



**ANNUAL REPORT FOR THE HYDROCARBON EXPLORATION
AND EXPLOTATION PROGRAM IN IONIAN BLOCK**



December 2019

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Table of Abbreviations

EAP	Environmental Action Plan
EBR	Environmental Baseline Report
EMP	Environmental Monitoring Program
GG	Government Gazette
JMD	Joint Ministerial Decision
MD	Ministerial Decision
MSA	Main Study Area
NTUA	National Technical University of Athens
RBMP	River Basin Management Plan
TBT	Toolbox Talk
YPEN	Ministry for Energy and Environment

1. INTRODUCTION

1.1 Scope of the report

The Hellenic Republic -represented by Hellenic Hydrocarbon Resources Management S.A. (HHRM or the Lessor)- awarded a Lease Agreement for Hydrocarbon Exploration and Exploitation in the offshore Ionian Block (Contract Area) in the northern Ionian Sea (see below Figure) to Repsol Exploracion SA (Repsol SA) - Hellenic Petroleum (HELPE) Joint Venture (JV) in October 2019. The Greek Parliament through Law 4629/2019 (GG 154/A/10-10-2019) and Repsol SA thereby acting as Operator intends to commence the first phase of hydrocarbon explorations in the Ionian Block in line with the Company’s environmental, social, health & safety standards, requirements, and applicable national legislation in force ratified the Lease Agreement. According to the respective Lease Agreement (Article 12.14, L. 4629/2019) prior to the commencement of the Company’s hydrocarbon exploration activities in the Ionian Block, an Environmental and Social Baseline Report (EBR) is required to be submitted to HHRM (the Lessor).

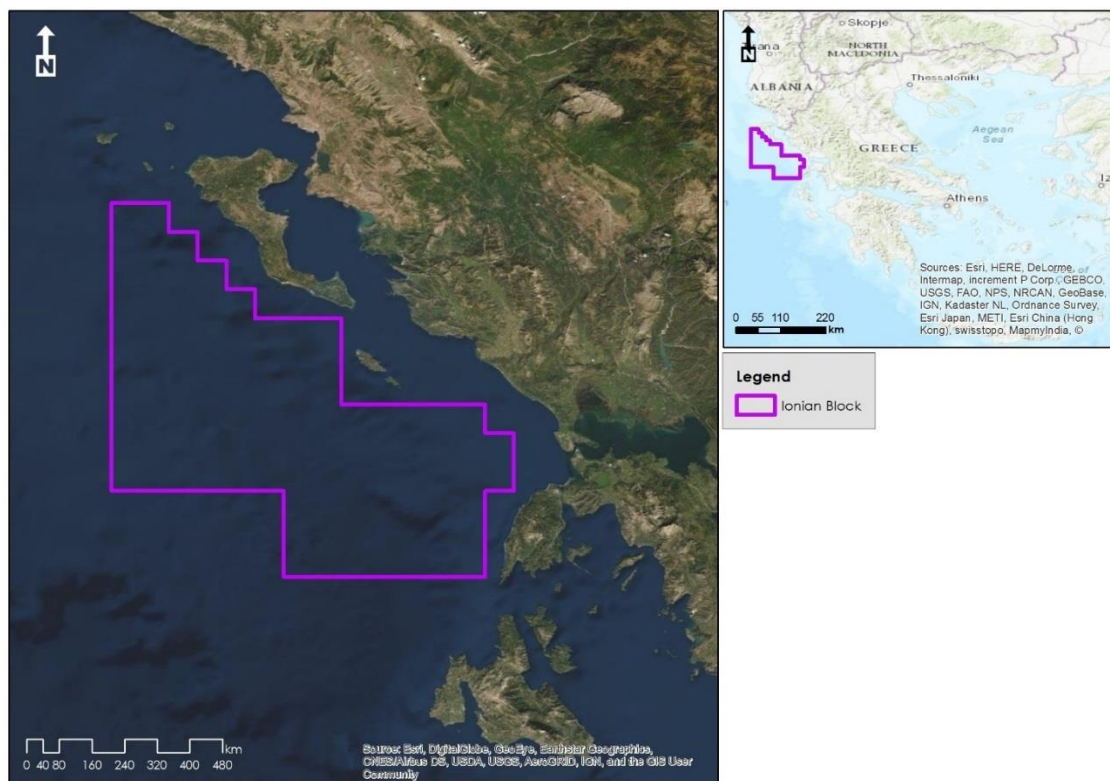


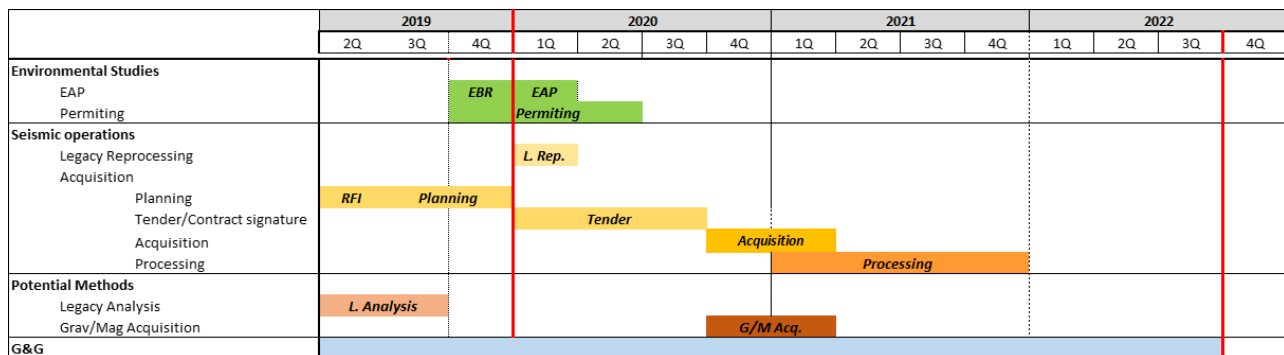
Fig 1. – Ionian block location

According to Article 3 of the ratified LA for the Hydrocarbon Exploration & Exploitation Program of the Ionian Block, the Program will be developed in 3 phases as shown in Figure 2.

Minimum Work Program	Phase 1 (3 years)	Phase 2 (3 years)	Phase 3 (2 years)
2D Seismic Survey	New acquisition of 1,600 km 2D seismic data		
Reprocessing of Existing Seismic Data	Seismic reprocessing of 500km 2D data		
3D seismic survey		Acquisition of 900km ² 3D seismic data	
Other surveys	Gravity/Magnetic 1,600km line (during seismic acquisition)		
Other works	Geological Works Environmental Studies	Geological Works Environmental Studies	Geological Works Environmental Studies
Drilling			One exploration well to a minimum total depth of 1,400m below mud line

1.2 Project schedule

Ionian offshore seismic project is planned to start operations in Q4 2020 if possible. The duration of seismic operations is estimated in 6-8 weeks.



2. ENVIRONMENTAL STUDIES

This epigraph includes an overview of the evolution of the Project in terms of environmental permitting and studies.

Activities in 2018:

- Due Diligence
-

Activities in 2019:

- Environmental Baseline Report
- Environmental Action Plan

Activities in 2020:

- Environmental Action Plan
- Stakeholder Engagement Plan
- ESHIA report

2.1 Due Diligence

Repsol Exploración participated in the bidding process of the Ionian Block in February of 2018. As part of the Repsol internal requirement a desktop safety and environmental Due Diligence of the block was carried out with the following objectives:

- Identify the major sensitivities within the block in terms of environment and social component.
- Main international standards and regulations which will be relevant to applied for the Permitting process
- Provide guidance of most relevant aspects of the project to be taken of.

As a result of this desktop study the following topics were highlighted:

- Considering high environmental sensitivity within the block, EAP and SEP will require proper planning schedule and resources (local coordinators) to meet EU & local standards & regulations.
- It is possible that more stringent environmental requirements must be implemented as part of the environmental permit. E.g.: avoid sensitivity periods for marine fauna; stop firing during seismic production times, etc.
- The block is located in an area of high marine traffic. Considering a potential offshore seismic in the area, additional resources like chase boats (2+), Fisher Liaison Officers (FLOs) and a fishing management plan may be needed.
- Consider at early stages the need of having local coordinators (Fluent in Greek & English) to manage social and environmental issues.

2.2 Environmental Baseline Report

The present Environmental and Social Baseline Report (EBR) was prepared by LDK Engineering Consultants S.A. (LDK) and Advisian - Worley (Advisian) under Contrac Ref, No. G&G-19-009 regarding the provision of services to Repsol Exploración SA (Repsol SA) for the "Preparation of the Environmental, Social and Health Impact Assessment (ESHIA) for the Offshore Seismic Operations in the Ionian Block in Greece".

The Project team that has participated in the elaboration of the EBR is presented in the following table:

Name	Role	Company / Institution
María Sánchez	Project Director	Advisian - Worley
Costis Nicolopoulos	Deputy Project Director	LDK
Andrea Lazaro	Project Manager	Advisian - Worley
Joëlle Salamé	Senior Environmental Consultant	Advisian - Worley
Juan Carvajalino	Environmental Consultant	Advisian - Worley
Donaldo Juvinao	Environmental Consultant	Advisian - Worley
Panayotis Panayotidis	Marine Biologist PhD, Marine/coastal habitats and species expert	LDK (HCMR)
Dimitris Sakellariou	Geologist PhD, Met-oceanography and Geology expert	LDK (HCMR)
Kalliopi Pagou	Marine Biologist PhD, Marine/coastal habitats and species, Water quality expert	LDK (HCMR)
Evie Litou	Social and Health & Safety expert	LDK
Chrystallia Evangelatos	Environmental and Social expert - GIS Specialist	LDK
Eleni Avramidi	Environmental and Social expert – GIS Specialist	LDK
Diamantis Saliaris	Biodiversity expert	LDK
Elena-Miranta Ioannaki	Environmental expert	LDK

The EBR was conducted in compliance with the requirements of the respective Lease Agreement, the Decision of Approval of the SEA Study (MD οικ. 30373/2017) of the Ionian Sea Hydrocarbon Exploration & Exploitation Program and Repsol SA standards and requirements. The final EBR was approved by Repsol Exploración and will be submitted to the Lessor (HHRM) for review in accordance with Article 12.14 of the ratified Lease Agreement (L. 4629/2019, GG 154/A/10-10-2019). The Lessor may request the opinion of the Ministry of Environment and Energy (Department of Environmental Permitting-DIPA) on the EBR (as has been practiced in previous occasions common practice through not legally compulsory).

The scope of the Environmental and Social Baseline Report (EBR) has been to provide a thorough understanding of the current environmental and social conditions in the study area defining focus of future impact analysis and resources that require protection through appropriate and viable mitigation measures. Specifically, the collection and assessment of baseline data will contribute in the following:

- Identifying environmental and social sensitivities and constraints that may affect the project or conversely may be impacted by the performance of the seismic project, or both.
- Identifying the main stakeholders of the study area that could be more relevant in the engagement actions to be carried out in future stages of the project.
- Providing sources of information used for collecting Baseline Data (National-regional Databases of Previous EIAs, EU and international level databases etc).
- Providing a reference point for future monitoring and, if necessary, establish accountabilities and responsibilities.
- Providing baseline information for the design of the Mitigation Plan.

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This report has been completed and approved in December of 2019.

2.3 Environmental Action Plan

The same project team that has developed the EBR is currently in the process of developing the Environmental Action Plan, developing the following topics:

- Executive Summary
- Legal regulatory framework of the project
- Project description
- Summary of environmental and social baseline conditions
- Environmental and social scoping
- Assessment of potential environmental and social impacts
- Proposed environmental and social action plans

The estimated date to complete this report is April of 2020.

2.4 Stakeholder Engagement Plan

During 2019, a list of main stakeholders has been identified. The plan forward in 2020 is to conduct several social field surveys in order to ensure that the company is aware of those who are interested and/or concerned with the project and, consequently, should be involved in the engagement process of the Social Engagement Plan (SEP).

2.5 ESHIA report

This document defines the Repsol corporate framework to ensure that the process to evaluate environmental, social, and health impacts is carried out in all Repsol projects and operations in order to identify and assess the impacts and, when appropriate, implement prevention and mitigation measures, getting all stakeholders involved.

This document is an internal requirement to be developed in 2020 and finalized before the commencement of the operations.

The table below summarized the main reports and task developed in 2019 and the estimated times to complete the rest of studies and reports in 2020:

Task Name	Start	Finish
ESHIA - Offshore Seismic Operations - Ionian Block - Greece	Wed 26/06/19	Mon 01/05/20
Task 1. Environmental and Social Baseline Report (EBR)	Wed 24/07/19	Wed 15/01/20
Task 2. Gap Identification Report	Tue 05/11/19	Fri 22/11/19
Task 3. Summary of Environmental and Social Constraints	Tue 05/11/19	Tue 26/11/19
Task 4. Environmental and Social Action Plan (EAP)	Tue 26/11/19	Tue 07/04/20
Task 5 Mitigation Measures Workshop	Fri 14/02/20	Fri 14/02/20
Task 6. Stakeholder Engagement	Wed 26/06/19	Mon 13/01/20
Task 7 Regulatory Framework and Permitting Roadmap	Wed 24/07/19	Mon 23/12/19
Task 8. Environmental, Social and Health Impact Assessment (ESHIA)	Fri 16/08/19	Fri 01/05/20