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Josu Jon Imaz

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When things go wrong and there is a crisis, it is the leader who has to step up to the plate



Josu Jon Imaz | CEO of Repsol.

Josu Jon Imaz has been CEO of Repsol since April 2014. Under his management, Repsol has accelerated the process of decarbonising its assets to become one of the leaders of the energy transition in Spain. He holds a PhD in Chemistry from Universidad del País Vasco and graduated from the San Sebastián Faculty of Chemistry where he received the award of excellence upon completion of his degree. He began his professional career in the fields of research and the promotion of industrial (Mondragón Group) and business projects linked to the world of energy. He also held various positions of political responsibility, including notable roles in the Basque Government's Department of Industry, Trade and Tourism in 1999, and as President of the Basque Nationalist Party (EAJ-PNV). He is currently Chief Executive Officer of Repsol and Trustee of Fundación Repsol

You have had an extensive career in both business and politics. Based on your experience, how would you define your leadership model? What qualities should a good leader have?

I don't have a magic recipe, there are manifold forms of leadership. However, they all have to meet a number of conditions. The first is respect, a leader has to love their team. The second is that the leader has to take responsibility for defining a strategy, which will then be shared. Third, they must know how to delegate, in the sense of giving responsibility to others, at the same time that they assume responsibility for any mistakes. You have to let professionals make mistakes, only those who make mistakes grow. I myself have failed many times in life. In life you have to fail, you have to

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experiment, you have to grow, and a leader must let that happen. The culture of error is very important. Organisations that prevent mistakes and risk taking hold back innovation and the ability for their team to develop professionally.

On the other hand, it is important to surround yourself with talented people. When you surround yourself with good professionals, you are promoting the success of the team, and of the leader too. It is also vital to promote diversity in the sense of establishing a culture of diversity, where different profiles combine. This gives us a different vision and helps people start to "think outside the box."

Lastly, there is a book on leadership that talks about the concept of heroism based on the model of the Jesuits. I transfer it to the business environment as follows: When things go wrong and there is a crisis, it is the leader who has to step up to the plate. The leader must protect the team and the company, even at their own cost and their future.

In the context of the pandemic, we have had to replace on-site working with remote working. What message should leaders convey to their teams in the face of this paradigm shift?

The pandemic has made all of us go through very complex situations. We have suffered moments of tension, with very high levels of exigence because from a business standpoint we were having a tough time. But this situation has also allowed us to get to know each other better in difficult situations, understand each other and forge a team.

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On the other hand, we have seen little of each other. With regard to management, we have had to focus on prevention measures. Currently, we still have many restrictions in place. In our case, the meetings, the committees, are still held using videoconferencing. This has prompted us to have an emotional need to go back to the physical, to touch each other, to look into each other's eyes. Distance affects innovation, efficiency, free thinking. Therefore, always respecting epidemiological measures, I would recommend a return to on-site working as soon as possible.

In relation to this, how can the speed at which all this technological transformation is taking place strengthen or weaken the figure of the leader?

Technology, like any tool, has its good side and its bad side. The key is to make good use of it. It can be a very powerful means of communication, but it should not make us sacrifice the attributes of a good leader: sharing, listening, leading.

Digitalisation is also a great advantage in the communications of large companies. When operating in twenty countries, continuous physical presence becomes unfeasible. In this case, technology allows us to listen more to the teams, to be more in contact with people. But it should never be a substitute; it has to be interactive and complement other tools. I love digitalisation, but we must use it without losing the core values of leadership.

What leaders or notable people have inspired you during your career?

I have had very good mentors along the way, but in these last thirteen years I would highlight the Chairman of our Board of Directors, Antonio Brufau, for his generous leadership model. He gave up all the executive responsibilities of the company to me. Another virtue is that he is a pre-emptive leader. As early as 2002 in a conversation we had about the future of the energy industry, he described to me the confluence between oil, gas, electricity and renewables, which we see today.

There has also been a collaborator who has accompanied me for twenty years, Luis Alberto Aranberri, better known to all as Amatiño, who has given me his common sense, and known how to challenge me. Common sense, intelligence, critical capacity and an ability to challenge the leader; I would advise always having a person with that spirit in the team and, above all, letting them play that role. I have had pre-emptive leaders and collaborators who have also challenged me, which is fortunate.

Continuing with the figure of the leader, what are the keys for a leader to attract and retain female talent in their organisation?

I think the key is to think about how to grow that female talent. It is necessary to work the pyramid from the very bottom. First, in education. In the case of Repsol, a company with a very technological and scientific profile, we must ensure that we have women in all disciplines. We do not encourage "soft" training for women and "hard" for men. We must make an effort so that women with a vocation have the same opportunities in STEM careers. In other words, they can choose what they want to study, just like men, without conditions of any kind.

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Second, in companies, we have to allow them to compete as they progress, so that when there is a position available we have, at least, one woman competing for it. It is also important that the years in which it is more complex to reconcile professional progression with the family, this does not pose an obstacle for women, that they can do it sooner or later, but that it does not limit their professional careers. In short, we have to make those invisible filters that affect women disappear.

The new generations once again face great challenges such as difficult access to the labour market, the crisis. What message can we convey to young people?

I think it is an issue that must be addressed not only in terms of the challenges young people face, but also in terms of the competitive and productive economic fabric that we need to create in Spain to give these young people an opportunity. We need to promote a productive economy, an industry, back an economic model that pays good wages, that offers job stability. In the industrial sector, 90% of the jobs are full-time, almost 80% are permanent contracts, and salaries are significantly higher than the average for the national economy.

We have to commit to education, science, technology and industry. This is the productive model that will allow young generations to have opportunities and which will mean that highly educated people do not have to emigrate. In addition, this offer should be completed with support for the labour market, dual training, mechanisms that promote youth recruitment.

Repsol has become one of the leaders in energy transition in Spain and the first industry player to commit to net zero emissions by 2050. How can leaders convey the importance of sustainability to their teams and stakeholders?

Sustainability means that current economic and social development can take place without jeopardising the future of coming generations. Therefore, from the point of view of responsibility, it is a very important social vector. But it is also a business vector, since a sustainable company is one that can guarantee business development to the people who are going to be part of the company over the next twenty or twenty-five years.

The role of the CEO is very complex, every quarter they have to give results, but they are also asked to look at the long term. Delivering results is easy, you just have to forget about the long term and milk the cow dry in the short term. Thinking in the long term without being responsible for the short term is also easy. The difficulty lies in combining the two, and therein lies sustainability. When there are clear metrics, clear objectives, when people see that we are doing our homework, that we meet the company's CO2 reduction objectives, respecting the fundamentals that allow us to have low debt and improve earnings, we achieve a shared vision and an alignment.

In 2012 we launched an initiative that was among the first of its kind in the world. We link the salary of all employees of Repsol's industrial centres in Spain to a variable remuneration component that depends on the CO2 emission of their workplace. A clear alignment of sustainability with people's actions. For me, being sustainable is the difference between our company existing in 2040 or not.

In life you have to fail, you have to experiment, you have to grow, and a leader must let that happen.

Contact

CONFEDERACIÓN ESPAÑOLA DE DIRECTIVOS Y EJECUTIVOS - CEDE

World Trade Center
Moll de Barcelona, s/n Edificio Sur 3ª planta
08039 Barcelona (Spain)
Tel. +34 93 508 83 20
Fax. +34 93 508 83 21
E-mail: info@directivoscede.com