



# OVERVIEW

2018  
SUSTAINABILITY  
PLAN

Libya



# 2018 Sustainability Plan

## Overview



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

17 Actions / 88% Fulfillment



**Ethics and transparency**

4 ACTIONS



**People**

5 ACTIONS



**Safe operation**

6 ACTIONS



**Environment**

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.

# 2018 Sustainability Plan

## Noteworthy projects



### At Repsol, we contribute to Sustainable Development...

Building trust and engage with local communities through support to local development

We have supported basic service delivery through access to health, education, water and electricity in the target areas of our operations including the provision of Photovoltaic Systems to main hospitals



In the framework of the UNDP implemented project, we have drilled one water well and donated MRI (Magnetic resonance imaging) equipment to a local clinic in Zintan



We have contributed to social cohesion through support to youth and sports in the South region, the core of our operations







# PRESENTATION

2018  
SUSTAINABILITY  
PLAN

Libya



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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 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

2018  
Sustainability Plan  
Libya / 17 Actions

 Ethics and  
transparency

4 ACTIONS

 People

5 ACTIONS

 Safe  
operation

6 ACTIONS

 Environment

1 ACTION

 Innovation  
and technology

1 ACTION

This plan responds to the **expectations identified by the Company's stakeholders**, among which we can highlight the following:

- Encourage an ethical and transparent behavior.
- Promote Social Performance best practices with main national stakeholders.
- Strengthen our commitment on safety.
- Support local development.
- Foster security of its employees (UN Guiding Principles on Security & HR).

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.

# Sustainability Plan 2018

## Sustainable Development Goals



The **actions** that make up this **Plan** help support the United Nations' **2030 Agenda** by addressing the following Sustainable Development Goals (SDG):



**Quality Education.** The contribution to this goal focuses on increasing young people's skills to facilitate their access to employment (target 4).



**Decent Work and Economic Growth.** This plan includes initiatives aimed at promoting the growth of small and medium-sized enterprises (target 3) and protecting labour rights and promoting safe and secure working environments (target 8).



**Industry, Innovation and Infrastructure.** Through this plan, initiatives are launched to upgrade infrastructure and retrofit industries to make them sustainable (target 4).



**Reduced Inequalities.** This plan seeks to promote social and economic inclusion, irrespective of age, sex, disability, etc. (target 2).



**Sustainable Cities and Communities.** With this plan we are contributing to enhance inclusive and sustainable urbanization and capacity for participatory, integrated and sustainable human settlement planning (target 3) and support positive economic, social and environmental links between urban and rural areas (target 8).



**Responsible Consumption and Protection.** The contribution to this goal is carried out through the reduction of waste generation through prevention, reduction, recycling and reuse (target 5) and through initiatives to encourage companies to adopt sustainable practices (target 6).



**Peace, Justice and Strong Institutions.** This plan commits actions related to promoting ethics, responsibility, and transparency (targets 5 and 6), adopting inclusive and participatory decisions (target 7) and protecting fundamental freedoms (target 10).



### 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

Reinforce and promote Repsol's high Ethics and Antibribery and Corruption (ABC) standards and requirements among local contractors and employees.

### DESCRIPTION

We will improve compliance awareness to cover all of the current contracted local suppliers and employees, by providing a series of presentations on Repsol's Code of Ethics and Business conduct, Repsol's Antibribery and Corruption Policy and Integrity Due Diligence.

### INDICATOR

Awareness on Repsol's standards related to Ethics and Transparency to cover 100% of current contracted local suppliers and 100% of employees.

Hold 2 seminars for employees and contractors

### WHAT HAVE WE ACHIEVED?



We have ensured that all our Business Unit Staff went through the online training on Code of Ethics. Further, a presentation on Repsol ABC requirements and standards was held in November 2018 to transmit to local contractors the expectations of REMSA Business Unit .

### CONTRIBUTION TO THE SDGs:



### ACTION

Promote awareness in tax-related matters internally and with contractors.

### DESCRIPTION

We will ensure that REMSA (Repsol Exploracion Murzuq S.A) end user departments and contractors have the adequate awareness and correct information on tax payment in Libya.

### INDICATOR

Hold a workshop on the subject for REMSA Business Unit Departments.

### WHAT HAVE WE ACHIEVED?



We have held a specific presentation related to tax payment responsibilities and requirements in Libya, by REMSA (Repsol Exploracion Murzuq S.A) Finance Department to REMSA end user departments and contractors to have the adequate awareness and correct information when dealing with tax issues.

### CONTRIBUTION TO THE SDGs:



## ACTION

Promote cooperative relationships with tax authorities and search for amicable solutions in financial disputes.

## DESCRIPTION

We will actively participate in the International Tax and Investment Center (ITIC) annual meeting to support solving tax related issues of foreign companies with the state.

## INDICATOR

Attend the yearly meeting.

## WHAT HAVE WE ACHIEVED?



In order to promote cooperative relationships with tax authorities and search for amicable solutions in financial disputes, we have actively participated in the International Tax and Investment Center (ITIC) annual meetings to support solving tax related issues of foreign companies with the State.

## CONTRIBUTION TO THE SDGs:



## ACTION

Promote culture of sustainability celebrating the Sustainability Day.

## DESCRIPTION

We will organize with REMSA (Repsol Exploracion Murzuq S.A) employees and secondees in AOO (Akakus Oil Operation) a Sustainability Day, a space that aims to share information and hold presentations on our work and experiences on sustainability, including presentations on HSE related matters, UN Guiding Principles on Business and Human Rights, Voluntary Principles on Security and Human Rights (VPSHR) and Community Relations.

## INDICATOR

Celebrate the Sustainability day.

## WHAT HAVE WE ACHIEVED?



Sustainability Day has been postponed to 2019 due to security situation.

## 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

Promote functional and international mobility among our employees.

### DESCRIPTION

We will promote and foster internal mobility as a tool for the development of our employees. We believe that working in other countries with different challenges, business conditions and cultures will be very beneficial for the professional growth of our employees.

### INDICATOR

Propose three local candidates to participate in mobility programs such as Mobility Assignment or Swapping Program.

### WHAT HAVE WE ACHIEVED?



We have selected and approved three staff members from the Business Unit within the internal mobility programme for short assignments as a tool for the development of our employees.

### CONTRIBUTION TO THE SDGs:



### ACTION

Drive continuous improvement in our social performance.

### DESCRIPTION

In consultation with IPIECA (the global oil and gas industry association for environmental and social issues) and with the support of experts on Social Performance, we will develop a training plan for our national stakeholders, NOC (National Oil Corporation) and Akakus Oil Operations, through several phases, covering specific modules on community engagement, community grievance mechanisms, social investment and local content.

### INDICATOR

Develop and implement 90% of social performance training plan for 2018.

### WHAT HAVE WE ACHIEVED?



Being crucial for the Operator to assume its role in terms of Social Performance, we have fully developed training plan for our national stakeholders, NOC (National Oil Corporation) and Akakus Oil Operations (AOO), through several phases, covering specific modules on community engagement, community grievance mechanisms, social investment and local content. An Inception workshop on social performance approach and presentation on Akakus proposal was held with NOC and Akakus relevant departments.

### CONTRIBUTION TO THE SDGs:



### ACTION

Strengthen our commitment for human rights by sharing with NOC (National Oil Corporation) and the joint venture Akakus Oil Operation, a concept proposal on grievance mechanism, as a tool that facilitates communication.

### DESCRIPTION

We will develop with the support of required expertise a concept proposal on grievance mechanism, tailored to the reality of the operator, Akakus Oil Operations (AOO).

### INDICATOR

Submit a grievance mechanism concept proposal to NOC/Akakus Oil Operations by December 2018.

### WHAT HAVE WE ACHIEVED?



We have developed and submitted to NOC and Akakus an Operational Grievance Mechanism (OGM) as part of the Social Engagement strategy to enhance a better relationship between the Operator and Local Communities based on trust and dialogue. REMSA will support the Operator Akakus throughout the transfer of social responsibility plan of action.

### CONTRIBUTION TO THE SDGs:



### ACTION

Build trust and engage with local communities through support to local development.

### DESCRIPTION

In coordination with NOC (National Oil Corporation) and in close consultation with local authorities, we will implement (some directly through REMSA, Repsol Exploración Murzuq S.A, and some other through UNDP, United Nations Development Programme), Social Investment initiatives in support of local development focusing on the rehabilitation of basic social, economic and productive infrastructure for better service delivery.

### INDICATOR

Implement and deliver 90% of social Investment projects planned for 2018.

### WHAT HAVE WE ACHIEVED?



We have supported local development, in coordination with the National Oil Corporation (NOC) and local stakeholders in order to build trust and engage with local communities, acting as a responsible Company; we have fully implemented Social Investment initiatives focusing on the rehabilitation of basic social, economic and productive infrastructures for better service delivery in particular in the sectors of health, access to water and sanitation, and access to energy.

### CONTRIBUTION TO THE SDGs:





### ACTION

Deliver training on first aid to the employees.

### DESCRIPTION

We will train all our local and expatriate employees on first aid. We will make sure they know the basics of first aid. Refreshment training will be done every 3 years.

### INDICATOR

Deliver trainings to 100% of REMSA (Repsol Exploración Murzuq S.A) expatriates.

### WHAT HAVE WE ACHIEVED?



The action responds to the specific expectations of Repsol stakeholders promoting Safety measures amongst employees as per HSE standards and requirements. We have trained all our local and expatriate employees on first aid, making sure they are well aware of the basics of first aid requirements and measures. Refreshment training will be done every 3 years.

### CONTRIBUTION TO THE SDGs:



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

In pursuit of our goal of **Zero Accidents**, we demand a high level of safety in our processes and facilities, paying special attention to the protection of the people and the environment around us. We apply stringent measures during the design and maintenance of our facilities. We carry out risk analyses following best practices at the international level, manage our response to emergencies efficiently, and provide appropriate training to our employees. In addition, we consider anticipative safety measures key to preventing major industrial accidents.

When we speak about safety, we do not limit ourselves to our facilities, but also refer to raising awareness among **our suppliers and contractors**.

Our commitment in this area is evidenced by the fact that safety objectives determine our **employee's performance-based compensation** by anywhere from 10% to 20%.

Below, we list the actions that show our commitment to safety and our goal of Zero Accidents.

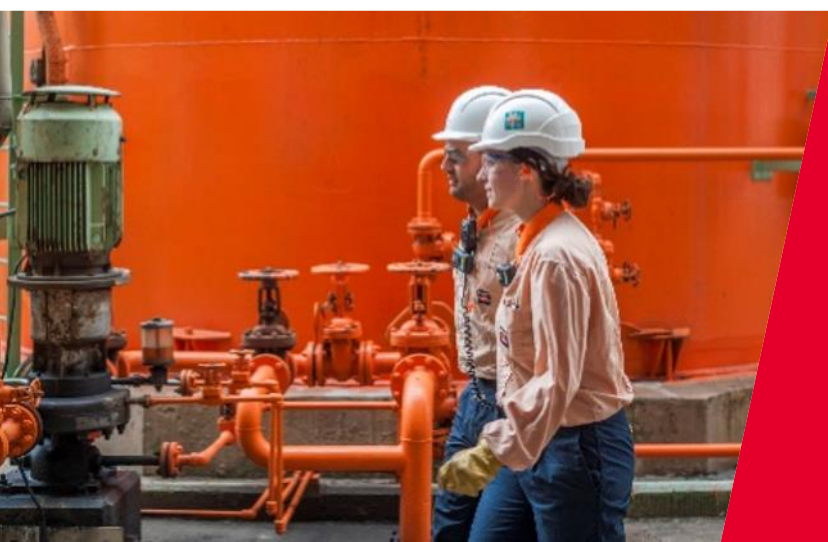


Prevention of personal, process,  
and transportation accidents

Incident Management

Emergency management

Safety in product use



## ACTION

Reinforce and promote Repsol's high safety standards and requirements among local contractors and employees.

## DESCRIPTION

We will improve compliance awareness to cover all of the current contracted local suppliers and employees, by providing a series of presentations on Repsol's safety standards and requirements.

## INDICATOR

Awareness on Repsol's standards related to HSE to cover 100% of current contracted local suppliers and 100% of REMSA contract holders by celebrating 2 seminars for employees and contractors.

## WHAT HAVE WE ACHIEVED?



Our Procurement and HSE (Health, Safety and Environment) departments have jointly held 2 presentations internally with staff, and with local suppliers to raise awareness and reinforce Repsol HSE requirements and standards and Procurement & Contracts policies, procedures and norms in order to enhance local content.

## CONTRIBUTION TO THE SDGs:



### ACTION

Ensure operational safety in remote or desert areas.

### DESCRIPTION

We will hold several HTE (Hostile Environment Training) courses for expats, taught by specialists, to instruct employees on the safety risks they may encounter in remote and desert areas.

### INDICATOR

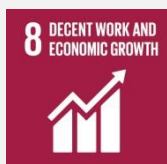
Hold a training workshop to expatriates.

### WHAT HAVE WE ACHIEVED?



We have held HTE (Hostile Environment Training) courses for expatriates, which have been carried out by specialists to train employees on the safety risks they may encounter in remote and desert areas.

### CONTRIBUTION TO THE SDGs:



## ACTION

Increase culture in Health, Safety and Environment (HSE).

## DESCRIPTION

We will conduct briefings on health and environment issues in REMSA (Repsol Exploracion Murzuq S.A.) offices during HSE meetings.

## INDICATOR

Provide 4 presentations to the employees of REMSA on HSE different topics.

## WHAT HAVE WE ACHIEVED?



We have conducted 4 presentations and continuing to conduct safety pills on health and environmental issues in REMSA BU (Repsol Exploracion Murzuq S.A.) offices during HSE meetings to raise awareness and foster safety amongst REMSA employees.

## CONTRIBUTION TO THE SDGs:





## ACTION

Ensure the safety of Repsol employees.

## DESCRIPTION

We will build "Panic Rooms" (intrusion-proof shelters) in both Akakus Oil Operations office and REMSA offices to provide temporary shelter against any outside attacks until assistance arrives.

## INDICATOR

Build one room in each location.

## WHAT HAVE WE ACHIEVED?



In order to ensure proper security standards to its employees, REMSA (Repsol Exploration Murzuq) have built "Panic Rooms" to provide temporary shelter against any outside attacks until assistance arrives (intrusion-proof shelters) in Akakus Oil Operations office. Works for REMSA office are being defined with contractor.

## CONTRIBUTION TO THE SDGs:



### ACTION

Drive continuous improvement to our safe operations.

### DESCRIPTION

We will conduct a workshop with our Operator, Akakus Oil Operations (AOO), to early identify potential hazards in order to prevent any HSE impact. (Health, Safety and Environment) We will work together with AOO in the HSE action plan requested by NOC and we will also define the Incident Reduction Plan for REMSA and AOO to increase the HSE culture.

### INDICATOR

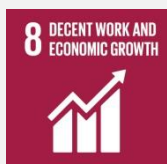
Complete the planned workshop before year end.

### WHAT HAVE WE ACHIEVED?



We have held a HAZID workshop with our Operator, Akakus Oil Operations (AOO), to early identify potential hazards in order to prevent any HSE impact (Health, Safety and Environment). Upon completion of the workshop, an action register was created and will be implemented by Akakus.

### CONTRIBUTION TO THE SDGs:



## ACTION

Reinforce and promote Repsol's high safety standards by dissemination of the 10 Basic Safety Rules.

## DESCRIPTION

We will disseminate Repsol's safety guidelines, the "10 Basic Safety Rules" to all of our contractors, partners and Akakus Oil Operations.

## INDICATOR

Present Repsol's 10 Basic Safety Rules".

## WHAT HAVE WE ACHIEVED?



As part of our HSE awareness raising, we have held induction sessions on the "10 Basic Safety Rules" to REMSA staff, all of our contractors, partners and Akakus Oil Operations' employees.

## CONTRIBUTION TO THE SDGs:



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

At Repsol, we share society's concern regarding the need to care for the environment in which we live. We seek to **minimize the impact of our operations** by adopting a low-emissions strategy, optimizing water management, reducing the contaminant load of spills, managing waste appropriately, improving prevention and response systems during spills, and considering biodiversity to be a key component.

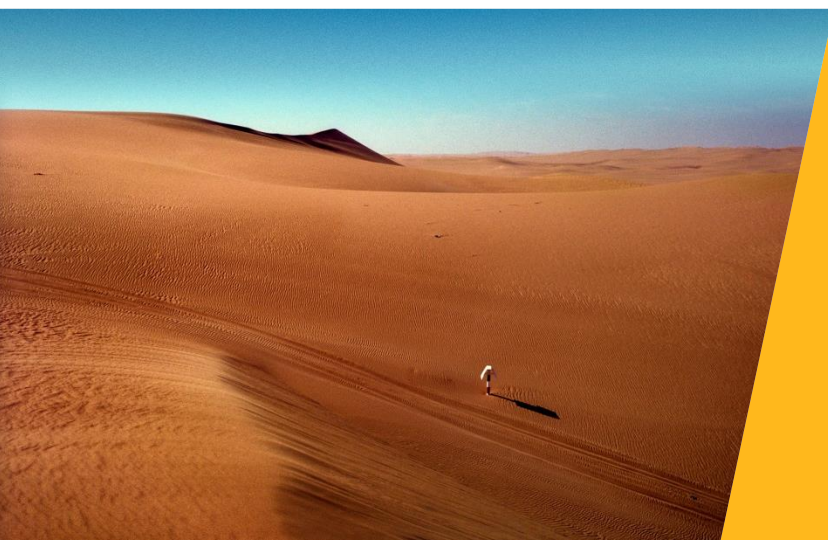
We've taken on the commitment to use the resources involved in our operations efficiently and in a more circular fashion. In 2016, Repsol set a new challenge: to seek Circular Economy opportunities that promote the sharing economy and represent an alternative to the linear economy of extracting, using, and throwing away.

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



Efficient management of natural  
resources

Environmental impact  
minimization



## ACTION

Engage in waste management initiatives.

## DESCRIPTION

We will promote environment friendly activities through awareness raising initiatives within the office, placing appropriate recycling bins for paper and plastic waste and engaging with concerned third parties for dispatching office waste.

## INDICATOR

Make the HSE procedure on waste management be adopted by 100% of REMSA (Repsol Exploracion Murzuq S.A) employees

## WHAT HAVE WE ACHIEVED?



We have promoted and continue promoting environment friendly activities through awareness raising initiatives within the office, placing appropriate recycling bins for paper and plastic waste and engaging with concerned third parties for dispatching office waste.

## CONTRIBUTION TO THE SDGs:





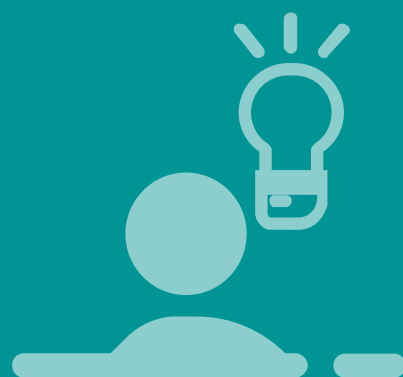
#### At Repsol, we contribute to sustainable development...

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.

Similarly, we forge alliances and contribute to the growth of companies in emerging areas related to bioenergy, sustainable mobility, energy storage, energy efficiency, and renewable sources of energy.

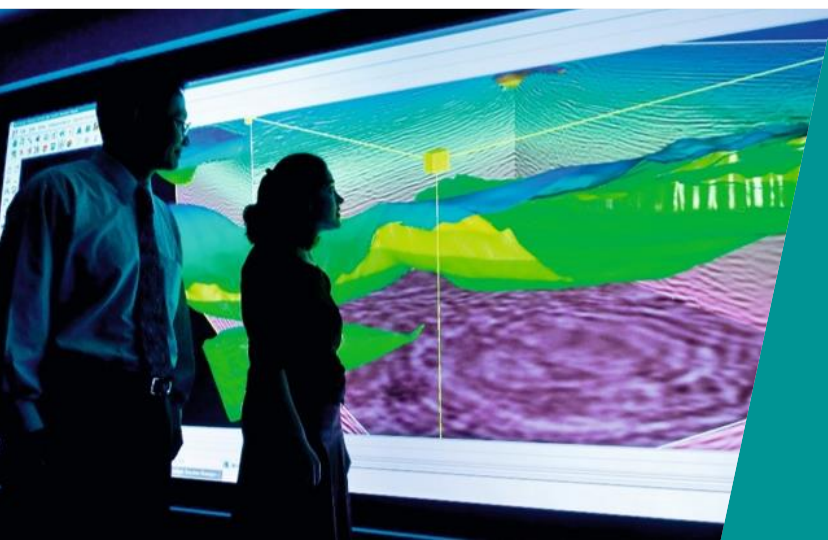
This Sustainability Plan includes a commitment to the following actions, in step with the lines of work that Repsol has set on this axis of sustainability.



Boost innovative activity

Use of new technologies

Promote training and facilitate  
the development of the  
environment



## ACTION

Improve time calculation rate for production profiles for reserves exercises.

## DESCRIPTION

We will introduce a new calculations tool in 2018 external audit of reserves to replace the Excel Spreadsheet currently used. This new tool will reduce calculation time.

## INDICATOR

Tool accepted for use by Reserve Control Group (DCR).

## WHAT HAVE WE ACHIEVED?



With the aim of improving time calculation rate for production profiles for reserves exercises, we have introduced a new calculations tool in the 2018 external audit of reserves to replace the Excel Spreadsheet, which reduced calculations time significantly. The tool was well accepted and could be integrated with another tool and be potentially applied to other Business Units.

## 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.



