

About this report

This corporate responsibility report is for the year **2010**. Its prime objective is to provide complete, reliable and high-quality information on Repsol's corporate responsibility. Its content is supplemented by information in the corporate responsibility section of www.repsol.com, and all the other corporate information produced and published by Repsol in 2010. This includes the Consolidated Annual Account Report, the Management Report, which provides more in-depth information on the company's financial management, and the Annual Corporate Governance Report, which focuses on information relating to the functioning of the company's governing bodies.

Repsol produces and publishes this report yearly in accordance with the **Global Reporting Initiative** Sustainability Reporting Guidelines (version G3), to an **A+ application level**.

This report also incorporates the principles of inclusivity, materiality and responsiveness as described the **AA1000 Accountability Principles Standard (2008)**. It has also been verified according to the **AA1000 Assurance Standard (2008)**.

Inclusivity

The company, its corporate divisions and business units have identified their stakeholders, and have put in place channels and mechanisms for dialogue and relationships. The processes and tools used for dialogue with stakeholders are detailed in various chapters of this report: Repsol and corporate responsibility, People at Repsol, Communities, Partners, contractors and suppliers and Customers.

In addition, Repsol also held various discussions in 2010 on sustainability issues with union organizations and NGOs. Some of the results and advances resulting from these dialogue processes are included in this report.

Materiality

In order to produce this corporate responsibility report, we carried out a materiality study based on the recommendations of the AA1000 APS standard. This study was intended to ensure that our corporate responsibility report focused on the most relevant issues given the individual characteristics of Repsol, its stakeholders and our sector. The material issues identified in the study carried out for this year do not represent any substantial modifications with respect to those from previous years.

Responsiveness

This report aims to respond to the issues identified as material for the company by means of the dialogue processes established with its stakeholders, and to provide an account of its 2010 performance in each of these areas.

Scope of the report

This report includes information on the activities of the Repsol YPF Group on an operating control basis; that is, subsidiary companies in which we have a majority holding and/or operating control. Throughout the entire corporate responsibility report, the name Repsol is used to refer to Repsol YPF Group companies in which we have operating control.

The data underpinning the environmental information comes from subsidiary companies in which we have a majority holding and/or operating control and where we record 100% of emissions into the air, ground and water. In the case of greenhouse gases, we also include emissions from the company's activities in proportion to our ownership interest in each of these companies, as well as from indirect emissions associated with energy purchases from third parties and other relevant indirect emissions.

On safety matters, we include data for 100% of employees at subsidiary companies in which we have a majority holding and/or operating control. For contractor employees we include any activity under a direct contract in excess of one year with Repsol.

The information on Repsol employees relates to the companies that Repsol directly manages as a result of our operating control.

Social investment refers to all the activities carried out by Repsol and its three foundations (Repsol Foundation, YPF Foundation and Repsol YPF Ecuador Foundation) that involves contributions to the community or society in the areas where operate. We provide information on social investment for 100% of the operations in which we have operating control.

This report includes quantitative details from previous years where available. In those cases where the scope or means of calculating information has undergone any modification with respect to previous years, specify the change and the reason for it.

Verification of the report

The data in this report has been reviewed and verified by Deloitte, to ensure its reliability.

Distribution

An electronic version of this report can be sent by email to interested parties, and it can also be provided on a USB drive in Spanish and English. This report is also available at www.repsol.com, where the document can be downloaded in pdf format.

Enquiries and additional information

Readers of this report may send their questions, enquiries or requests for additional information through the Contact and Repsol listens to you sections on www.repsol.com.

MATERIALITY STUDY

We undertook a materiality study to produce this corporate responsibility report, and to ensure it focused on those issues that are of most relevance to Repsol's stakeholders and reflect the company's individual characteristics.

We carried out the dialogue process with stakeholders and identification of particular issues using a variety of approaches and methods that meet AA1000 Assurance Standard requirements.

In the study's initial phase, we identified the relevant issues, beginning with an analysis of the ethical, social and environmental criteria used by institutional investors, the requirements of relevant international bodies in the field of sustainability, and the importance that the media places on these issues, among others.

The issues identified were reviewed via in-depth interviews with representatives of various civil society stakeholders identified by Repsol.

Eleven relevant thematic areas and 111 issues were identified by the study. Repsol has attempted to provide full information on these in this report. The issues identified by this materiality study are supplemented with other issues of relevance to the company identified through internal analysis.
