



PRESENTATION

2019
SUSTAINABILITY
PLAN

Venezuela



CONTENTS

1 Our vision of sustainability and the preparation of this Plan _____ 3

2 2019 Sustainability Plan

Sustainable Development Goals	4
Summary	6
 Ethics and transparency	7
 People	9
 Safe operation	19
 Environment	28

3 Process of updating the Plan _____ 34

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.

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
Venezuela / **23** Actions



Ethics and
transparency

1 ACTION



People

9 ACTIONS



Safe
operation

8 ACTIONS



Environment

5 ACTIONS

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

Promote training of our employees in preventing corruption in operations.

DESCRIPTION

We will provide corruption prevention training to assigned employees at Quirquire Gas and Directors representing Repsol at assets that we operate. The first talk will address the Ethics and Conduct Code and applicable Venezuelan law. The second will discuss the Ethics and Conduct Code, Corruption Policy, Crime Prevention Manual and the Corporate Crime Prevention Model Regulations.

INDICATOR

Host the talk for company staff assigned at the asset and management line.

Carry out the talk for directors representing Repsol.

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

Train all security personnel in the Voluntary Principles on Security and Human Rights.

DESCRIPTION

We will promote ongoing training in the Voluntary Principles on Security and Human Rights for security personnel under contract and government security agents rendering services at our facilities. We will thus create the necessary educational material.

INDICATOR

Draw up and deliver educational material.

Carry out three talks with staff and government security agents.

Re-train 80% of security personnel under contract.

CONTRIBUTION TO THE SDGs:



ACTION

Certify teachers at level one for elementary schools in the area of influence of Quirquire Gas.

DESCRIPTION

We will hold workshops and certification courses for teachers who teach at schools within the area of influence of Quirquire Gas operations to improve the quality of teaching for children and adolescents. We will have the backing of state institutions, including Universidad Pedagógica Experimental Libertador (UPEL), Universidad de Oriente (UDO) and its foundation (FUNDAUDO).

INDICATOR

Conduct certification courses for 20 teachers who teach classes at schools in the area of influence.

CONTRIBUTION TO THE SDGs:



ACTION

Strengthen the sense of belonging at Quirquire Gas.

DESCRIPTION

We will drive three initiatives to improve the sense of belonging at Quirquire Gas:

1. We will award a monthly recognition for safety and the environment to staff and their family group.
2. We will encourage employees training.
3. We will create a group of volunteers to participate in actions to benefit the community.

INDICATOR

Carry out two courses (one generic and the other technical) per worker.

Establish a team of volunteers and carry out community outreach actions.

CONTRIBUTION TO THE SDGs:



ACTION

Implement actions to improve the health and wellbeing of our employees.

DESCRIPTION

We will carry out activities for fostering the preventing of muscular-skeletal diseases and occupational stress in response to the needs addressed in the workstation study.

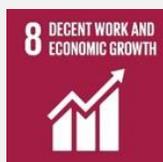
INDICATOR

Carry out three postural hygiene training workshops.

Execute four active break group sessions at work.

Hold two mindfulness workshops.

CONTRIBUTION TO THE SDGs:



ACTION

Set up an improvement plan of the aspects identified in the 2018 Culture Survey.

DESCRIPTION

We will execute an action plan to close the gaps detected during the 2018 Culture Survey at the Business Unit in Venezuela, within the cultural transformation agenda of the Corporate Strategic Plan.

INDICATOR

Implement 80% of plan actions.

CONTRIBUTION TO THE SDGs:



ACTION

Foster Corporate Volunteering at all Repsol offices in Venezuela.

DESCRIPTION

We will carry out actions to encourage participation in solidarity activities in the country for Company employees assigned to other Repsol offices and investee companies.

INDICATOR

Execute six activities.

Achieve the participation of 25 employees.

CONTRIBUTION TO THE SDGs:



ACTION

Optimize human capital and carry out commercial actions to streamline payments and project reactivation.

DESCRIPTION

We will propose that Cardón IV conduct an optimized structural reorganization (direct employees and secondees) by the project mismatch, panels for tracking commercial matters for debt payment and a revision of the Development Plan. The purpose is to ensure the availability of cash flow to attend to salary commitments and other license-related requirements.

INDICATOR

Monitor asset payments on a monthly basis.

Hold at least three quarterly commercial tracking and organizational optimization meetings.

CONTRIBUTION TO THE SDGs:



ACTION

Promote the participation and inclusion of people with disabilities.

DESCRIPTION

Hold awareness-raising talks for employees of the Venezuela Business Unit to foster the participation and integration of disabled persons.

INDICATOR

Hold two talks.

CONTRIBUTION TO THE SDGs:



ACTION

Promote opportunities for training and development for the community of students at the leading universities within the area of influence.

DESCRIPTION

We will implement an Oil and Gas Exploration and Production Technical Seminar entailing workshops and talks hosted by technical benchmarks. It will be created for majors in petroleum studies at the universities in the area of influence.

INDICATOR

Carry out a training seminar.

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.

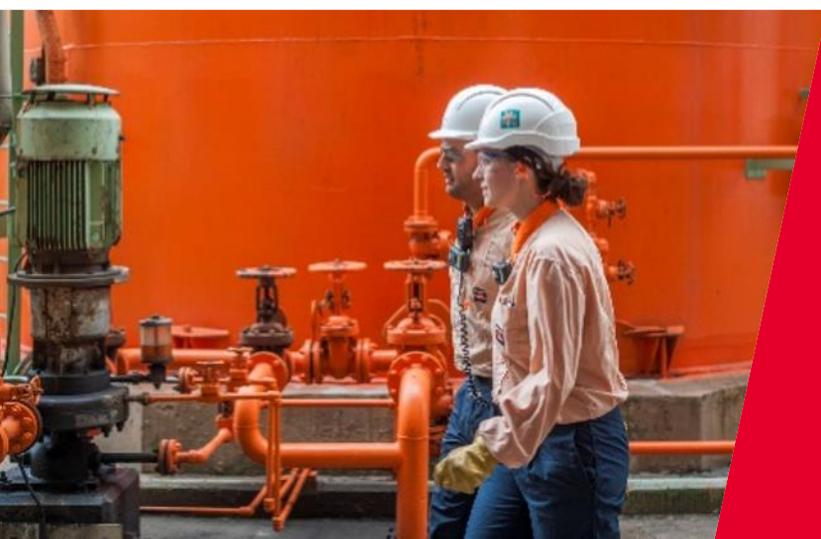


Prevention of personal, process,
and transportation accidents

Incident Management

Emergency management

Safety in product use



ACTION

Support Petroquiriquire and Quiriquire Gas in drawing up a plan to guarantee the integrity of assets.

DESCRIPTION

We will conduct inspections and audits on facilities, identify Major Accident Hazards (MAH), detect critical safety elements and back the assets of Petroquiriquire (PQQ) and Quiriquire Gas (QQG) in defining an action plan to safeguard the integrity of their facilities.

INDICATOR

Audit and draw up a report for Petroquiriquire.

Audit and draw up a report for Quiriquire Gas.

CONTRIBUTION TO THE SDGs:



ACTION

Develop security actions to improve urban and suburban commuting for our employees.

DESCRIPTION

We will prioritize transferring Maracaibo staff to the Mene Grande site with corporate security staff. We will update the route studies and draw up alerts and information bulletins specifically for the Petroquirquire asset area.

INDICATOR

Revamp the urban and suburban route study.

Transfer and escort employees assigned to the Petroquirquire asset.

CONTRIBUTION TO THE SDGs:



ACTION

Draw up an operations continuity plan for the Quiriquire Gas Plant.

DESCRIPTION

We will design a plan to keep the Quiriquire Gas Plant operating in case of civil unrest.

INDICATOR

Create an Operations Continuity Plan.

CONTRIBUTION TO THE SDGs:



ACTION

Extend the Repsol safety and environmental cultural model to contractors who provide services to Petroquiriquire and Quiriquire Gas.

DESCRIPTION

We will hold quarterly meetings with contractors, giving them a forum so they can present their risk analysis and mitigation actions according to their services. We will also share their lessons learned.

INDICATOR

Hold four meetings with contractors.

CONTRIBUTION TO THE SDGs:



ACTION

Execute the initial phase of the "Minimum Safety and Environment Training Plan" designed for all collaborators of the Venezuela Business Unit.

DESCRIPTION

We will conduct a training plan for all staff in technical, corporate, administrative and secondees areas with a view to reinforcing and internalizing their knowledge in safety and the environment to decrease incidents and accidents at work and in the community.

INDICATOR

Execute four training seminars involving the entire staff.

CONTRIBUTION TO THE SDGs:



ACTION

Track the consolidation of the safety culture at platforms and the Tiguadare Gas Plant.

DESCRIPTION

We will provide Cardón IV with a proposal to hold panels to track safety culture plans, with particular attention given to process safety, including contractors and subcontractors, monitoring of unauthorized ships in the platform safety area, and the safety focus at offshore and onshore facilities, to provide continuity to already implemented measures and identify, prevent and address potential impacts on people, facilities and the environment.

INDICATOR

Hold at least three quarterly meetings.

CONTRIBUTION TO THE SDGs:



ACTION

Improve incident management at non-operated Petroquirquire and Quirquire Gas assets.

DESCRIPTION

We will support Petroquirquire (PQQ) and Quirquire Gas (QQG) assets in defining an action plan to address the causes of safety events (occupational and operational incidents at assets over the past two years) with a view to reducing the accident rate.

INDICATOR

Draw up and execute the plan for Petroquirquire.

Draw up and execute the plan for Quirquire Gas.

CONTRIBUTION TO THE SDGs:



ACTION

Promote a culture of safety and environmental respect, raising awareness and transforming leadership at the assets.

DESCRIPTION

We will propose that Petroquiriquire, Quiriquire Gas, Cardón IV and Petrocarabobo assets maintain their level of commitment to improving the culture of safety and environmental conservation to consolidate the plans in place and progress with new opportunities. We will back assigned secondee staff in defining and implementing the 2019 Safety and Environmental Culture Action Plan.

INDICATOR

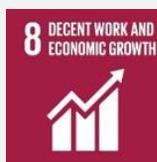
Work with Petroquiriquire to draw up the 2019 work plan and two panels to track activities.

Work with Quiriquire Gas to draw up the 2019 work plan and two panels to track activities.

Work with Cardón IV to draw up the 2019 work plan and two panels to track activities.

Work with Petrocarabobo to draw up the 2019 work plan and two panels to track activities.

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

Develop environmental awareness-raising actions for educational institutions in the area of influence of the administrative offices of the Business Unit in Venezuela.

DESCRIPTION

We will host educational workshops for students at educational centers in the area of influence of the Business Unit in Venezuela to raise environmental awareness.

INDICATOR

Hold three training sessions at educational centers.

CONTRIBUTION TO THE SDGs:



ACTION

Foster a culture of segregation and minimization of hazardous and non-hazardous waste at Quirquire Gas.

DESCRIPTION

We will assist the Quirquire Gas (QQG) asset in bolstering its waste segregation culture. To do so, we will support them in designing and implementing informative campaigns and talks, and identifying alternative ways of managing waste responsibly.

INDICATOR

Execute the informative campaign.

CONTRIBUTION TO THE SDGs:



ACTION

Identify environmental situations (potential or real) of Petroquirquire non-operated assets.

DESCRIPTION

We will detect and record environmental situations, including the definition of a proposal for characterization and remediation strategy, jointly with the asset. We will build this off of the diagnostic on spills made in 2018 and other sources of information.

INDICATOR

Draw up a document with environmental situations and corresponding remediation plan.

CONTRIBUTION TO THE SDGs:



ACTION

Optimize water management by reducing freshwater requirements for processes through the desalination plant.

DESCRIPTION

We will suggest that Cardón IV hold panels to track action plans for commissioning and operating the desalination plant, with particular emphasis on treated water conditions and the monitoring of the freshwater requirement reduction in a zone suffering a shortage. The desalination plan will allow us to reduce freshwater requirements for processes by replacing it with treated safe water.

INDICATOR

Hold at least three quarterly meetings.

Draw up reports regarding treated water quality and freshwater requirement reduction.

CONTRIBUTION TO THE SDGs:



ACTION

Hold workshops to promote knowledge and awareness-raising regarding the Circular Economy at the Cardón IV asset.

DESCRIPTION

We will organize Circular Economy workshops with a view to addressing the concept, identifying a portfolio of initiatives and defining an action plan to implement the ones that are selected.

INDICATOR

Conduct two workshops.

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.





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