

Sustainability
Plan
2015

Corporate



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Legal Notice

The Corporate Sustainability Plan of Repsol Group 2015 includes a set of actions designed by the Company and aimed at contributing to sustainable development. Repsol undertakes to fully implement those actions specified in the Sustainability Plan that are required by law, reserving the right to modify, postpone or cancel the rest of the voluntary actions, which does not imply the assumption of any liability whatsoever by Repsol.

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Corporate Responsibility

Vision and preparation of this Plan

Sustainable development is a responsibility shared by political, social and economic actors that requires decisive action.

At Repsol we understand Corporate Responsibility to be the contribution made by large companies to sustainable development. We consider that the essence of Corporate Responsibility is the incorporation of environmental and social aspects into the decision-making processes of organizations.

We contribute to development by supplying energy that is essential for the realization of people's fundamental rights.

Additionally, we aspire to contribute to this sustainable development through our vision of Corporate Responsibility, the responsibility we voluntarily assume. This goes beyond the legal requirements regarding the impact that our activities may have on society and the environment. We thus respond to our stakeholders' expectations regarding our activities by implementing practices that maximize positive impacts and prevent, mitigate, repair or offset negative ones.

We have identified the expectations that our stakeholders have on issues related to governance, respect for Human Rights, labor practices, environmental impacts and the legitimacy of our operating and value chain practices; and concerning issues that affect the consumers and users of our products and services, as well as the positive and negative impacts that could be generated in local communities.

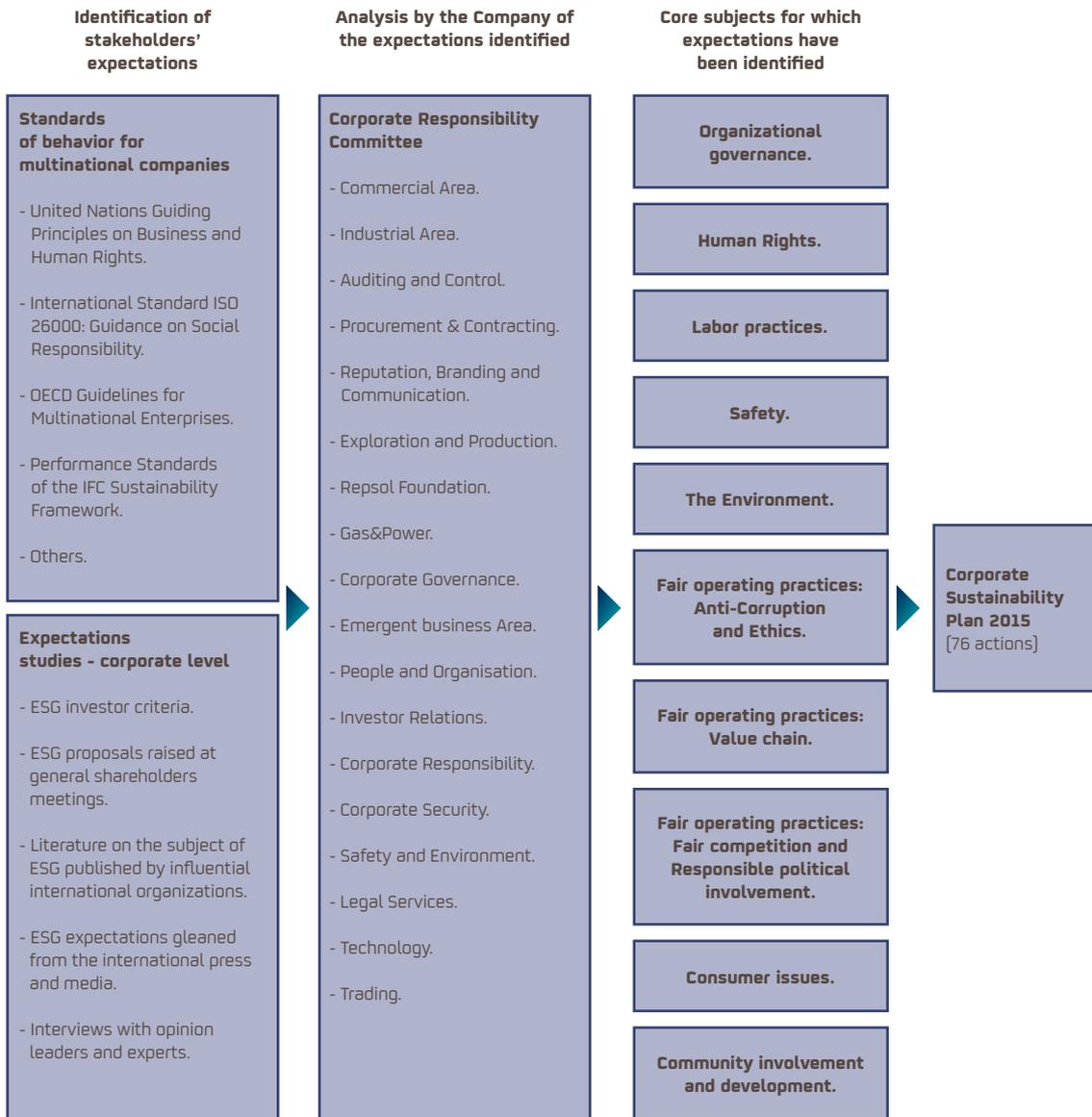
The identification of these expectations at a global level has been carried out through an analysis of four international standards that currently make up the broadest international consensus on acceptable behavior for a multinational company.

In addition, we have developed Expectations Surveys on relevant issues for the Company's stakeholders, at corporate level. The surveys focus on aspects of organizational governance and environmental and social management (ESG).

After an analysis and consolidation process, the results were studied by the Corporate Responsibility Committee at corporate level, formed by executive-level representatives of the different business and corporate units of our organization.

This exercise has enabled us to formally and systematically introduce the expectations of stakeholders at a global level into the Company's decision-making processes, which is essential to Corporate Responsibility.

-INTRODUCTION OF STAKEHOLDERS' EXPECTATIONS INTO THE COMPANY'S DECISION-MAKING PROCESSES-



The result of this analysis is the current Sustainability Plan 2015, which is a public document, the degree of compliance of which will be assessed annually and reported to the Company through an annual follow-up report.

This Plan consists of 76 specific short-term actions (2015) with its corresponding implementation indicators, grouped in nine of the ten programs described in the above table, inspired in the core areas of corporate responsibility described in the ISO 26000 International Standard: Guidance on Social Responsibility. These are the areas in which companies have the greatest ability to generate ethical, environmental and social impact.

With respect to the programs, the largest number of actions has been concentrated in Labor practices, Human Rights and Community involvement and development.

-DISTRIBUTION OF THE ACTIONS OF THE CORPORATE SUSTAINABILITY PLAN BY ACTION PROGRAMS -

Programs	Number of actions
Organizational Governance	11
Human Rights	13
Labor practices	14
Safety	7
The Environment	10
Fair operating practices: Anti – Corruption and Ethics	6
Fair operating practices: Value chain	1
Consumer issues	2
Community involvement and development	12

The Corporate Sustainability Plan is not the Repsol Group's only contribution to sustainable development, but is complemented with the actions considered in the Sustainability Plans confined to certain countries or operating sites.

83% 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.

Stakeholders' expectations and the corresponding actions of the Plan

Program 1

Organizational Governance

Organizational governance is the system the company uses to make and implement decisions to achieve its objectives. It is therefore a decisive factor when it comes to integrating Corporate Responsibility principles into all of its activities and transmitting them to its value chain.

It addresses pressing issues that are related to the Company's senior governing body: efficient use of financial, natural and human resources; transparency and accountability; and compliance with applicable law and the Company's own internal regulations, all this involving the full involvement and commitment of organization's leaders.

In order to fulfill its stakeholders' Governance-related expectations, the Repsol Group has specific management systems in place, which can be consulted on its corporate website: **repsol.com**

Furthermore, the Company has added 11 actions to this Sustainability Plan with which it aims to reinforce its response to the main expectations, as indicated below.

-ACTIONS INCLUDED IN THE GOVERNANCE PROGRAM AND A SUMMARY OF THE PRINCIPAL EXPECTATIONS THAT CONTRIBUTE TO RESPONDING TO THEM-

GOVERNANCE PROGRAM

<p>Expectation: Continue to strengthen mechanisms for dialogue with socially responsible investors.</p>	<p>Expectation: Develop in-house systems and procedures at the company that ensure members of the board of directors and senior management comply with laws and regulations.</p>	<p>Expectation: Comply with internal regulations on senior staff compensation.</p>
<p>Expectation: Regarding whistleblowing channels in Spain, the legal framework must be formulated to give whistleblowers the anonymity and protection that they require.</p>	<p>Expectation: Avail of in-house systems that reduce the risk of situations that conflict with the company's ethics and principles of conduct.</p>	
<p>Expectation: Take part in industry initiatives to develop sustainable practices in the company's supply chain.</p>	<p>Expectation: Evaluate the non-financial risks in joint investment agreements with partners.</p>	
<p>Expectation: Work with partners to promote projects related with sustainability and corporate social responsibility.</p>	<p>Expectation: Ensure that the companies in the sector respect the laws imposed by the legislator.</p>	
<p>Actions included in the program:</p> <ol style="list-style-type: none"> 1. Actively participate in international and business forums to boost corporate responsibility. 2. Create a multi-discipline Network Action Group to enhance the way complaints and grievances are handled. 3. Draw up Essential Terms and Conditions concerning corporate responsibility (human rights, integrity and health, safety and the environment) for contracts with third parties. 4. Formally monitor the Regulatory Compliance Program of legal obligations of legal bodies belonging to the Repsol Group with public authorities in the countries in which the Group operates. 5. Include a review of issues relating to corporate responsibility in some audit projects. 6. Organize a Sustainability Day to present the Company's best sustainability practices to socially-responsible investors and analysts. 7. Perform an external and independent evaluation of the performance of the Board of Directors and its committees. 8. Progress with mitigating integrity, environmental, safety and social risks in processes prior to the Company's commercial operations. 9. Publish a report on activities with socially-responsible investors. 10. Push forward with introducing new regulations regarding board compensation. 11. Push forward with ongoing enhancements to the Community Relations Management System. 		

Specific information on the actions included in the Governance program of the current Plan is shown in the tables below, arranged alphabetically.

ACTION	Actively participate in international and business forums to boost corporate responsibility.
DESCRIPTION	<p>We will increase our participation in international and business forums to find out about and share best practices related with corporate responsibility.</p> <p>We will focus primarily on:</p> <ul style="list-style-type: none"> - Sector organizations such as ARPEL and IPIECA. ARPEL is the regional association in Latin America and the Caribbean and IPIECA is the international association that specializes in environmental and social matters. - The Spanish Agency for International Development Cooperation (AECID); the main agency responsible for managing Spanish cooperation.
INDICATOR	Number of forums in which we have participated.

ACTION	Create a multi-discipline Network Action Group to enhance the way complaints and grievances are handled.
DESCRIPTION	<p>We will improve how complaints and grievances received by the Company are identified and dealt with. To do this, we have formed a working group reporting to the global Corporate Responsibility Committee and comprising representatives of corporate and business units.</p> <p>This group will carry out a diagnosis of all internal and external communications channels through which enquiries or grievances can be received. We will analyze the enquiries and grievances received with respect to Repsol's Ethics and Conduct Code, and identify measures to improve how grievances are managed.</p>
INDICATOR	<ul style="list-style-type: none"> - Development of a database of channels of communication at the Company. - Presentation of a report on the findings of the diagnosis: analysis of data and recommendations by business and area. - External analysis of complaints and grievances channels of other companies. - Proposal of measures to strengthen Repsol's complaints and grievances channels.

ACTION	Draw up Essential Terms and Conditions concerning corporate responsibility (human rights, integrity and health, safety and the environment) for contracts with third parties.
DESCRIPTION	<p>We will establish the essential terms and conditions that must be included in all contracts entered into by Repsol, regarding the following matters:</p> <ul style="list-style-type: none"> - Human Rights; - Health, safety and the environment; and - Integrity. <p>This rule will be applicable across all Repsol Group companies including non-corporate entities (such as consortia, temporary joint ventures (UTES), joint ventures and similar partnerships) over which Repsol has management control. This also applies to any third parties acting on behalf of and/or representing Repsol.</p>
INDICATOR	<ul style="list-style-type: none"> - Identification of Essential Terms and Conditions. - Drafting of standard clauses. - Preparation of proposed rule.
ACTION	Formally monitor the Regulatory Compliance Program of legal obligations of legal bodies belonging to the Repsol Group with public authorities in the countries in which the Group operates.
DESCRIPTION	<p>We will move forward with reviewing the inventory of obligations by analyzing all the requirements by country/region, and the level of awareness of the model.</p> <p>We will also proactively monitor compliance self-assessment processes that area managers regularly carry on, and will report on the outcomes thereof to the appropriate hierarchical level.</p>
INDICATOR	<ul style="list-style-type: none"> - Amendments to the inventories of obligations (additions/removals/changes). - Monitoring of the compliance self-assessment process. - Regular reporting of outcomes of processes to pertinent general managers/executive directors. - Number of action plans devised and rolled out during the period.

ACTION	Include a review of issues relating to corporate responsibility in some audit projects.
DESCRIPTION	We will include a review of issues relating to corporate responsibility (ethics and conduct, human rights, community relations, etc.) in some audit projects, and also foster collaboration with the Corporate Responsibility and Institutional Services Department. We will feedback conclusions to affected organizational units along with the report on the corresponding projects.
INDICATOR	Number of projects including corporate responsibility issues.
ACTION	Organize a Sustainability Day to present the Company's best sustainability practices to socially-responsible investors and analysts.
DESCRIPTION	We will host an event to demonstrate to socially-responsible investors that the Company's sustainability policies are appropriately applied in operations.
INDICATOR	Celebration of the event.

ACTION	Perform an external and independent evaluation of the performance of the Board of Directors and its committees.
DESCRIPTION	<p>We will appoint an independent firm to perform an external and independent evaluation of the performance of the Board of Directors and its committees.</p> <p>We will inform the Board of Directors of the conclusions of the evaluation report prepared by the independent firm.</p>
INDICATOR	<ul style="list-style-type: none"> - Development of an external evaluation of the performance of the Board of Directors and its committees. - Presentation of the report to the Board of Directors setting out the conclusion of the evaluation of the Board and its committees.
ACTION	Progress with mitigating integrity, environmental, safety and social risks in processes prior to the Company's commercial operations.
DESCRIPTION	<p>We will form a multi-discipline Network Action Group comprising representatives of corporate and business units and operating under the auspices of the global Corporate Responsibility Committee. The aim of this group will be to identify integrity (anti-corruption, fraud, etc.), human rights and social, and environmental and safety issues and make headway in incorporating them in the phases prior to:</p> <ol style="list-style-type: none"> 1.- Acquiring companies and assets. 2.- Acquiring non-operating interests or joint operating interests in companies and assets. 3.- Establishing relations with counterparties.
INDICATOR	<ul style="list-style-type: none"> - Internal diagnosis of current processes in this area. - External analysis of best practices in the oil and gas sector. - Presentation of a report on recommendations for improving these processes. - Drafting of a manual of recommended practices for the Company.

ACTION	Publish a report on activities with socially-responsible investors.
DESCRIPTION	We will draft and publish a report setting out the activities with socially-responsible investors and matters of interest covered.
INDICATOR	Publication of the report.
ACTION	Push forward with introducing new regulations regarding board compensation.
DESCRIPTION	We will act ahead of any legal requirements being introduced relating to compensation and prepare a Board of Directors Remuneration Policy for the Company. We will put the Board of Directors Remuneration Policy to vote at the Annual General Meeting.
INDICATOR	<ul style="list-style-type: none">- Draw up a Board of Directors Remuneration Policy for 2015, 2016 and 2017.- Put the Remuneration Policy to vote at the Ordinary Annual General Meeting on 30 April 2015 as an agenda item.

ACTION	Push forward with ongoing enhancements to the Community Relations Management System.
DESCRIPTION	We will review and update our community relations system by putting regulations, manuals and tools in place. This will enable us to more easily transfer the Company's minimum requirements to the local contexts in which we do business.
INDICATOR	Upgrading and improving the system for managing relations with the local community.

Program 2

Human Rights

States and companies play different roles in the common effort in favor of Human Rights. While States have the duty to protect Human Rights against those who infringe them, companies have the responsibility to respect Human Rights throughout their operations. This means acting with due diligence to avoid interfering with the degree to which people enjoy these rights and addressing any potential adverse impacts if these occur.

The program envisions a host of actions geared towards internal training, internal and external awareness and regulatory compliance on the subject of human rights, ensuring due diligence is taken at all times and directing efforts to avoid any impact on human rights, respecting the rights of indigenous people and any other vulnerable group, addressing claims and complaints and repairing any possible impact.

In order to fulfill the expectations of its stakeholders in relation to human rights, the Repsol Group has specific management systems in place, which can be consulted on the Company's website **repsol.com**

Said systems are reinforced by 13 actions included in this Sustainability Plan, which are aimed at fulfilling the expectations of the Company's stakeholders in relation to human rights.

-ACTIONS INCLUDED IN THE HUMAN RIGHTS PROGRAM AND A SUMMARY OF THE PRINCIPAL EXPECTATIONS THAT THEY RESPOND TO-

HUMAN RIGHTS PROGRAM

Expectation:

Provide internal information on human rights to employees, adapting it to the characteristics of the company and the sector.

Expectation:

Demonstrate the company's commitment to the human rights policy through the governing body.

Expectation:

Periodically evaluate the possible repercussions of the company's activities and relations on human rights.

Expectation:

Provide local communities with a range of appropriate and transparent grievance mechanisms for submitting complaints and comments about potential company impacts on human rights.

Expectation:

It is important to know that the companies are tackling the issue of harassment of communities by the security forces. These are questions over which the companies do not have direct control; however they are the result of their operations.

Expectation:

Respect for the Voluntary Principles on Security and Human Rights and with the United Nations Guiding Principles on Business and Human Rights: it is necessary for the companies to explain whether these systems really work, what tools are being used to fulfil them, and how this is being achieved.

Expectation:

Evaluate the risk to human rights stemming from supplier and contractor relationships (carry out pre-qualifications and self-evaluations, help evaluate own risks with regard to human rights, and carry out on-site evaluations and audits).

Expectation:

Promote respect for human rights among companies with which the company has ties.

Actions included in the program:

1. Design a campaign for disseminating information on human rights in Exploration and Production through internal communication channels.
2. Encourage all Exploration and Production personnel to complete the online human rights course. Regularly monitor participation and report thereon to the Exploration and Production Management Committee.
3. Present Repsol's Human Rights Policy and main activities in the 2015 Sustainability Plan associated with this policy to the Exploration and Production Management Committee, together with the Corporate Responsibility Department.
4. Provide new personnel at the company with training on corporate responsibility and human rights.
5. Back international initiatives concerning businesses and human rights.
6. Execute the annual human rights training plan.
7. Fulfil the commitments and guidelines set forth in the Human Rights Policy.
8. Carry out a diagnosis of Repsol's position vis-à-vis human rights and security.
9. Design an internal audit program to verify compliance with the commitments assumed on signing up to the Voluntary Principles on Security and Human Rights (VPSHR).
10. Prepare an action plan to move forward with/improve implementation of the Voluntary Principles on Security and Human Rights (VPSHR).
11. Define a technical instruction on breaches of the Ethics and Conduct Code by suppliers and contractors.
12. Disseminate Human Rights Policy to commercial partners and distributors.
13. Distribute the Human Rights Policy to our investees.

Specific information on each of the actions included in the Human Rights program of the current Plan is shown in the tables below, arranged by issue:

Culture and management

ACTION	Design a campaign for disseminating information on human rights in Exploration and Production through internal communication channels.
DESCRIPTION	We will identify and select the in-house communication channels through which to run a campaign to disseminate information on human rights.
INDICATOR	Number and dates of publications.

ACTION	Encourage all Exploration and Production personnel to complete the online human rights course. Regularly monitor participation and report thereon to the Exploration and Production Management Committee.
DESCRIPTION	We will encourage all Exploration and Production personnel to complete the online course. We will monitor the number of collaborators completing the course and report figures to the committee.
INDICATOR	Number of Exploration and Production collaborators completing the course in 2015 compared to total who have not done so.

ACTION	Present Repsol's Human Rights Policy and main activities in the 2015 Sustainability Plan associated with this policy to the Exploration and Production Management Committee, together with the Corporate Responsibility Department.
DESCRIPTION	We will hold meetings with the Exploration and Production Management Committee and the Corporate Responsibility Department to present the Human Rights Policy and associated activities to be performed.
INDICATOR	Date of presentation at a committee meeting.
ACTION	Provide new personnel at the Company with training on corporate responsibility and human rights.
DESCRIPTION	We will provide specific training on corporate responsibility and human rights in the Repsol Master's in Energy Management programs. This course is aimed at new hires in Spain and Peru.
INDICATOR	<ul style="list-style-type: none"> - Number of training hours provided. - Number of people trained.

Due diligence

ACTION	Back international initiatives concerning businesses and human rights.
DESCRIPTION	<p>We will actively and transparently participate in dialogue with our stakeholders around the world about implementing the Voluntary Principles on Security and Human Rights and adherence to the United Nations Guiding Principles on Business and Human Rights.</p> <p>We will work with IPIECA (the global oil and gas industry association for environmental and social issues) through the various working groups to develop, share and promote best practices and solutions regarding businesses and human rights.</p>
INDICATOR	Number of meetings/conferences/sessions we have attended.
ACTION	Execute the annual human rights training plan.
DESCRIPTION	<p>We will continue to run in-house training workshops on human rights. The workshops will focus on assessing the impact on human rights and putting mechanisms in place at an operational level for submitting complaints, pursuant to the Company's public commitment laid down in the Human Rights Policy.</p>
INDICATOR	<ul style="list-style-type: none"> - Number of workshops held. - Number of workshop participants.

ACTION	Fulfil the commitments and guidelines set forth in the Human Rights Policy.
DESCRIPTION	We will promote activities that contribute to the correct fulfilment of the commitments and guidelines set forth in the Human Rights Policy. We will advise the Company's units on rolling out these activities.
INDICATOR	Number activities carried out.

Security forces

ACTION	Carry out a diagnosis of Repsol's position vis-à-vis human rights and security.
DESCRIPTION	We will hire a specialist consultancy firm to analyze progress made thus far in implementing the Voluntary Principles on Security and Human Rights (VPSHR) at Repsol, subsequent to formally joining the VPSHR initiative.
INDICATOR	Final diagnosis report.

<p>ACTION</p>	<p>Design an internal audit program to verify compliance with the commitments assumed on signing up to the Voluntary Principles on Security and Human Rights (VPSHR).</p>
<p>DESCRIPTION</p>	<p>We will develop a compliance standard based on the documents setting out roles and responsibilities and key performance indicators (KPIs). This standard will be used to conduct an internal audit of compliance with the commitments assumed and the degree of completion of related work.</p>
<p>INDICATOR</p>	<p>Design a template setting out the points to be audited, evaluation of compliance with the standard, and the units involved.</p>
<p>ACTION</p>	<p>Prepare an action plan to move forward with/improve implementation of the Voluntary Principles on Security and Human Rights (VPSHR).</p>
<p>DESCRIPTION</p>	<p>We will design tasks based on the conclusions drawn from the diagnosis of Repsol's position on human rights and security. Implementation will take place at corporate and country level in the medium term [2-3 years]. We will also take into account the expectations and concerns related with this matter identified in the Expectations Identification Study (EIS).</p>
<p>INDICATOR</p>	<p>Preparation of an action plan and presentation thereof to the corporation's Corporate Responsibility Committee in the last meeting of the year.</p>

Commercial relations

ACTION	Define a technical instruction on breaches of the Ethics and Conduct Code by suppliers and contractors.
DESCRIPTION	We will draft a technical instruction on inappropriate conduct and breaches by suppliers, including any that contravene ethical values and human rights, ranking them according to importance. We will define sanctions to be imposed and actions to be taken in each case.
INDICATOR	Technical instruction on breaches of ethical values and human rights.
ACTION	Disseminate Human Rights Policy to commercial partners and distributors.
DESCRIPTION	We will inform commercial distributors in each business of our Human Rights Policy. We will disseminate through: <ul style="list-style-type: none"> - Bulletins. - Workshops. - Filling station website.
INDICATOR	Number of communiqués issued and description thereof.

ACTION	Distribute the Human Rights Policy to our investees.
DESCRIPTION	We will disseminate the Company's Human Rights Policy among our investees to exploit our ability to influence and prevent risks of breaches of human rights.
INDICATOR	Percentage of investees to which policy has been distributed.

Program 3

Labor practices

The term labor practices encompass all policies and practices related to the work performed within, by or on behalf of the Company, such as the working hours, remuneration, the recruitment and promotion of workers; disciplinary and grievance procedures; the transfer and relocation of workers; the termination of employment, training and skills development, and health, safety and industrial hygiene.

Labor practices also include representation and participation in collective bargaining, social dialog and tripartite consultations to address social issues related to employment.

In order to fulfill the expectations of its stakeholders in relation to labor practices, the Repsol Group has specific management systems in place, which can be consulted on the corporate website **repsol.com**

Said systems are reinforced by the 14 individual actions that Repsol has included in the context of this Plan. These are aimed at responding to the principal expectations of the Company's stakeholders, as indicated below.

-ACTIONS INCLUDED IN THE LABOR PRACTICES PROGRAM AND A SUMMARY OF THE PRINCIPAL EXPECTATIONS THAT CONTRIBUTE TO RESPONDING TO THEM-

LABOR PRACTICES PROGRAM

<p>Expectation: Adopt measures to promote objective evaluations of labor, based on the duties involved.</p>	<p>Expectation: Continue developing programs within the company to promote the values and principles put into effect by the company.</p>
<p>Expectation: Run effective campaigns for all staff to highlight the cultural changes needed across the company at all levels.</p>	<p>Expectation: Provide all workers at all stages of their career with equal and non-discriminatory access to skills development, training and practical learning opportunities for professional development.</p>
<p>Expectation: Promote employee awareness of and compliance with corporate policies through adequate dissemination thereof.</p>	<p>Expectation: Put in place channels for dialogue and communication that meet the needs of employees and their representatives.</p>
<p>Expectation: Press on with the existing policy of incorporating disabled people into the workforce.</p>	<p>Expectation: Take steps to bridge the salary gap between men and women to ensure there is no gender wage discrimination.</p>
<p>Expectation: Provide all employees with working conditions that allow them to enjoy, to the greatest extent possible, a work/life balance and that are in line with conditions offered by peer employers.</p>	

- Actions included in the program:**
1. Increase the number of employees with performance-based pay.
 2. Disseminate the Company's Corporate Values.
 3. Drive Repsol's innovation and continuous improvement model.
 4. Drive the rollout of our Values, identifying one or two key practices in each business/corporate area.
 5. Encourage communication with and between personnel.
 6. Identify and develop talent of Repsol employees.
 7. Nurture a common leadership culture across the Company.
 8. Push ahead with the Cultural Change Plan by rolling our executive and team coaching.
 9. Roll out measures included in projects deriving from the employee climate study.
 10. Encourage communication and dialogue between the Company and trade union representatives concerning matters of mutual interest.
 11. Analyze and evaluate the equality of opportunities at the Company.
 12. Promote a work-life balance.
 13. Promote the employment of differently-abled individuals.
 14. Establish programs promoting health living.

Specific information on each of the actions included in the Labor Practices Program of the current Plan is shown in the tables below, arranged by issue:

Working conditions

ACTION	Increase the number of employees with performance-based pay.
DESCRIPTION	We will increase the number of Repsol Group companies with performance-based pay for employees included in their wage agreements.
INDICATOR	Number of companies with performance-based pay arrangements.

Culture, development and management

ACTION	Disseminate the Company's Corporate Values.
DESCRIPTION	<p>We will ramp up online training on the Company's Corporate Values, Ethics and Conduct Code and Human Rights Principles recommended to all personnel. We will encourage completion thereof through communication campaigns.</p> <p>We will promote participation in the "Leading the way in values" classroom-based course for technical managers outside the agreement who are responsible for a team. The aim of this is to improve working practices and align them with the Corporate Values, Company objectives and proactive and respectful attitudes.</p>
INDICATOR	<ul style="list-style-type: none"> - Number of people completing each activity. - Number of technical managers outside the agreement who are responsible for a team completing the "Leading the way in values" course. - Number of departments including the "Leading the way in values" course in their training plans.

<p>ACTION</p>	<p>Drive Repsol's innovation and continuous improvement model.</p>
<p>DESCRIPTION</p>	<p>We will deploy an innovation strategy in the following areas:</p> <ul style="list-style-type: none"> - We will introduce a structured innovation process. - We will establish a Continuous Improvement Culture based on the Lean philosophy and new working practices. - We will unlock the value of accumulated know-how through a collaborative approach that enables the experiences of our personnel to be exploited and learning points disseminated. - We will ensure facilitators are in place. - We will foster the acknowledgement of personnel taking part in initiatives that drive innovation.
<p>INDICATOR</p>	<ul style="list-style-type: none"> - Boosting innovation: Rollout of Portfolio and Areas of Opportunity. - Development of a Continuous Improvement Culture Deployment of Lean Offices. - Unlocking the value of know-how: Validation of the third-generation Community of Practices model. - Facilitators Program: Percentage of teams involved in deploying the strategy who have been assigned a facilitator. - Promoting recognition of individual and team achievements: Selection of specific projects and initiatives to be included in the recognition model and deployment thereof. 2015 Innovation Award. - Provision of Lean transformation facilitator and innovation facilitator programs across the organization. Holding of competition in 2015.
<p>ACTION</p>	<p>Drive the rollout of our Values, identifying one or two key practices in each business/corporate area.</p>
<p>DESCRIPTION</p>	<p>We will look at the 2015 objectives of each business/corporate area, and work with them to identify the key practices to be promoted to be able to reach these goals and achieve results in a more efficient manner.</p>
<p>INDICATOR</p>	<p>Identification in each unit's 2015 objectives of one or two key practices by business/corporate area.</p>

ACTION**Encourage communication with and between personnel.****DESCRIPTION**

We will foster communication with and between personnel using collaborative environments such as the Repsolnet intranet, which has helped enable employees to engage and share their knowledge.

We will develop the Company's management style based on our values and networking, encouraging the use of Repsolnet. This fosters connections between people, interaction, evolution of working practices and "active listening".

INDICATOR

- Number of articles receiving comments.
- Employee participation index (percentage of articles receiving comments).
- Number of active users on the social network.
- Number of private and public groups on the social network.
- Number of competitions, surveys and mini-surveys.
- Percentage of employees participating in competitions, surveys and mini-surveys.

ACTION**Identify and develop talent of Repsol employees.****DESCRIPTION**

We will boost learning and professional development, focusing on rolling out the processes and tools underpinning this and guidelines for personnel to plot their development plan and identify opportunities for professional development.

INDICATOR

- Percentage of people with up-to-date information in their Development Space (application collating all an employee's professional information): career path, interests and Individual Development Plan.
- Definition of training and development (learning) plans by role (career progression model).
- Roll-out of new mobility management model: Skills search facility and new IT application.
- Number of transfers arranged over the total number planned.

ACTION **Nurture a common leadership culture across the Company.**

DESCRIPTION

We will roll out a Team Leader Training Program to nurture a common leadership culture across the Company.
 We will run the new Advanced Management Program to train key personnel identified as having great potential and with high levels of responsibility and complex jobs.
 We will prepare an online self-development program for all the Company’s personnel to foster a culture in which employees take part in and assume responsibility for their own development, understood as the enhancement of personal and professional capabilities.

- INDICATOR**
- Number of new leaders receiving team leader training per annum.
 - Number of employees completing the self-development program.
 - Completion of the Advanced Management course.

ACTION **Push ahead with the Cultural Change Plan by rolling our executive and team coaching.**

DESCRIPTION

We will nurture cultural change by focusing on high-level skills development; extending the program of coaching for teams and leadership at the Company. We will maintain and enhance the skills of our in-house coaches through a community of practice reaching around the world.

- INDICATOR**
- Number of teams coached.
 - Number of leaders coached.
 - Number of certified coaches in the program.
 - Measurement of high-level skills before and six months after coaching.

ACTION	Roll out measures included in projects deriving from the employee climate study.
DESCRIPTION	<p>We will start to roll out the five projects aimed at enhancing development, innovation and recognition of achievements. Through these projects, we will help personnel to take responsibility for and manage their own professional development.</p> <p>Through innovation, we will create an environment that nurtures learning from mistakes and seeing change as a driver of innovation and continuous improvement.</p> <p>By recognizing achievements, we will build an effective and coherent recognition-based culture; putting exemplary individuals who demonstrate the desired qualities in the spotlight.</p>
INDICATOR	Launch of plans drawn up in 2014.

Company-employee dialogue

ACTION	Encourage communication and dialogue between the Company and trade union representatives concerning matters of mutual interest.
DESCRIPTION	We will open up lines of communication and dialogue with workers' representatives. Through these communication channels, we will discuss matters of interest to employees and will aim to reach agreements thereon.
INDICATOR	<ul style="list-style-type: none"> - Number of meetings held. - Number of agreements signed.

Promotion of diversity and balance

<p>ACTION</p>	<p>Analyze and evaluate the equality of opportunities at the Company.</p>
<p>DESCRIPTION</p>	<p>We will analyze the distribution of potentially vulnerable groups at the Company (females, nationality, differently-abled people or older people) and will evaluate, using proven statistical methodologies, the existence of equal opportunities in areas such as: salary, professional development, access to training or performance appraisals.</p>
<p>INDICATOR</p>	<ul style="list-style-type: none"> - Validation of the methodology for analyzing salary gaps by an independent external entity. - Monitoring of changes in indicators regarding the distribution of potentially vulnerable groups. - Change in percentage of females in management positions.
<p>ACTION</p>	<p>Promote a work-life balance.</p>
<p>DESCRIPTION</p>	<p>We will continue to develop the Company's work-life balance programs, striving to adapt them to the local environment/country. We will monitor the remote working program (teleworking) for employees. We will protect the right to maternity/paternity leave, based on the global minimum reconciliation scheme established by the Company, which sets standards for protecting employees.</p>
<p>INDICATOR</p>	<ul style="list-style-type: none"> - Number of teleworkers. - Launch of communication campaign to raise awareness of effective time management. - Number of employees taking maternity/paternity leave. - Number of employees requesting a leave of absence for personal reasons.

ACTION	Promote the employment of differently-abled individuals.
DESCRIPTION	<p>We will encourage the direct employment of differently-abled people in all the countries in which we operate through the hiring of workers with disabilities.</p> <p>We will conduct a Diversity Diagnosis.</p> <p>We will carry out awareness and training campaigns among employees on the hiring of differently-abled people.</p> <p>We will inform stakeholders of the best practices in place at the Company.</p>
INDICATOR	<ul style="list-style-type: none"> - Number of differently-abled individuals hired (Spanish General Law on Disability (LGD), rest of countries as per total workforce). - Number of training programs and awareness-raising days. - Number of people attending training courses for raising awareness of hiring differently-abled individuals. - Reissuing of material at the Company on hiring differently-abled people.

Employee health

ACTION	Establish programs promoting health living.
DESCRIPTION	We will plan health monitoring activities, both individual and collective, applying different protocols that reflect the risks to which employees might be exposed because of their activity and workplace. Prevention activities will also include employee training and information and awareness-raising campaigns. We will implement programs to promote health and prevent certain disorders.
INDICATOR	<ul style="list-style-type: none">- Early detection of some types of cancer: number of countries/units with ongoing campaigns (colon, prostate, breast cancer, etc.).- Repsol Healthy Heart Program: number of countries/units taking measures to mitigate risk factors (smoking, high blood pressure, diabetes, obesity, sedentary lifestyle, etc.).- Information and campaigns: number of countries/units with specific health-related content in internal communications, cross-cutting content included and number of health promotion campaigns run.- Psychosocial risks: number of countries/units assessed and number of countries/units with improvement plans in place.

Program 4

Safety

Safety is a critical concern in industrial operations, meaning prevention, control and maintenance are of huge importance to the business, as is the need to champion a specific culture and conduct aimed towards safety.

The program seeks to prevent and mitigate safety risks and to ensure that emergencies are controlled and managed accordingly; that incidents are reported and investigated and lessons duly learned; and that applicable law and safety management systems are properly adhered to.

It also envisages a safety-oriented culture and conduct promoted through leadership, training, communication and awareness; incorporating safety-related concerns into our commercial relationships, such as due diligence, rating processes for partners, audits and controls, safety training, and communication and awareness campaigns aimed at our business relations.

In order to fulfill the expectations of its stakeholders in relation to safety, the Repsol Group has specific management systems in place, which can be consulted on the corporate website **repsol.com**

Furthermore, the Company has added seven action to this Sustainability Plan with which it aims to reinforce its response to the main expectations, as indicated below.

-ACTIONS INCLUDED IN THE SAFETY PROGRAM AND A SUMMARY OF THE PRINCIPAL EXPECTATIONS THAT CONTRIBUTE TO RESPONDING TO THEM-

SAFETY PROGRAM	
Expectation: Train workers in occupational health and safety.	Expectation: Nurture a safety culture across the organization; it is paramount that contractors sign up to this culture.
Expectation: Introduce mitigation procedures and measures to ensure that the main suppliers present along the supply chain are taking measures to prevent or correct situations that could endanger workers' lives.	
Expectation: Have adequate systems for managing potential risks in company installations, especially those located in the most critical areas.	Expectation: Accurately report the outcomes of investigations into any accidents and incidents.
Expectation: Establish increasingly exhaustive systems and procedures for investigating accidents and incidents.	Expectation: Work thoroughly to investigate accidents and draw conclusions and learning points from them.

Actions included in the program:

1. Foster a culture of safety among Repsol employees and contractors.
2. Bolster process safety at our facilities.
3. Conduct an incident management communication campaign.
4. Introduce measures of the Global Critical Management Program to respond to possible spills.
5. Prevent accidents through incident investigation.
6. Enhance environmental and safety risk management.
7. Raise the importance of safety criteria in calls for tenders of services with high accident rates.

Specific information on the action included in the Safety Program of the current Plan is shown in the table below, arranged by issue:

Culture and management

ACTION	Foster a culture of safety among Repsol employees and contractors.
DESCRIPTION	We will continue with the leadership training and programs to build a culture of safety among employees and contractors working at Repsol's facilities.
INDICATOR	<ul style="list-style-type: none"> - Number of occupational health and safety training hours for Company personnel. - Number of training hours on a culture of safety for leaders (PRISMA). - Number of safety training hours provided to contractors by third parties.

Incident management

ACTION	Bolster process safety at our facilities.
DESCRIPTION	<p>We will analyze the causes of accidents regarding safety incidents in processes at our facilities.</p> <p>In order to focus on driving down industrial accidents, especially in process safety, during 2014 we established a baseline for serious (TIER 1 and TIER 2) process accidents and defined a roadmap to bring down the accident rate between 2015 and 220.</p>
INDICATOR	Number of analyses of causes of accident involving process safety performed.
ACTION	Conduct an incident management communication campaign.
DESCRIPTION	We will carry out a communication campaign aimed at improving management of incidents, focusing on disseminating learning points.
INDICATOR	<ul style="list-style-type: none"> - Forms of communication used in the campaign. - Number of learning points disseminated.

ACTION	Introduce measures of the Global Critical Management Program to respond to possible spills.
DESCRIPTION	During 2015, we will continue to ensure all the necessary resources are in place to respond to possibly major spills. We will carry out work to assess response capabilities at high-risk facilities in order to detect and correct possible weaknesses. During 2015, we will complete the response capability assessments of five business units.
INDICATOR	Response capability assessments of five business units.

ACTION	Prevent accidents through incident investigation.
DESCRIPTION	We will investigate incidents at our facilities pursuant to the Company's procedure, concentrating efforts on investigating medium, high and very high risk incidents.
INDICATOR	Percentage of investigations carried out as per established methodology.

Risk management

ACTION	Enhance environmental and safety risk management.
DESCRIPTION	We will update planned risk assessments at Repsol, in compliance with our internal safety and environment risk management regulation for industrial assets. This regulation was approved in 2010 and is in line with best practices in the sector.
INDICATOR	Number of risk assessments updated.

Commercial relations

ACTION	Raise the importance of safety criteria in calls for tenders of services with high accident rates.
DESCRIPTION	We will raise the importance of safety criteria in calls for tenders of services with high accident rates. To achieve this, we will include these criteria in the technical appraisal of bids for 23 activities identified as having high accident rates.
INDICATOR	Safety criteria established for the Bid Evaluation Matrix for 23 activities with high accident rates.

Program 5

The Environment

Today Society faces a significant number of environmental challenges that vary from global problems like climate change or the depletion of natural resources, to other local problems that, nevertheless, can have an important impact on the environment where they occur. These include air or water pollution, the generation of waste or the destruction of ecosystems and biodiversity.

The activity of companies invariably contributes to some of these impacts. And these issues have special relevance in sectors such as oil and gas that are characterized by the performance of extractive or industrial activities in large installations. Therefore, it is necessary that companies identify options that enable them to prevent these impacts, minimize them when unavoidable and correct them.

These options include preventing and mitigating environmental risks and impacts through suitable control mechanisms, proper emergency management, operational efficiency, suitable management of water resources and waste, efficient use of materials, regulatory compliance and environmental management systems.

The program also addresses climate change, environmental and biodiversity protection, and the need to champion an environment-oriented culture and conduct through leadership, training, environmental communication and awareness, ensuring due diligence in our commercial relationships, including partner rating processes, audits and controls, training on the subject of environmental protection, and environmental communication and awareness campaigns, among others.

In order to respond to stakeholders' expectations on the Environment, the Repsol group has specific management systems which can be consulted on the corporate website repsol.com

Additionally, Repsol has included 10 actions in the Plan to respond to some these expectations.

-ACTIONS INCLUDED IN THE ENVIRONMENT PROGRAM AND A SUMMARY OF THE PRINCIPAL EXPECTATIONS THAT THEY RESPOND TO-

ENVIRONMENT PROGRAM

Expectation:

Remedy the deficiencies in environmental management systems, ensuring that the concept of biodiversity and ecosystem services (BES) is covered.

Expectation:

Listen to the concerns of stakeholders and utilize their knowledge to prioritize actions related to BES (biodiversity and ecosystem services).

Expectation:

Commit to cleaner energy sources and fuels.

Expectation:

Promote actions at the company intended to minimize impacts that contribute to climate change.

Expectation:

Promote the development of alternative fuels, such as biofuels, that will make it possible to reduce the emissions generated by the company and obtain low-cost energy.

Expectation:

Use the most advanced techniques to reduce atmospheric emissions and water and soil contamination.

Expectation:

Adopting water consumption reduction strategies and quantitative targets.

Expectation:

Invest in energy-efficient technologies that will provide clean, affordable and reliable energy.

Expectation:

Invest in technologies and processes that will improve the Company's environmental performance.

Expectation:

Boost the company's proactiveness in applying safety measures to prevent spills.

Expectation:

Work to put in place best practices and processes that minimize environmental impact.

Actions included in the program:

1. Prevent and minimize impacts on biodiversity.
2. Encourage the growth of renewable energies by distributing more sustainable biofuels.
3. Invest in R&D projects leading to environmental improvements for society.
4. Promote the use of liquefied natural gas (LNG) in shipping and develop its commercialization.
5. Enhance waste management.
6. Identify opportunities to drive up energy efficiency in our operations and curb our greenhouse gas emissions.
7. Optimize water management at our industrial centers and production assets.
8. Promote innovative business projects offering solutions for saving energy and using it responsibly.
9. Analyze the implementation of the Hydrocarbon Early and Automatic Detection System (HEADS) at Repsol's industrial facilities.
10. Research and develop less polluting products.

Specific information on each of the actions included in the Environment program of the current Plan is shown in the tables below, arranged by issue:

Biodiversity

ACTION	Prevent and minimize impacts on biodiversity.
DESCRIPTION	We will continue to assess the vulnerability of the areas of influence of new Exploration and Production assets and projects for the purposes of appropriately mitigating the impacts of our activity. We will also develop criteria for identifying and carrying out qualitative assessments of ecosystem services to determine the Company's and local communities' impacts and reliance on them.
INDICATOR	<ul style="list-style-type: none"> - Percentage of new assets and projects where the vulnerability of local environment has been assessed. - Ecosystem service criteria defined.

Climate change

ACTION	Encourage the growth of renewable energies by distributing more sustainable biofuels.
DESCRIPTION	We will mix biofuels with our gasoline and diesel within the nationally-permitted limits in order to contribute to meeting each country's renewable energy growth targets.
INDICATOR	Percentage of biofuels mixed with gasoline and diesel.

ACTION

Invest in R&D projects leading to environmental improvements for society.

DESCRIPTION

We will run research and development projects drawing on technologies that pave the way to future improvements in the environmental sustainability of Repsol's products, services and processes and those of its stakeholders. We will also reduce the environmental impact of the associated facilities.

INDICATOR

Investment in euros.

ACTION

Promote the use of liquefied natural gas (LNG) in shipping and develop its commercialization.

DESCRIPTION

We will analyze the market and monitor developments in regulations –which are becoming ever more stringent– governing greenhouse gas, SOx, NOx and particulate emissions by shipping along the US coastline.

We will identify openings and forge agreements with ports, charterers and ship owners to supply LNG for use in maritime transport.

Looking forward, we will make the necessary investments to supply LNG for bunkering (ship refueling) by either modifying existing terminals or developing new projects to liquefy natural gas.

INDICATOR

- Number of contracts with ports, charterers and ship owners.
- Market research and analysis.

Operating efficiency

ACTION	Enhance waste management.
DESCRIPTION	We will reduce the tons of waste produced by our industrial centers and the Sales Division's rest filling stations and rest areas in line with the 2014-2020 plan. We will implement Environmental Performance Practices (EPPs) at all our Exploration and Production assets.
INDICATOR	<ul style="list-style-type: none">- Tons of waste avoided versus tons defined in the target for industrial centers.- Degree of compliance with EPPs at new wells drilled for Exploration and Production.
ACTION	Identify opportunities to drive up energy efficiency in our operations and curb our greenhouse gas emissions.
DESCRIPTION	We will take steps to cut energy consumption and CO ₂ emissions forecast for 2015 in line with the reductions planned for the period 2014-2020.
INDICATOR	Tons of CO ₂ emissions avoided versus the business-as-usual scenario.

ACTION**Optimize water management at our industrial centers and production assets.****DESCRIPTION**

Off the back of the project to improve water management conducted at Company level in 2014, analyzing internal water management and the features of the environment around the main facilities, we will take specific steps to mitigate the most critical local risks at our facilities. This will allow us to ensure this resource is used efficiently and that we comply with all legal requirements and the highest international standards.

INDICATOR

Verification of the percentage of progression of those actions included in the plan by Division and/or Environmental and Safety Management Committee.

ACTION**Promote innovative business projects offering solutions for saving energy and using it responsibly.****DESCRIPTION**

We will boost the Repsol Entrepreneurs Fund. The aim of this initiative is to boost innovative business projects in the field of energy and energy efficiency, accelerating the development and rollout of the best technological solutions to bring them to market as quickly as possible. The Fund makes annual calls for bids that are open to projects, ideas, individuals and businesses. Bids then go through a five-stage selection process. Around 10 projects are chosen each year based on innovation, feasibility and personnel criteria.

INDICATOR

- Projects received from universities.
- Percentage of bids sent to evaluator.
- Funds received for projects.

Risk management and environmental impacts

ACTION	Analyze the implementation of the Hydrocarbon Early and Automatic Detection System (HEADS) at Repsol's industrial facilities.
DESCRIPTION	We will assess the possibility of implementing the Hydrocarbon Early and Automatic Detection System (HEADS) at Repsol facilities.
INDICATOR	Number of facilities where analysis has been conducted.
ACTION	Research and develop less polluting products.
DESCRIPTION	We will market Treated Distillate Aromatic Extract (TDAE) as a sustainable product that does not affect human health and is produced using a Repsol proprietary process. Our production process eliminates polycyclic aromatic hydrocarbons that are hazardous for humans. We will conduct new research to continue progressing with our sustainability campaign.
INDICATOR	<ul style="list-style-type: none"> - Sales volume of TDAE. - New research projects conducted.

Program 6

Anti – Fair operating practices: Anti - Corruption and Ethics

Fair operating practices refer to the way in which organizations deal with others such as business partners, suppliers, contractors, customers, competitors, associations to which they belong, and government agencies and departments.

When ensuring that these relations are carried out in a fair manner, companies have to adapt their practices to criteria such as the prevention of corruption, implementing the necessary policies and practices. They must ensure that their leaders show commitment, motivation and proper supervision when implementing anti-corruption policies, training their employees on how to eradicate bribery and corruption, and offering incentives for any progress made in this regard, encouraging employees, partners and suppliers to report infringements of the Company's policies, notifying the authorities of any criminal offences committed and attempting to ensure that the Company's partners adopt similar practices.

In order to respond to the Company's stakeholders' expectations on this subject, the Repsol group has specific management systems in place which are available at the corporate website **repsol.com**

Additionally, as part of the Sustainability Plan for Repsol, the Company has included six actions in this subject to respond to some of the expectations mentioned, as indicated below.

-ACTIONS INCLUDED IN THE FAIR OPERATING PRACTICES: ANTI – CORRUPTION AND ETHICS PROGRAM AND A SUMMARY OF THE PRINCIPAL EXPECTATIONS THAT CONTRIBUTE TO RESPONDING TO THEM-

FAIR OPERATING PRACTICES PROGRAM: ANTI-CORRUPTION AND ETHICS

<p>Expectation: Train company employees on the ethical-behavior norms set forth in the company's Ethics and Conduct Code.</p>	<p>Expectation: Increase the awareness of employees, representatives, contractors and suppliers regarding corruption and how to combat it, providing them with training about existing control mechanisms and policies, professional ethics and compliance measures, and establishing disciplinary procedures.</p>
<p>Expectation: Establish and maintain an efficient system for fighting corruption.</p>	<p>Expectation: Include a raft of financial and accounting procedures, specifically a system of internal controls, designed to provide reasonable assurance that ledgers, records, and accounts are kept fairly and accurately, to ensure that they cannot be used for the purpose of corruption or hiding such corruption.</p>
<p>Expectation: Carry out a corruption-risk assessment of the company's suppliers.</p>	<p>Expectation: Have adequate procedures and systems for the detection of fraud and corruption.</p>
<p>Expectation: Implement properly documented risk-based due diligence pertaining to the hiring, as well as the appropriate and regular oversight of business partners.</p>	<p>Expectation: Due diligence prior to any acquisition should cover risks of corruption.</p>
<p>Actions included in the program:</p> <ol style="list-style-type: none"> 1. Increase training on the Ethics and Conduct Code for personnel from the Commercial Area. 2. Monitor, update and assess the Internal Control over Financial Reporting System (ICFRS). 3. Prepare a new Annual Compliance Acknowledge Declaration for the Executive Trading Division. 4. Inform the partners in our commercial operations of the Ethics and Conduct Code. 5. Review corporate responsibility matters vis-à-vis the new Supplier Management Regulation. 6. Work with majority partners or operators of projects in which we participate in the fight against corruption and bribery. 	

Specific information on the actions included in the Fair Operating Practices: Anti – Corruption and Ethics program of the current Plan is shown in the table below, arranged by issue:

Culture and management

ACTION	Increase training on the Ethics and Conduct Code for personnel from the Commercial Area.
DESCRIPTION	We will ensure 100% of directors and 90% of technical managers (Subgroup I) have completed the online course on the Ethics and Conduct Code.
INDICATOR	Percentage of individuals having completed the course.
ACTION	Monitor, update and assess the Internal Control over Financial Reporting System (ICFRS).
DESCRIPTION	We will continuously review the methodology and regulations relating to management of the Internal Control over Financial Reporting System, and the inventory of financial reporting risks and companies and processes subject to the ICFRS. The purpose of this is to ensure the controls comprising the ICFRS enable conclusions to be drawn on the effectiveness thereof.
INDICATOR	<ul style="list-style-type: none"> - Analysis of the reasonableness of the mitigation of financial reporting risks. - Annual assessment of the performance of the controls comprising the ICFRS. - Reporting on the effectiveness of the ICFRS according to Article 61.b of the Sustainable Economy Act (National Securities Market Commission [CNMV] Circular 5/2013 of 12 June 2013).

ACTION	Prepare a new Annual Compliance Acknowledge Declaration for the Executive Trading Division.
DESCRIPTION	We will draw up a new Annual Compliance Acknowledge Declaration for the Executive Trading Division (ETD). Traders must sign the declaration as a prerequisite to trading. In accordance therewith, we will run training sessions on the Ethics and Conduct Code, rules for regulated markets and the national regulator.
INDICATOR	<ul style="list-style-type: none">- Number of training sessions held.- Number of attendees at the training sessions.- Distribution of the Code in the Executive Trading Division (ETD).

Commercial relations

ACTION	Inform the partners in our commercial operations of the Ethics and Conduct Code.
DESCRIPTION	We will fully disseminate the Ethics and Conduct Code among the partners in our commercial operations.
INDICATOR	Number of communiques issued and description thereof.

ACTION**Review corporate responsibility matters vis-à-vis the new Supplier Management Regulation.****DESCRIPTION**

We will verify the content related with corporate responsibility matters in the processes to rate, appraise and engage suppliers. We will put mechanisms in place to control reputational risk posed by individuals, companies and countries. We will obtain suppliers' explicit acknowledgement that they will adhere to the Ethics and Conduct Code during the rating stage.

INDICATOR

- Review of corporate responsibility content in the rating process, appraisals and audits and the impact thereof on rating and engaging suppliers.
- Establishment of mechanisms to control reputational risk posed by individuals, companies and countries.
- Collection during tendering of suppliers' acknowledgement that they will adhere to the Ethics and Conduct Code.

ACTION**Work with majority partners or operators of projects in which we participate in the fight against corruption and bribery.****DESCRIPTION**

We will review ethics and human rights issues that could affect the Company as a result of entering a new area or business. During our work, issues relating to corruption and bribery may be detected in the audits of the financial records and accounting ledgers of assets not operated by Repsol.

INDICATOR

- Degree of compliance with target approved for number of audits to be carried out during the year.
- Number of audits performed in new areas and businesses at the request of Exploration.

Program 7

Fair operating practices: Value chain

Fair operating practices refer to how companies conduct their business with other parties, including partners, suppliers, contractors, clients, competitors, associations to which they belong, and government agencies and departments. They are essentially a measure of how ethical a Company is in its business with other companies.

The Company must attempt to ensure that these relationships are fair, integrating ethical, social and environmental concerns into its purchasing, distribution and recruitment policies; properly monitoring companies with which it has dealings, providing possible support to small and medium-sized enterprises to reach socially responsible objectives, and having proper procurement practices, fair prices, suitable delivery timeframes and stable contracts.

In order to respond to the Company's stakeholders' expectations on this subject, the Repsol group has specific management systems in place which are available at the corporate website **repsol.com**

Additionally, as part of this Sustainability Plan, the Company has included one action in this subject to respond to some of the expectations mentioned, as indicated below.

-ACTIONS INCLUDED IN THE FAIR OPERATING PRACTICES: VALUE CHAIN PROGRAM AND A SUMMARY OF THE PRINCIPAL EXPECTATIONS THAT CONTRIBUTE TO RESPONDING TO THEM-

FAIR OPERATING PRACTICES PROGRAM: VALUE CHAIN

Expectation:

Include gender equality, environmental, social and ethical criteria in the contracting, distribution and procurement policies and practices to bring them more closely into line with CSR objectives.

Expectation:

Exercise due diligence and monitoring and tracking companies with which the company does business so as to ensure that its CSR commitments are not adversely affected.

Expectation:

Actively help raise awareness in partner organizations of CSR issues and principles.

Action included in the program:

1. Boost the commitment to corporate responsibility of lubricant manufacturers and commercial distributors, especially at an international level.

Specific information on the action included in the Fair Operating Practices: Value chain program of the current Plan is shown in the table below:

ACTION	Boost the commitment to corporate responsibility of lubricant manufacturers and commercial distributors, especially at an international level.
DESCRIPTION	<p>We will include the Ethics and Conduct Code in new and existing Priority 1 contracts (all local manufacturers plus distributors in Colombia, Bolivia, Panama, Lebanon, the Philippines and Saudi Arabia).</p> <p>We will carry out a first audit.</p> <p>We will send the Ethics and Conduct Code to all national and international distributors (86) with contracts in force. We will explain the project and the implications thereof to them.</p>
INDICATOR	<ul style="list-style-type: none"> - Percentage of contracts including the Ethics and Conduct Code. - Percentage of distributors with contracts in force receiving a copy of the Ethics and Conduct Code.

Program 8

Consumer issues

Companies have a series of responsibilities with the clients that buy their products or arrange their services.

These include the obligation to provide sufficient information on the goods acquired; to guarantee the health and safety of customers when using the company's products; to provide efficient and effective customer care services; and to protect the confidentiality of the data gathered over the course of the commercial transaction.

Companies can meet other important objectives on the path towards sustainable development, such as helping to provide basic services to those people lacking them (an absolute must for a company from the energy sector such as Repsol) and promoting products and information that allow us to migrate towards a more sustainable consumption model. They must also factor in to their business everything relating to customer care services, support and resolution of grievances and claims, and personal data protection.

In order to meet the expectations of its stakeholders on the subject of Consumer Issues, the Repsol group has specific management systems in place which can be consulted on the corporate website repsol.com

Additionally, this edition of the Sustainability Plan includes two actions in the area of Consumer Issues. These enable us to respond to the principal expectations of the Company's stakeholders, as indicated below.

-ACTIONS INCLUDED IN THE CONSUMER ISSUES PROGRAM AND A SUMMARY OF THE PRINCIPAL EXPECTATIONS THAT CONTRIBUTE TO RESPONDING TO THEM-

CONSUMER ISSUES PROGRAM

Expectation:

Establish robust protocols for dealing with customers, maintain good relations with them, and provide flexible channels through which customers can submit complaints and enquiries.

Expectation:

The CSR strategy does not focus closely enough on customer relations. The company's plans should include more aspects related to the responsible management of customers.

Expectation:

Offer consumers sustainable products and services either eliminating the adverse impacts that they might cause or selecting alternatives with less adverse effects.

Expectation:

Develop and supply products and services that do not have undue effects on the environment, do not present a hazard when used for their intended purposes, are efficient in terms of consumption of energy and natural resources, and can be reused, recycled or disposed of safely.

Actions included in the program:

1. Carry out technology prospecting and monitoring.
2. Launch the Repsol Customer Plan in filling stations.

Specific information on each of the actions included in the Consumer issues program of this plan is shown in the tables below, arranged alphabetically.

ACTION	Carry out technology prospecting and monitoring.
DESCRIPTION	We will carry out prospecting studies in the fields of energy and mobility to stay ahead of the game in terms of the development of technologies for enhancing people's well-being through sustainable and competitively-priced energy.
INDICATOR	Investment in euros.

ACTION	Launch the Repsol Customer Plan in filling stations.
DESCRIPTION	We will launch a real-life plan to introduce new experiences and put infrastructure in place for changes associated with the Customer Plan. We will begin to roll out the project across all filling stations in Spain. We will then extend the project to Portugal, Italy and Peru.
INDICATOR	- Pilot project completed. - Planning of project expansion prepared.

Program 9

Community involvement and development

Community involvement and development stems from the identification of existing stakeholders and involvement with them in the management and minimization of the impacts that the organization's activities might generate.

Similarly, by actively involving and developing the local community the Company can become an asset serving society and the community, although in this process the community frequently raises different, and sometimes opposing interests, which the Company must weigh up together. Shared responsibility is needed to promote the community's well-being as a common goal. The Company must liaise with the different groups representing the community to establish priorities for its social investment, with particular attention paid to vulnerable groups.

Companies can help boost local development by creating jobs, improving relations with public authorities, enhancing the capacities and opportunities of local suppliers, and rolling out cultural, healthcare, social and environmental initiatives and programs.

In order to meet the expectations of its stakeholders on the subject of community involvement and development, the Repsol group has specific management systems in place which can be consulted on the corporate website **repsol.com**

Additionally, this edition of the Sustainability Plan includes 12 actions in the area of Community involvement and development. These enable us to respond to the principal expectations of the Company's stakeholders, as indicated below.

-ACTIONS INCLUDED IN THE COMMUNITY INVOLVEMENT AND DEVELOPMENT PROGRAM AND A SUMMARY OF THE MAIN EXPECTATIONS TO WHICH THEY CONTRIBUTE TO RESPOND TO-

COMUNITY INVOLVEMENT AND DEVELOPMENT PROGRAM

Expectation:

Actively work in favor of measures to encourage job creation in the area near the company's operations.

Expectation:

Participate in efforts to promote youth employment through training and skills development programs.

Expectation:

Consider placing priority on products and services of local suppliers and contribute to their development wherever possible.

Expectation:

Contribute to developing local and national capabilities to innovate.

Expectation:

Use a portion of the revenue from operations to meet the real needs of local communities, such as education, health and employment.

Expectation:

Carry out social projects that build on the contributions made by other agencies in this area.

Expectation:

Consider contributing to programs that provide access to food and other essential supplies for at-risk groups, taking into account the importance of boosting their capabilities, resources and opportunities.

Expectation:

Consider partnering with other organizations, including governmental agencies, companies and NGOs, in order to maximize synergies and use complementary resources, know-how and skills.

Expectation:

Invest in R&D projects with local universities and academic institutions.

Expectation:

Develop existing relations with local universities and public research centers and take part in research projects in partnership with local companies and professional associations.

Expectation:

Inform the company's stakeholders of the contribution that the company's existing and future activities might make to employment and the economy.

Expectation:

Provide local communities with complete and timely information on how the company's operations affect them environmentally, socially and economically.

Expectation:

Foster dialogue between the company and local communities, providing appropriate information on the possible impact of exploration on biodiversity.

Actions included in the program:

1. Promote science and technology among students, entrepreneurs and PhD students.
2. Review the Company's approach to the challenge of Local Content through a multi-discipline team, starting with a preliminary diagnosis by country.
3. Foster public R&D through partnership contracts and/or agreements with public institutions.
4. Collaborate with local associations to contribute to the well-being of communities in areas affected by our commercial activities.
5. Continue fostering a culture of solidarity among employees.
6. Contribute to the creation of the right conditions for self-development of local communities.
7. Interact and participate in fulfilling the social needs in the areas closest to our operations in accordance with the values of transparency and rigor.
8. Promote the Corporate Volunteering program.
9. Enhance transparency in crisis situations.
10. Raise transparency by opening up new specific channels of communication to provide information on relevant issues.
11. Study in depth social, environmental and ethics communication at Repsol.
12. Use measurements as a key tool to improve corporate reputation and image.

Specific information on each of the actions included in the Community involvement and development program of this plan is shown in the tables below, arranged by issue:

Local content

ACTION	Promote science and technology among students, entrepreneurs and PhD students.
DESCRIPTION	We will host seminars and training for high school, baccalaureate and university students as part of the planned activities at by the Repsol Technology Center. We will run tutorials for Repsol Foundation entrepreneurs and PhD students.
INDICATOR	Hours dedicated to this campaign per annum.
ACTION	Review the Company's approach to the challenge of Local Content through a multi-discipline team, starting with a preliminary diagnosis by country.
DESCRIPTION	We will carry out a diagnosis of the main countries in which Repsol operates; performing a qualitative and quantitative analysis of local content requirements in terms of labor, supply chain and social investment. We will propose a Local Content definition for the Company to the Corporate Responsibility Committee.
INDICATOR	<ul style="list-style-type: none"> - Country-level diagnosis performed. - Local Content definition agreed.

Innovation and R&D

ACTION	Foster public R&D through partnership contracts and/or agreements with public institutions.
DESCRIPTION	<p>We will boost public R&D by investing in research and development projects through partnership contracts and/or collaboration agreements with public institutions. Public-private scientific partnerships and relationships between universities and businesses are crucial to technological development as an economic driver. Scientific outcomes are multiplied exponentially through this type of agreement, combining the basic research function of public institutions and the market knowledge of businesses.</p>
INDICATOR	Investment in euros.

Social investment

ACTION	Collaborate with local associations to contribute to the well-being of communities in areas affected by our commercial activities.
DESCRIPTION	<p>We will work with the Guadalajara Food Bank making weekly donations of food from our filling stations. We will continue with the collaboration agreements with entities such as ActionAid, the Red Cross and the Once Foundation. We will partner with various organizations to provide training, host event days and provide donations in the countries in which the commercial area is active.</p>
INDICATOR	Qualitative description of the initiatives performed.

ACTION	Continue fostering a culture of solidarity among employees.
DESCRIPTION	<p>We will continue to launch initiatives to channel our social concerns and encourage change and new ways that the Company can collaborate with local communities. We will involve our employees in campaigns and foster best practices, raising awareness of the action carried out in the following areas:</p> <ul style="list-style-type: none"> - Promotion of health living. - Support for most disadvantaged. - Donations of materials. - Activities aimed at personnel and their families. - Social awareness-raising days.
INDICATOR	Number of campaigns run by the Company or with the collaboration of its employees.
ACTION	Contribute to the creation of the right conditions for self-development of local communities.
DESCRIPTION	Through this effort, we will open up development opportunities in local communities and will strengthen our commitment to the local community and social agents.
INDICATOR	Number of initiatives launched.

ACTION	Interact and participate in fulfilling the social needs in the areas closest to our operations in accordance with the values of transparency and rigor.
DESCRIPTION	<p>We will launch <i>Más Que Palabras</i> (More than Words): a channel of communication with employees to glean proposals for social projects in which they can participate directly or indirectly. We will provide €4,000 to 44 projects that best represent the values promoted by Repsol and its Foundation, such as engaging at-risk groups and committing to diversity. Country management will be responsible for selecting the projects, since they are most familiar with local conditions.</p>
INDICATOR	<ul style="list-style-type: none"> - Number of projects presented. - Opening up of new channel for employees in North America.
ACTION	Promote the Corporate Volunteering program.
DESCRIPTION	<p>We will continue to launch initiatives to channel our social concerns and encourage change and new ways that the Company can collaborate with local communities. The Repsol Volunteering Program is founded on the Company's five values, while our programs also revolve around five themes:</p> <ul style="list-style-type: none"> - Energy efficiency - Training and development - Different abilities - Solidarity in Action - Social/environmental conscience
INDICATOR	<ul style="list-style-type: none"> - Total number of programs launched. - Number of volunteers.

Community involvement and dialogue

ACTION	Enhance transparency in crisis situations.
DESCRIPTION	We will kick start a corporate training plan to inform staff of the importance of communication in crisis situations, teach them the skills needed in such circumstances, and provide tools to the individuals responsible for managing crisis communication.
INDICATOR	Number of people trained.
ACTION	Raise transparency by opening up new specific channels of communication to provide information on relevant issues.
DESCRIPTION	We will launch the new Repsol corporate website with global content, and a mobile press app for journalists. We will publish a blog containing news on Repsol and will create new corporate profiles on social media: Slideshare and Flickr.
INDICATOR	Opening of new channels.

ACTION	Deepen in the way of communicating social, environmental and ethics related issues at Repsol.
DESCRIPTION	We will launch a review of the content of the corporate responsibility area of the website to ensure clear and simple language is used. We will increase press coverage of our sustainability drive.
INDICATOR	<ul style="list-style-type: none"> - New version of the corporate responsibility area of the new website. - Increase in social, environmental and ethics content published.
ACTION	Use measurements as a key tool to improve corporate reputation and image.
DESCRIPTION	We will devise a model for measuring the Company's reputation that can be adapted for each country.
INDICATOR	<ul style="list-style-type: none"> - Model prepared. - Countries where it is applied.

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.

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