



# PRESENTATION

2019  
SUSTAINABILITY  
PLAN

Indonesia



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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.

## 2019 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:



# 2019 Sustainability Plan Indonesia / 15 Actions



**Ethics and  
transparency**

**1 ACTION**



**People**

**5 ACTIONS**



**Safe  
operation**

**3 ACTIONS**



**Environment**

**4 ACTIONS**



**Climate  
change**

**1 ACTION**



**Innovation  
and technology**

**1 ACTION**

100% 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

Continue to implement our due diligence and anti corruption commitments regarding third parties.

### DESCRIPTION

We will keep improving our business practices standards by implementing our corporate compliance program. We will continue with the local compliance due diligence and anti corruption commitment program with our contractors and we will train our employees to promote high ethical behavior.

### INDICATOR

Maintain and improve compliance and anti corruption due diligence for all high risk contract or tender.

Make all new contractors and suppliers to sign anti corruption commitment letter.

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

Appoint a dedicated compliance officer at local level, as soon as the worldwide compliance program is implemented.

### WHAT HAVE WE ACHIEVED?



We have applied our due diligence and ensured all new contractors sign our compliance and anti corruption commitment letter. Also, we have delivered compliance training to our Jakarta employees on anti-bribery and corruption and our legal department has hired and appointed a person for compliance officer.

### 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

Carry out community consultation at each project stage in order to improve stakeholders engagement and gain social license to operate.

### DESCRIPTION

We will make community consultations during KBD 2X well testing, demobilization and Anggun-1X exploration drilling. Consultation is the most appropriate process to collect information and feedback from the community, being beneficial to us to design business strategy and make decisions. And it is beneficial at the same time to the community to be fully informed of the progress, updates and Repsol practices in their operation.

### INDICATOR

Conduct formal community consultation during KBD 2X well testing, demobilization and Anggun-1X exploration drilling.

### WHAT HAVE WE ACHIEVED?



REPSOL held KBD 2X well-testing socialization to the respective local leaders, surrounding community and neighboring companies to describe the process to be conducted and on-place safety conditions. After project completion, we officially conducted closing out the exploratory drilling campaign with the village head.

### CONTRIBUTION TO THE SDGs:



### ACTION

Conduct human rights awareness program for employees, security personnel, contractors and suppliers.

### DESCRIPTION

We will deliver human rights training to Repsol Indonesia employees, security personnel, and our main suppliers and contractors, in line with applying the Voluntary Principles on Security and Human Rights and United Nation Guiding Principles on Business and Human Rights in the Company.

### INDICATOR

Deliver human rights induction or training to at least 50% of the employees and all (100%) security personnel, main suppliers and contractors representatives.

### WHAT HAVE WE ACHIEVED?



We have conducted the human rights induction as expected, training both employees and security contractors. In addition, we have ensured all significant investment agreements and contracts included human rights clauses and underwent human rights screening.

### CONTRIBUTION TO THE SDGs:



### ACTION

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

### DESCRIPTION

We will propose mechanisms to develop, promote and facilitate the balance between personal and professional life. The program should provide flexibility for our employees to manage their family while they continue pursuing their own carrier in Repsol.

### INDICATOR

Continue to define a work-life balance program.

### WHAT HAVE WE ACHIEVED?



We have held several activities included in our work-life balance program such as:

- Day Care Program
- Friday OFF Pilot Project
- Walk in Workout 10,000 steps a day
- Healthy Lifestyle and Health Challenges

### CONTRIBUTION TO THE SDGs:



### ACTION

Develop a social baseline study for the new block Southeast Jambi.

### DESCRIPTION

We will carry out a social baseline study for the newly awarded block South East Jambi. This study will be taken into consideration when making business decisions with possible impact to the surrounding stakeholders. Having the study for this new asset will be beneficial in Repsol's business plan especially in terms of engaging the local stakeholders.

### INDICATOR

Elaborate a social baseline and study report for the South East Jambi block.

### WHAT HAVE WE ACHIEVED?



We have conducted an Environmental Baseline Assessment (EBA). It includes a social mapping study which describes community conditions systematically based on data and information collected about the community, including their profiles and current social issues.

### CONTRIBUTION TO THE SDGs:



### ACTION

Provide refreshment training on social risk matrix and implementing grievance mechanisms.

### DESCRIPTION

We will make sure our employees are committed to socially responsible business practice and aware of the importance of managing social risk, especially grievances. Having the social risk matrix and grievance mechanism refreshment training are the articulation of the commitment.

### INDICATOR

Deliver social risk matrix and grievance mechanism training to operation team in the office and onsite.

### WHAT HAVE WE ACHIEVED?



We have held a social risk matrix training and introduced grievance mechanisms to all members in Jakarta office, Sakakemang and East Jabung block. All findings and inputs are then exercised in HAZID to improve the project approach with people as focus.

### 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.

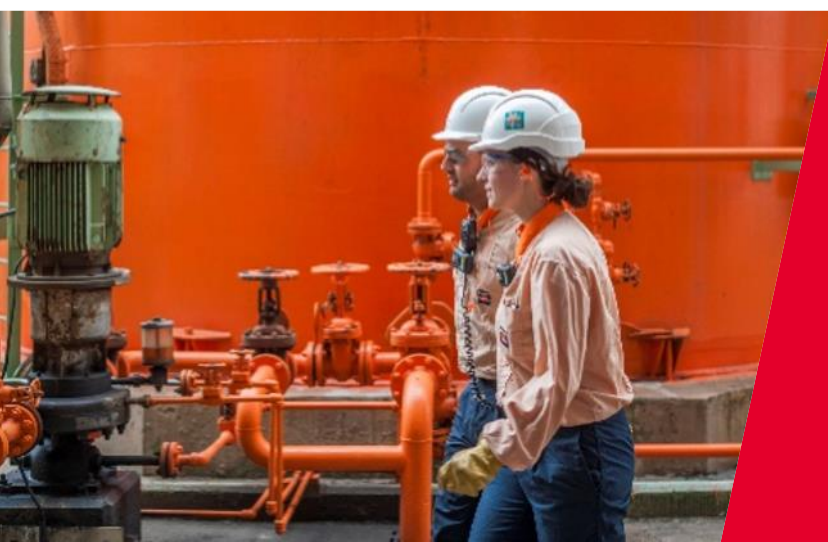


Prevention of personal, process,  
and transportation accidents

Incident management

Emergency management

Safety in product use



### ACTION

Conduct basic safety driving and riding training to all eligible employees and Bayung Lencir site community.

### DESCRIPTION

We will deliver driving and riding safety training, including basic defensive driving awareness, to all employees who drive and ride to the office, including to Bayung Lencir site community. We aim at improving their safety culture and demonstrate Repsol safety culture patron as part of the community.

### INDICATOR

Deliver safety driving and riding training to at least 70 % of the Jakarta employees.

Reduce unsafe acts and conditions on the road.

Deliver safety riding training at Kecamatan Bayung Lencir (one session).

### WHAT HAVE WE ACHIEVED?



We have conducted training on basic safety driving and riding to Repsol employees, and more than 70% of Jakarta employee attended. Lessons learned of the several traffic incidents made our employees to be more defensive during driving.

In addition, we delivered safety riding training at High School Bayung Lencir (in our operation area) to raise awareness about safety on the road. The initiative was very well received by the Head of School and the students.

### CONTRIBUTION TO THE SDGs:



### ACTION

Contribute to improve safety performance among our employees, contractors and suppliers.

### DESCRIPTION

We will disclose the Repsol Safety Culture and the new Contractor Health, Safety and Environment Management System (CHSEMS) concept to our Supply Chain Management team, all of our contractors (low, medium and high risk group) and suppliers. Regarding contractors we target both workers who will be sent to site, and Jakarta office representatives and management.

### INDICATOR

Conduct a workshop about Repsol Safety Culture and CHSEMS with our contractors.

Conduct the new CHSEMS and HSE requirement training to Supply Chain Management staff focusing on the purchasing and contracting process.

### WHAT HAVE WE ACHIEVED?



We have focused on our exploration project, because it has a high and medium risk. We have conducted the workshop on Safety Culture and CHSEMS with our exploration team and with our contractors.

In addition, we have conducted a socialization of CHSEMS with our Supply Chain Management Staff.

### CONTRIBUTION TO THE SDGs:



### ACTION

Deliver training on firefighting and first aid to our employees and family representatives.

### DESCRIPTION

We will continue to train all our employees and family representatives in firefighting and first aid, giving continuity to the training program which reached 75% of our staff in 2018. We will make sure they know the basics on firefighting and prevention, including how to handle small fire at home, such as the use of fire blankets, extinguishers, theory of fire, types of fires, prevention, firefighting methods, and basic first aider technics.

### INDICATOR

Deliver trainings to the rest of Jakarta employees and 30% of the families representatives. Perform at least on basic fire fighting and basic first aid in the community area.

### WHAT HAVE WE ACHIEVED?



We have delivered a basic fire fighting training for employees and their families, reaching 80% of planned participants. Furthermore, we have conducted a forest fire fighting training close to our operations. The participants were defined by local authorities.

### 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

Conduct an environmental baseline assessment for the new block Southeast Jambi and socialize our environmental requirements to all contractors and suppliers.

### DESCRIPTION

We will carry out an environmental risk analysis integrated with the environmental baseline assessment for the new block Southeast Jambi. Additionally, we will socialize Repsol environmental requirements to all contractors and suppliers.

### INDICATOR

Deliver the environmental risk analysis integrated with the environmental baseline assessment for Southeast Jambi.  
Socialize environmental requirements to all contractors and suppliers.

### WHAT HAVE WE ACHIEVED?



We have developed the environmental baseline assessment. The purposes of this study are to get the preliminary environmental conditions, define the sensitive areas and analyze the inter connection between the community and the environment and the oil and gas activities.

As seismic operation has been postponed to 2021, we have postponed socialization to contractors as well.

### CONTRIBUTION TO THE SDGs:



### ACTION

Deliver environmental education to students as young generations.

### DESCRIPTION

We will conduct an environmental protection and awareness program for junior and high school students as well as employees family kids in Jabodetabek and onsite operation area.

### INDICATOR

Conduct at least two workshops for a minimum of 50 students from various schools in Jabodetabek and onsite operation areas, including employees family member representatives.

Conduct a session of environmental awareness campaign at one school on onsite operations.

### WHAT HAVE WE ACHIEVED?



We have conducted environmental workshops at two high schools in Jakarta area (Jabodetabek), Pamulang High School 3 and Bogor High School 3. In each workshop participated more than 200 student.

In addition, we conducted an environmental workshop at onsite operation, at Kumpeh - Muaro Jambi High School 7. More than 100 students participated in this workshop.

### CONTRIBUTION TO THE SDGs:



### ACTION

Deliver the Repsol Circular Economy concept, focused on waste reduction and energy efficiency, to our employees and their families.

### DESCRIPTION

We will raise awareness on Circular Economy among our employees and their family representatives. We will focus on waste reduction and energy efficiency (electrical and water usage) and we will support our employees and their families for the implementation and rewarding.

### INDICATOR

Train at least 70% of our employees and 30% of their family member representatives.

Facilitate the implementation for 15 of our employees and families.

### WHAT HAVE WE ACHIEVED?



We have delivered several activities for our employees and families such as: socialization of Circular Economic concept, awareness training about energy efficiency and office waste monitoring.

We have monitored electrical and water usage, implemented a reduction program for four months, and given rewards to participants and the winner who made the most significant contribution.

### CONTRIBUTION TO THE SDGs:



### ACTION

Reduce the plastic material usage in the office and at home.

### DESCRIPTION

We will request our employees to decrease their plastic usage, focusing on bags and food containment material in the office and at home. We will support our employees and their families for the implementation and rewarding.

### INDICATOR

Implement with at least by 50% of our employees and 25% of their family member representatives.

Provide two non plastic environmentally bags to each employees to be used during shopping.

### WHAT HAVE WE ACHIEVED?



We have conducted training to raise awareness about decreasing plastic usage for 75% employee and 40% of family member representatives. Also, we have provided one set of reusable shopping bags for all Repsol and third party employees.

### 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.



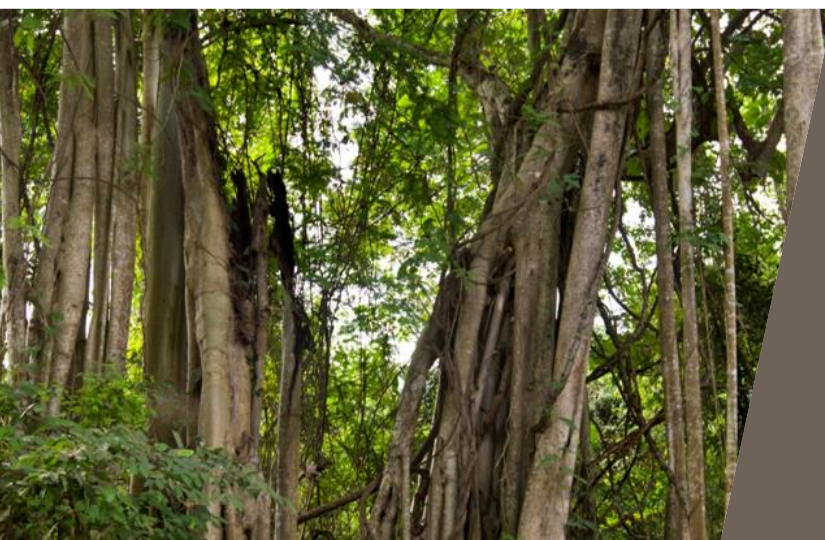
Efficient energy management

Drive the reduction of GHG emissions

Encourage the use of natural gas in electricity generation

Sustainable mobility

Low-emissions economy model



### ACTION

Reduce the negative contribution to climate change by improving the vehicle air emission awareness.

### DESCRIPTION

We will conduct the emission test to office and employees vehicles, and we will define an action plan for the vehicles with emissions above the limit.

We will raise awareness to all Jakarta office employees who have vehicles to reduce the emission content released to ambient air.

### INDICATOR

Test and monitor emissions from Jakarta employees vehicles and all operational office vehicles by the end of the third quarter.

Reduce 100% office management and operational vehicles with emissions above the limit by end of the forth quarter.

Apply reward to employees who can reduce their vehicle emission by end of fourth quarter.

### WHAT HAVE WE ACHIEVED?



We have conducted the vehicle air emission test in Jakarta area which has been followed by all operational vehicles. As most of employees use public transport, they do not follow the program.

The result of the air emission test shows all operational vehicles are 100% clean and under threshold limit value of government regulation.

### CONTRIBUTION TO THE SDGs:



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

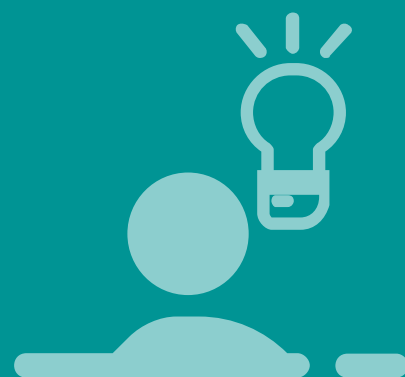
A sustainable future requires **companies that invest in science and technology** to meet the current and future energy challenges through real solutions. We believe in technological innovation as a way to build more efficient and environmentally sustainable energy systems.

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.

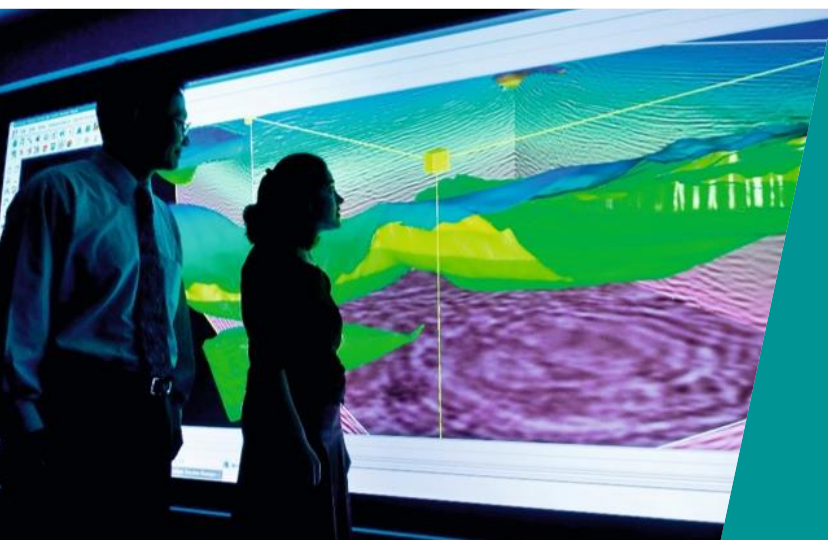
This Sustainability Plan includes a commitment to the following actions, in step with the lines of work that Repsol has set on this axis of sustainability.



Boost innovative activity

Use of new technologies

Promote training and facilitate  
the development of the  
environment



## ACTION

Prepare Repsol Indonesia employees readiness for digitalization.

## DESCRIPTION

We will start to introduce and prepare the Repsol Indonesia employees for the cultural change related to the digitalization program and digital solutions that meet new forms of energy consumption and increase cash flow significantly.

## INDICATOR

Deliver the digitalization awareness program to all Repsol Indonesia employees by end of the third quarter.

## WHAT HAVE WE ACHIEVED?



We have delivered the digitalization awareness program to Jakarta employees. We have conducted a digitalization awareness and socialization session related to the process of changing analog to digital form.

## 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.



