

Customers

Repsol YPF is committed to satisfying its customers' needs. We aim to fulfill customer expectations and achieve excellence in the service we render. We want to forge customer relations that are based on respect and trust. We are striving to develop safer products and to exercise our influence so that our customers can use our products in the most sustainable way possible.

Update on 2009 objectives

Activities planned

New ways of raising customer awareness about topics relating to sustainability and responsible use of our products.

Degree of progress 2009

We have held specific meetings with customers and consumers in order to promote energy-saving and the safe use of our products.

We have used different advertising methods, bill inserts and regular online newsletters to promote responsible, safe consumption among our customers.



Our customers

Repsol YPF has a wide range of different customers, from institutions and large corporations through to SMEs and private households. The company's customer groups include drivers, haulage firms, households, industrial companies from different sectors, airlines, farmers, shipowners, fishermen, charterers and public authorities.

Through its LPG⁽¹⁾, Marketing⁽²⁾ and Chemical⁽³⁾ business units, Repsol YPF offers its customers a wide range of products and services which it markets either directly or through distributors, and at almost 7,000 service stations around the world.

(1) The LPG division markets liquefied petroleum gases, largely butane and propane, bottled, piped and in bulk. For further information, please visit www.repsol.com and www.ypf.com.

(2) The Marketing division includes service stations, aviation, lubricants and specialities and direct fuel sales businesses, amongst others. For further information, please see www.repsol.com and www.ypf.com.

(3) View detailed information on Repsol YPF products and services at www.repsol.com and www.ypf.com.



Customer focus

In our commercial activities, we aim to satisfy our customers' needs, guarantee the safety of the products we market and ensure quality and sustainability of supply.

Some of the projects undertaken in 2009 were aimed at enhancing Repsol YPF's customer focus.

The 'Reinventing LPG' Project

In 2009, the LPG division launched the 'Reinventing LPG' project, with the aim of making progress on customer focus and innovation. The strategic initiatives in progress are:

- Deepening our customer insight.
- Developing IT tools to improve our communication with them.
- Development of new marketing channels.
- Offering new differentiated or complementary services.
- Boosting marketing activity to create greater customer awareness of the value of the products we offer.

Listening better to customer views

In the Marketing Europe division, the 'Listening Better to Customer Views' project aims to raise knowledge about customers' expectations and perceptions of our service stations, as well as to identify opportunities for improvement. This initiative focuses on two aspects: Consumer satisfaction and dealing efficiently and productively with complaints. The objectives are:

- To find out what expectations end customers have of services stations.
- To gather information on the degree to which these expectations are fulfilled.
- To define lines of action and actions for improvement.
- To improve the way in which complaints arising within the service stations network are managed, in order to detect weaknesses.

Customer focus at Repsol Chemicals

The 'Customer Focus' project began in 2008 and continued throughout last year. A working group comprising 12 members from the different areas in Repsol Chemicals was set up in order to identify the main areas for improvement in the unit's customer focus. As a result of this group's work, a total of 43 actions have been undertaken in five different areas: Sales, operations, corporate image, human resources and employee training, all aimed at improving service and communication.



Customer satisfaction

We perform surveys to find out about customer satisfaction and identify areas for improvement where more work needs to be done. There are different tools for finding out the customer satisfaction index (CSI).

We can use these tools to measure aspects of service such as staff behavior and friendliness, compliance with delivery deadlines, efficiency and speed, product quality, clarity of information on invoices, ease of telephone contact, problem resolution and the technical assistance service.

The tools used to measure customer satisfaction are as follows, depending on the business unit and the customer type:

- Periodic complaints indices.
- Customer satisfaction surveys.
- Global service level indicators, measuring compliance with delivery deadlines.
- Reports from visits made by sales managers.
- Reports from technical assistance and development staff, who gather information from customers to help in developing new products and services.

Customer complaints

In 2009, customer complaints and incidents per unit were as follows:

LPG

The number of complaints in Spain, Argentina and Peru stood at 56,865, 20,757 and 54,917, respectively, as compared with 79,025, 24,411 and 46,418 the previous year. Complaints decreased in Spain and Argentina, but rose in Peru. The most frequent complaints in the LPG business relate to delays in delivery of orders and invoicing errors.

Marketing Europe

Se han atendido 1.743.273 consultas, A total of 1,743,273 enquiries were dealt with, of which 34,865 (2%) were complaints. The most usual incidents were to do with invoicing, delays in the

sending of cards and technical problems with IT applications.

Chemicals

We received 696 complaints from customers in 2009, compared with 826 the year before, which translates into a decrease of 19%.

Measures were taken in all areas to continue improving our service level and thus reduce the number of customer complaints. Measures implemented in 2009 included:

- Increasing the number of issues that can be dealt with by the Customer Care Service (CCS) in order to reduce response and processing times.
- Increasing the number and frequency of training sessions for CCS staff.
- Creating specific working groups focusing on different types of complaints, to analyze their causes and come up with improvement actions.
- Review of invoicing processes.

How do we ensure the supply to our customers?

LPG

In the last two years, we have begun to apply real-time truck location technology and use routing software, which ensures higher quality and security in supplying our customers, together with a saving of some 7% in mileage. These actions have resulted in a decrease both in order delivery times and in complaints.

Chemicals

In 2009 the Carriers Cargo Allocation and Monitoring System came fully into operation. This enables carriers to enter a website where they can accept loads and monitor them in real time. The system sends out an automatic warning of any problems with delivery and acts as a basis for annual appraisal of carrier companies.

Optimization of LPG supply routes

In 2009, YPF Gas introduced a new software application to optimize routes and ensure the delivery deadlines agreed with customers in Argentina are met. A pilot test was put into operation midway through the year and full implementation throughout the country is expected in the first four months of 2010. This new system has improved order authorization times. Urgent orders fell by 33% compared with the figure for 2008.

Trucks are fitted with GPS systems, which provides online details of deliveries made and another means of contacting customers who cannot be located to tell them why the delivery cannot be made, and arrange a new appointment. The average delivery time was cut down by one day for the country as a whole in comparison to 2008.

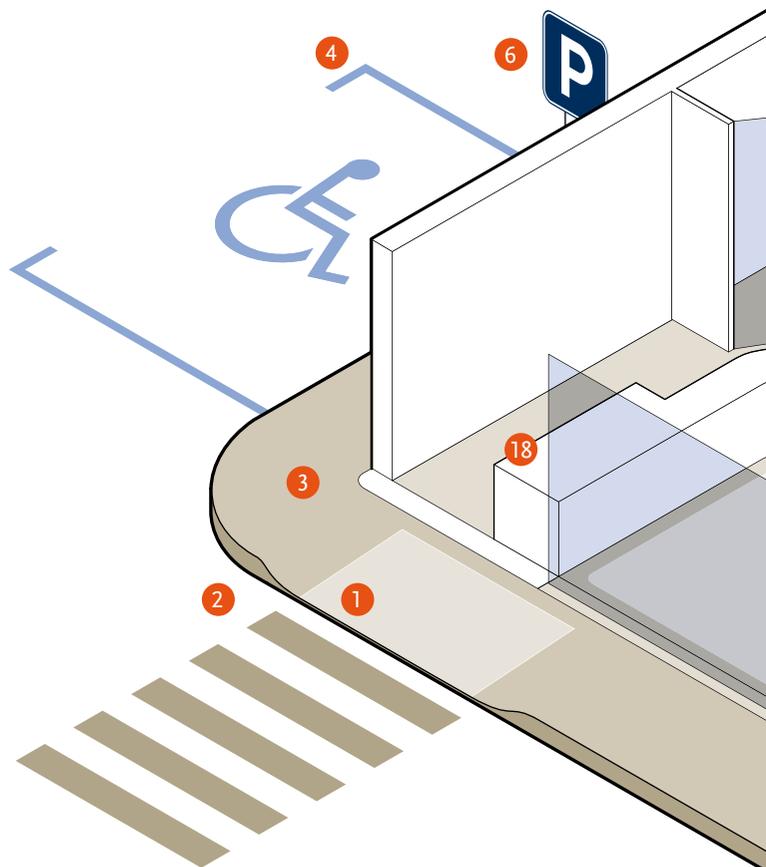
The 'Delta Pioneers' Project

The Tigre Delta, in Argentina, is a belt made up of low-lying islands, rivers and streams, which is heavily populated and in recent years has become an important tourist spot. In order to supply LPG to these communities, Repsol YPF has put a boat service into operation, through YPF Gas, which refills LPG tanks in the

same way as a tank truck. This project received the bronze award from the Argentinean Direct and Interactive Marketing Association (AMDIA) in the Telemarketing-Customer Service category.

Service stations adapted and certified under global accessibility criteria

Repsol YPF now has 81 accessible service stations in Spain, two of which hold the UNE 170001-2 global accessibility certification. This certifies that the facilities are adapted to meet the needs of all members of the public, including disabled people. The modifications a service station requires to receive global accessibility certification are as follows:



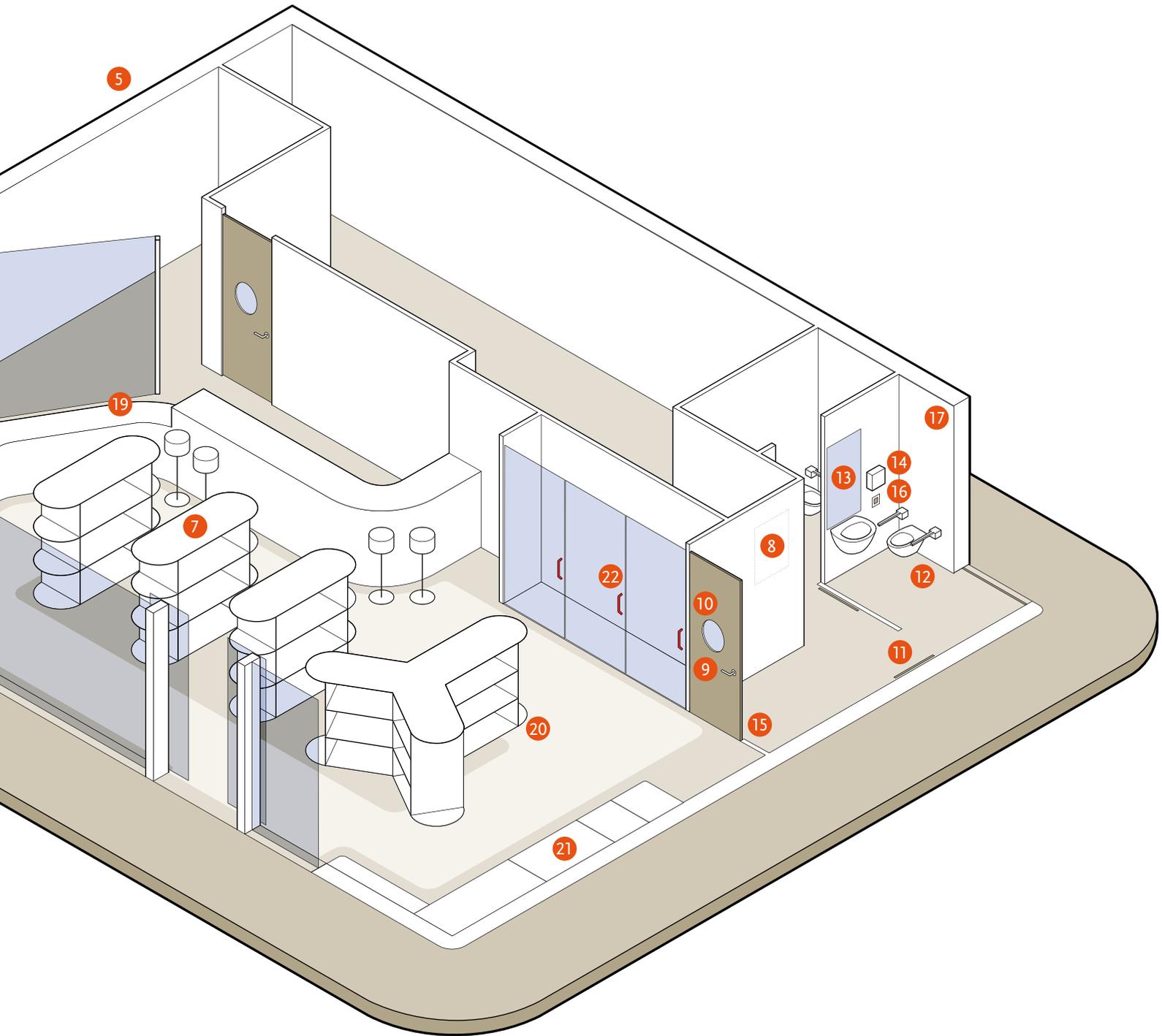
Outdoor space

- 1 **Entrances and exits.** These must contain minimal bends and are in a different color than the sidewalk. Likewise, pedestrian walkways have been made as straight as possible on roundabouts. Slopes are kept to the minimum essential, with no first step in the middle.
- 2 **Pedestrian route.** A pedestrian route has been built to link the sidewalk of the building to the car park, air and water area and the sidewalk of the road outside.
- 3 **Sidewalk width.** The sidewalk surrounding the building is 1.20 meters wide, with corners designed so as not to hinder turning.

- 4 **Car park.** A bay has been reserved for people with reduced mobility beside the services building, and it is clearly signposted. Its location has also been improved, as it is near an entrance with a specific maneuvering area and is large enough.
- 5 **Air and water.** The air and water area, located beside the car park, is fitted with lighting and is clearly signposted.
- 6 **Miscellaneous signage.** Signs have been positioned in such a way as to avoid being an obstacle and are at a height of 2.10 meters.

Services building

- 7 **Furnishings.** Furnishings have been reorganized to avoid problems of lack of space.
- 8 **Telephone.** The public telephone has been removed from the area to avoid customers having to stop in this area to use it.
- 9 **Doors.** All the doors have special handles to make them easy to open and close.
- 10 **Viewing hatch.** The doors into the shop have a viewing hatch for customers in wheelchairs.
- 11 **Adaptation of toilets.** Male and female toilets are adapted so that they can be used by disabled people.



- 12 **Lavatory.** The position of the lavatory has been altered to leave an 80 cm gap, allowing a wheelchair to get past it. The support bars are at a height of 75 cm and at a distance of 70 cm from each other. The lavatory is 45 cm from the ground and the color of the bathroom fixtures contrast with those of the tiling.
- 13 **Mirror.** The mirror has been hung at 90 cm from the floor.
- 14 **Electrical apparatus.** The light switches have been placed at a height of no more than 90 cm. The hand-dryer and soap dispenser are placed at between 70 and 120 cm in height and at least 100 cm from the washbasin so that everyone can use them.

- 15 **Doors.** The doors have been fitted with a system so they can be unlocked from the outside, and which shows whether they are occupied or not. The inside door of the men's toilet is also fitted with a hydraulic device so it can be opened and closed with a maximum pressure of 40 Nw.
- 16 **Bell.** A bell to call for help has been fitted 50 cm from the ground, with an emergency signal.
- 17 **Occupation.** The cubicles have a monitoring mechanism to ensure the lights remain on while somebody is inside.

Furnishings

- 18 **Counter.** The counter has a payment point especially designed for customers in wheelchairs.
- 19 **Bar.** A table has been installed with a special bar.
- 20 **Display shelves.** Display shelf feet have been rounded to foster accessibility.
- 21 **Wall display.** The high wall display has been adapted so that basic and frequently used products are within easy reach.
- 22 **Handles.** The handles for opening refrigerators are colored red, making them more easily visible and accessible.

Added value products and services for our customers

We are working to improve the quality of the products and services we offer our customers through technology development and innovation, with particular focus on energy efficiency and respect for the environment.



Innovative products and services

For our customers in the farming sector

- **Biodegradable insecticides:** We have developed biodegradable insecticides which can replace traditional mineral oils in pest control.
- **Sulphur soil pH correcting agent:** We have developed a sulphur-based product to make land suitable for crop cultivation or to improve its productivity.
- **Plastic film to prolong the life of perishable goods:** In 2009, in collaboration with one of our customers, we began development of an oxobiodegradable film for packaging fruits and root and green vegetables. The resulting film lengthens the life of the packaged product.

For our customers in the haulage sector and drivers.

- **Fuels that improve engine performance and reduce emissions:** We have tested the combined use of biofuels and liquefied petroleum gas (LPG) for vehicles in order to improve engine performance while also reducing CO₂ emissions.

For our industrial customers

- **Recycling of roads:** Reuse of the worn out road surfacing materials for building the new road, thus reducing the need for new gravel layers. We have also developed technologies for cold recycling of asphalts, with a saving of up to 30% in the energy required for paving.
- **Draining road surfaces, noise reduction and road safety improvements:** We have created tarmacs that reduce vehicle noise on roads and which can quickly discharge rainwater, improving road safety.
- **Biodegradable, fire-retardant hydraulic oils:** We offer safer hydraulic oils that reduce fire risk and are biodegradable.

Innovative services

- **The best local products, in the service station shop:** 2009 saw the launch of the 'Food Space' project in our service station shops in Spain, which enabled us to complement the "basic basket" of daily goods with a range of high-quality, local products.
- **LPG purchase via mobile phone:** Repsol YPF, together with the telephone

services companies MoviStar and Presto, launched a new service in Chile in 2009 enabling customers to purchase gas for household use using a mobile phone and the Presto credit card.

- **Accessible service stations:** Repsol YPF now has 81 accessible service stations in Spain, two of which hold UNE 170001-2 certification, certifying they are fully adapted for use by the disabled.
- **Regulatory authorization management:** Repsol YPF is the only company marketing gas for household use in Peru to help its customers obtain the legal permits they need.

The safety of our products

Repsol YPF goes beyond its legal obligations in drawing up safety fact sheets on dangerous products, and it is developing these for all its products.



Industrial consortia for compliance with the REACH regulations

Repsol YPF is a member of the consortia so far set up to comply with the Registration, Evaluation, Authorisation and Restriction of Chemical Substances Regulations (REACH). Most of these consortia are made up of the industrial associations we belong to, such as

Conservation of Clean Air and Water in Europe (CONCAWE), Eurobitume, the European Chemical Industry Council (CEFIC), the European Disocyanate & Polyol Producers Association (ISOPA) and the International Institute of Synthetic Rubber Producers (IISRP).

These fact sheets cover all issues related to product safety, the origin of components, contents, safe usage instructions and disposal methods. We also draw up product safety sheets and information leaflets so that Repsol YPF workers are aware of the risks from chemical products and the preventive measures required when handling them.

These documents are updated in line with changes in legislation and are managed by a computer application, which has given us greater management efficiency and given users greater autonomy.

In 2009, the Product Safety unit undertook activities relating to compliance with Regulation 1907/2006 or the Registration, Evaluation, Authorization and Restriction of Chemical Substances Regulations (REACH), which this year focused on compiling details on the substances that must be registered. No incidents occurred in 2009 regarding the safety of our products and leading to sanctions, fines or penalties.

Advertising communications

Repsol YPF is a member of the Spanish Association for the Self-Regulation of Advertising Communication (Autocontrol), a non-profit organization that seeks to ensure trust and credibility in advertising.

Autocontrol belongs to the European Advertising Standards Alliance (EASA), a body that includes all the European advertising self-regulation entities. The company signed Autocontrol's Self-Regulatory Code on Environmental Claims in Commercial Communications in 2009, out of its desire to abide by a set of rules that supplement current legislation on advertising relating to the environment.

Objectives 2010

Raise the number of accessible service stations.

Increase customer satisfaction levels and reduce the number of complaints we receive.

2009 awards

- Repsol YPF was recognized by the Leaders in Excellence 2009 awards, presented by the magazine Consumer Management in the consumer satisfaction category, in this case relating to gas customers.
- The YPF Gas Customer Care Service (CCS) received the bronze award for the "Delta Pioneers" project in the Telemarketing Customer Service category, presented by the Argentinean Direct and Interactive Marketing Association (AMDIA).
- Our efficient service station in Carabanchel (Spain) received a special jury mention in the Autonomous Region of Madrid awards, in the best thermal facility category.