
2018 / SUSTAINABILITY
REPORT

EN

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GY

**WE
TRANSFORM
LIVES
THROUGH
ENERGY**

YPF



**2018 / SUSTAINABILITY
REPORT**

YPF

At YPF, we work toward the same goal we set in 1922, when we began to produce the energy that would transform the lives of the Argentine people.

As pioneers, we began by turning dreams into reality.

With hearts and minds, we imagined energy production at a time when our country was emerging – when we still moved by animal-drawn carts.

To change a coal-reliant past, we first imagined oil, then gas. Today, we are adding wind and solar energy. And we'll continue to include new energies as they evolve.

In the Vaca Muerta development, in the south-a city lit up,

in a northern field,

in a plane taking off for the Iguazu Falls,

in a truck refueling along an endless
road to Patagonia,

in a stove burner heating a pot of water
for mate, or an operating room, with its
lights upon Camila, a newborn-in all these
places, YPF's energy is constant.

We are leading the future of energy, and
we do it with the firm conviction that we
are innovating the lives of millions.

As Argentina's leading energy provider,
our work is important and meaningful on
behalf of each and every Argentine.

This is our truth. This is the inexhaustible
energy of YPF.

Each day, we grow into a more dynamic
and visionary company.

We strive to live up to the ideal that
gave – and continues to give –
our work meaning...



**WE TRANSFORM
LIVES THROUGH
ENERGY.**

YPF





MESSAGE FROM THE CHAIRMAN

16

As Argentina's leading energy company, we, at YPF, have not only a commitment to produce affordable, profitable and competitive energy for people's everyday life and Argentina's economic development, but also a responsibility to respond to new global and local energy needs and trends, including the protection of national and world natural resources.

For this reason, YPF, each day, strives to be better, more efficient, innovative and sustainable, tapping the country's great energy wealth. Our strategic plan is focused on the transformation into an integrated energy company. This will enable the country to move towards a cleaner, lower-carbon energy matrix and also contribute, in the medium-term, to other countries worldwide achieving this goal through our exports of less carbon-intensive products.

Natural gas, the ultimate transition fuel, produces less carbon emissions than other fossil fuels and is currently an intelligent partner for renewable energies, ensuring a steady and safe supply. At YPF we have made significant progress in the production of this resource during 2018, achieving world-class efficiency and productivity milestones in our oil and unconventional gas operations. The company thus projects itself as a major energy transition driver from Argentina to other Latin American countries, and also to other latitudes in the medium and long term.

Our commitment involves strengthening energy and resource efficiency in our operations, while supporting the development of circular economies. In addition, it is important to highlight that as a Group, we have placed particular emphasis in the development of electric power and renewables, and the creation of a plan to further increase production of these types of energy. We are committed to the goals of the Paris Climate Change Agreement, the United Nations 2030 Agenda for Sustainable Development Goals, and the UN Global Compact's Ten Principles,

among other international efforts to contribute to a future that improves people’s quality of life and takes care of the world’s resources.

Our vision of sustainability also involves multiple internal and external aspects of our operation and everyday business management, such as making people’s safety a priority, ensuring that everyone in our supply chain complies with safety and environmental rules and aligns with our corporate values, working with local communities on an ongoing basis, and promoting innovation in both our operations and marketed products and services. We have also continued with projects on clean development mechanisms, reforestation, and new specifications for fuels and biofuels, among other actions relating to climate action.

We are committed to constantly adding value for every customer. We have consequently reinforced investments in R&D focused on electrification and digitalization of operations and also through our Y-TEC center in programs on new energies and environmental sustainability.

This last issue is extremely important, since the transformation of the company is directly related to the use of technology allowing it, among other objectives, to automate processes to optimize production, streamline operations, increase

organizational efficiency and cybersecurity, as well as improve customer experience with specific developments and as the final expected result.

In addition, we have implemented other initiatives to foster innovation in the entrepreneurial ecosystem through a new company, YPF Ventures.

With a 96-year track record, we continue to contribute to Argentine society through a practice of corporate governance committed to ethics and transparency. We challenge ourselves, grow and evolve with the times, adapting to local and global energy realities and needs, leading a more carbon-efficient oil and gas business, consistently expanding the new electric power and renewables line, and contributing with excellence to building a more prosperous and sustainable planet.



Miguel Ángel Gutiérrez
Chairman, YPF S.A.



MESSAGE FROM THE CEO

/ 8

YPF's long-term vision, including its sustainability strategy, is fueled by consistent corporate management. During 2018 we updated the strategic plan introduced in 2017 the first of its kind in several years with the aim of becoming a company that is more solid, competitive and resilient to industry challenges.

Occupational safety and environmental care are YPF's top priorities. Although in 2018 we managed to improve risk management indicators, we experienced fatal accidents caused by contractors. We have undertaken to strengthen our safety and operational excellence management policies across the company, implementing various initiatives while remaining aware of and active in prevention practices.

Corporate management focused on further laying the foundations for sustained long-term growth with protection of financial stability, as well as on increased efficiency in the Upstream, which resulted in increased reserves and confirmed profitability in the development of unconventional resources; a strong participation in Argentina's fuels market; a high percentage of availability of our industrial complexes; and the consolidation of a vehicle for developing our electric power business, including renewables. These were all fundamental management goals. In addition, we focused on implementing a deep transformation of our company, which includes promoting innovation, employee and supplier development, as well as the cultural change needed to compete in a different industry.

In 2108 YPF's revenues grew 72.4%, from 252.8 to 435.8 billion pesos. EBITDA, in turn, doubled compared to the previous year. If we include the revaluation of YPF's investment in YPF LUZ for AR\$ 11,980 million, the recurring EBITDA shows an increase of 82%.

Operating cash flows rose by 73.8%, allowing the company to self-finance its entire investment plans. With investments amounting to 95.4 billion pesos, we are proud of YPF's position as the largest investor in the country. YPF also managed to improve the net debt/EBITDA ratio, which was 1.68.

In 2018 reserves rose by 16.2%. With a reserve replacement ratio of 178% the highest in 22 years 19% of the total reserves were unconventional hydrocarbons from the Vaca Muerta formation.

In addition, 385 new oil and gas wells became active, maintaining a stable crude production. Notably, there was a 59.6% net increase in unconventional production in Q4 2018 compared to Q4 2017. A temporary decrease in natural gas production, due to a period marked by excess supply, was taken as an opportunity to start developing the gas export business.

The volumes of fuels sold in the domestic market continued an upward trend, despite a challenging scenario. In this context, YPF's net sales in 2018 increased by 73.1% in the Downstream segment.

Our commitment towards the future is to continue strengthening YPF to make it ready for a globally evolving energy industry, with a focus on the creation of both economic and social value, and to further develop the competencies and resilience needed to lead the energy industry in Argentina.



Daniel González
CEO de YPF S.A.





CONTENTS

MESSAGE FROM THE CHAIRMAN

PAGE 6

MESSAGE FROM THE CEO

PAGE 8

INTRODUCTION

PAGE 12

01. COMMITMENT TO SUSTAINABILITY

PAGE 28

02. TRANSFORMING LIVES THROUGH ENERGY

PAGE 36

03. PEOPLE

PAGE 62

04. RESPONSIBLE BUSINESS

PAGE 82

05. CREATING SOCIAL VALUE

PAGE 100

06. APPENDICES

PAGE 116

Translation of a report originally issued in Spanish.
In the event of a discrepancy, the Spanish language
version prevails.

INTRODUCTION

A large industrial refinery or chemical plant is shown in the foreground, featuring several tall distillation columns and a complex network of pipes and walkways. The background consists of a range of rugged mountains with significant snow cover under a clear blue sky.

YPF IN FIGURES

102-7, OG1



B AR\$ 435.8

Income



B AR\$ 121.5

EBITDA¹



B AR\$ 95.4

Investments

Largest investing company in Argentina



1,080 M BOE

Total proved reserves

+ 16.2% vs 2017

41% Natural Gas



530 K BOE/DAY

Net hydrocarbon production

40% of the market



72 K BOE/DAY

Net shale production



319.5 K BBL/DAY

Refined products

50% of Argentine refining capacity



3.31

Energy intensity in Upstream

(GJ/t produced)



0.38

GHG intensity

(tons of CO₂-eq per production unit)



182,760 KT

Reused water



M AR\$ 231

Voluntary social investment



1,591

Gas stations

36% of the gas station market

58% of the gasoline and diesel market



20,702

Direct employees

21% women



#1

Petrochemical producer

2.5 M tons of products /year



#5

Electric power generator in Argentina

1.8 GW



0.51

Accident Frequency Rate

¹ This reflects the recurring EBITDA, as it does not include the result from the revaluation of YPF S.A.'s investment in YPF LUZ (YPF Energía Eléctrica S.A.) for AR\$ 11,980 million.

REFERENCES

BBL: Barrels; BOE: Barrels of oil equivalent; EBITDA: Earnings before Interest, Taxes, Depreciation, and Amortization; K: Thousand(s); M3: Cubic meter(s); M: Million(s); B: Billion(s); T: Tons; GJ: Gigajoules; AR\$: Argentine pesos.

COMPANY PROFILE

102-1, 102-2, 102-3, 102-4, 102-5, 102-6, 102-9, 102-10, 102-16

YPF S.A. is an Argentine energy company with more than 96 years of history. It is the largest operator across the country's oil and gas value chain (production, refining, petrochemical operations and sale of fuels) and the leading Latin American company in unconventional resources production, with an expanding business focused on electric power and renewables.

In the light of today's big energy and climate challenges, the purpose of the company is to transform lives through energy by delivering the best experience to both users and customers. To this end, its decision-making process is closely intertwined with innovation and sustainability to achieve competitive, safe and reliable businesses that contribute to a cleaner and lower-carbon energy matrix.

YPF's headquarters are located in Argentina, where most operations are conducted. Nonetheless, the company holds equity interests in one exploratory area in Chile and Bolivia, commercializes lubricants and derivatives in Brazil and Chile, and undertakes industry-related construction activities in Uruguay, Bolivia, Brazil and Peru through AESA, one of its controlled companies.

SHAREHOLDERS

YPF is a publicly traded corporation, with registered domicile in Argentina. It is subject to the public offering system and to both Argentine Securities and Exchange Commission (Comisión Nacional de Valores – "CNV") and United States Securities and Exchange Commission ("SEC") control since 1993. Pursuant to Law 26741, it is not be subject to any legislation or administrative regulation applicable to the management or control of companies or entities owned by the federal government or provincial governments.

The federal government owns 51% of the shares in YPF, while the remaining 49% shares are floating stock trading on the BCBA and the NYSE.

[YPF S.A. is a publicly-traded corporation with securities trading on the Bolsa de Comercio de Buenos Aires \(BCBA - Buenos Aires Stock Exchange\) and the New York Stock Exchange \(NYSE\) since 1993.](#)

Senior management is appointed by the Board of Directors based on professional and technical background.





VISION

To become an integrated, profitable and competitive customer-oriented company, attractive to talent and producing affordable and sustainable energy while leading energy transitions in Argentina.

VALUES

All of YPF's activities must be inspired and abide by the corporate ethical values described in its Code of Ethics and Conduct. This code governs the behavior of every person performing services for or engaging with the company: directors and employees, contractors, suppliers, and business partners.

**WE BEHAVE
WITH INTEGRITY**

**WE CREATE
VALUE**

**WE PRIORITIZE
SAFETY**

**WE ARE COMMITTED
TO SUSTAINABILITY**

**WE ARE
CUSTOMER-ORIENTED**

**WE VALUE GENDER
EQUALITY AND RESPECT
DIVERSITY**

VALUE CHAIN

New energies

Development of wind and solar energy projects and increase in natural gas production to replace fuel oil or diesel power generation.

Exploration

Search for and identification of new oil and gas reservoirs.

Production

Recovery of oil and gas resources -either conventional or unconventional- by means of extraction processes.

Development

Preparation for production in areas with oil and gas reservoirs. Includes definition of development type and investment level.

Storage and Transportation

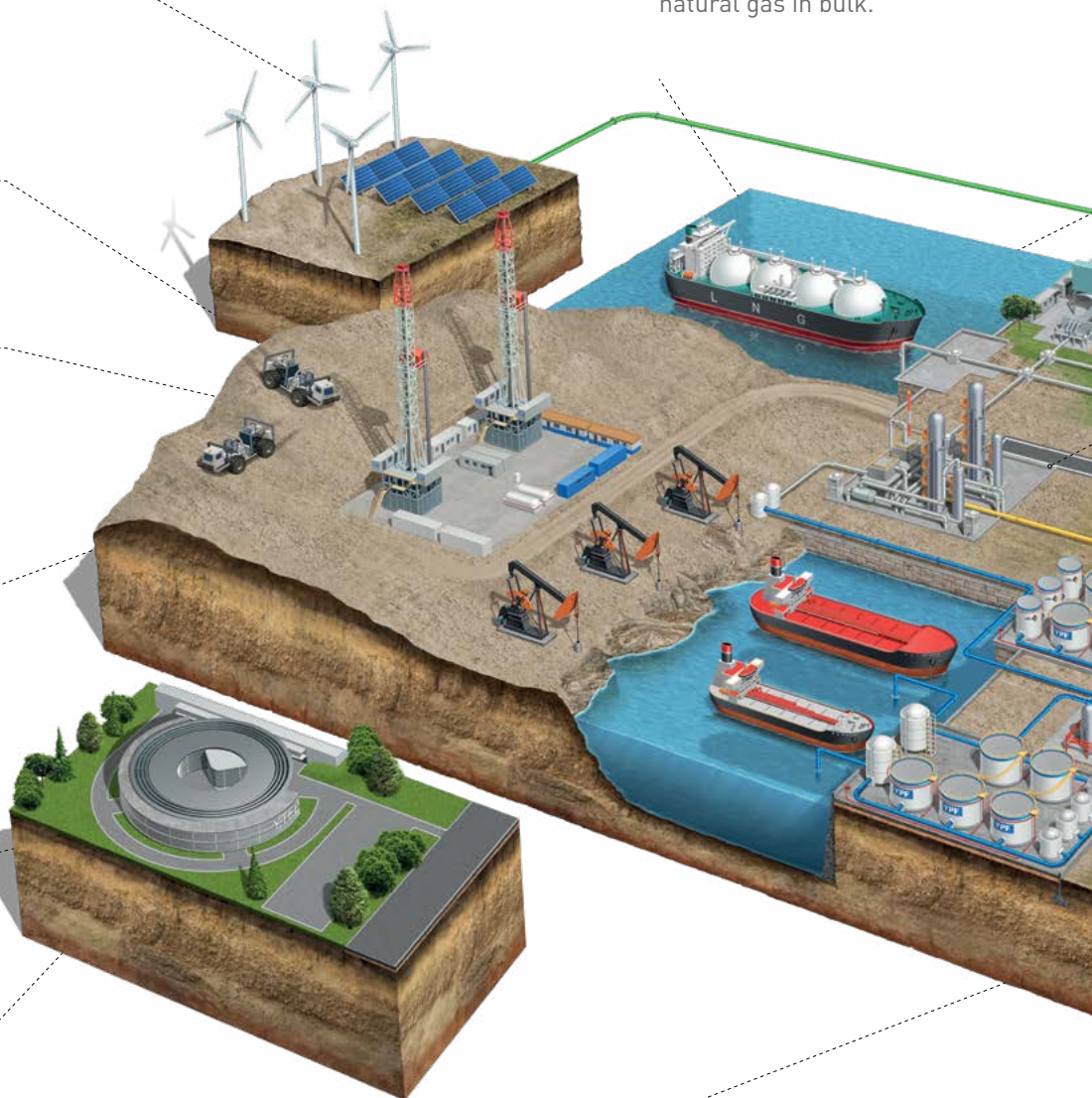
Use of oil and gas pipelines, vessels and trucks to transport crude oil and condensate, dry and liquefied natural gas. Use of multi-purpose pipelines, tankers and trucks to distribute refined products.

Innovation and Technology

Y-TEC, a leading company in the generation and transfer of innovative technological solutions for a sustainable energy industry. YPF Ventures, a company focused on new businesses in energy and mobility.

LNG

Regasification and distribution of liquefied natural gas in bulk.



- Oil and petroleum products
- Liquid fuels
- Natural gas
- Electric power

Refining

YPF's refining operations to produce fuels and derivatives (lubricants, plastic and synthetic consumables, agrochemicals and fertilizers) are conducted in three facilities: La Plata (Buenos Aires), Luján de Cuyo (Mendoza) and Plaza Huincul (Neuquén).

International and domestic trade

YPF sells crude oil and condensate, natural gas, LNG, refined products and petrochemicals that are vital for the country's development.

Midstream

Natural gas production -treatment and bulk distribution to wholesalers (industries, power plants and gas distributors) through a pipeline network.

LPG

Fractionation and distribution of liquefied gas (both in bulk or packed in cylinders) for electric power generation and for household and industrial use.

Power plants

Provision of natural gas to power plants, including two YPF-owned power plants: Tucumán and Loma Campana.

Aviation

The Aviation Division supplies JET-A1 fuel to 52 airports and AVGas-100LL to 41 airports in the domestic market, holding a 57% market share.

Gas distributors

YPF is engaged in the supply and distribution of household natural gas by holding a majority stake in Metrogas.

Industry

Provision of energy, supplies and services to the domestic industry.

Agriculture

Sale of diesel, lubricants, agrochemicals and fertilizers. Provision of services to the agricultural sector or to SMEs through YPF DIRECT.

Chemicals

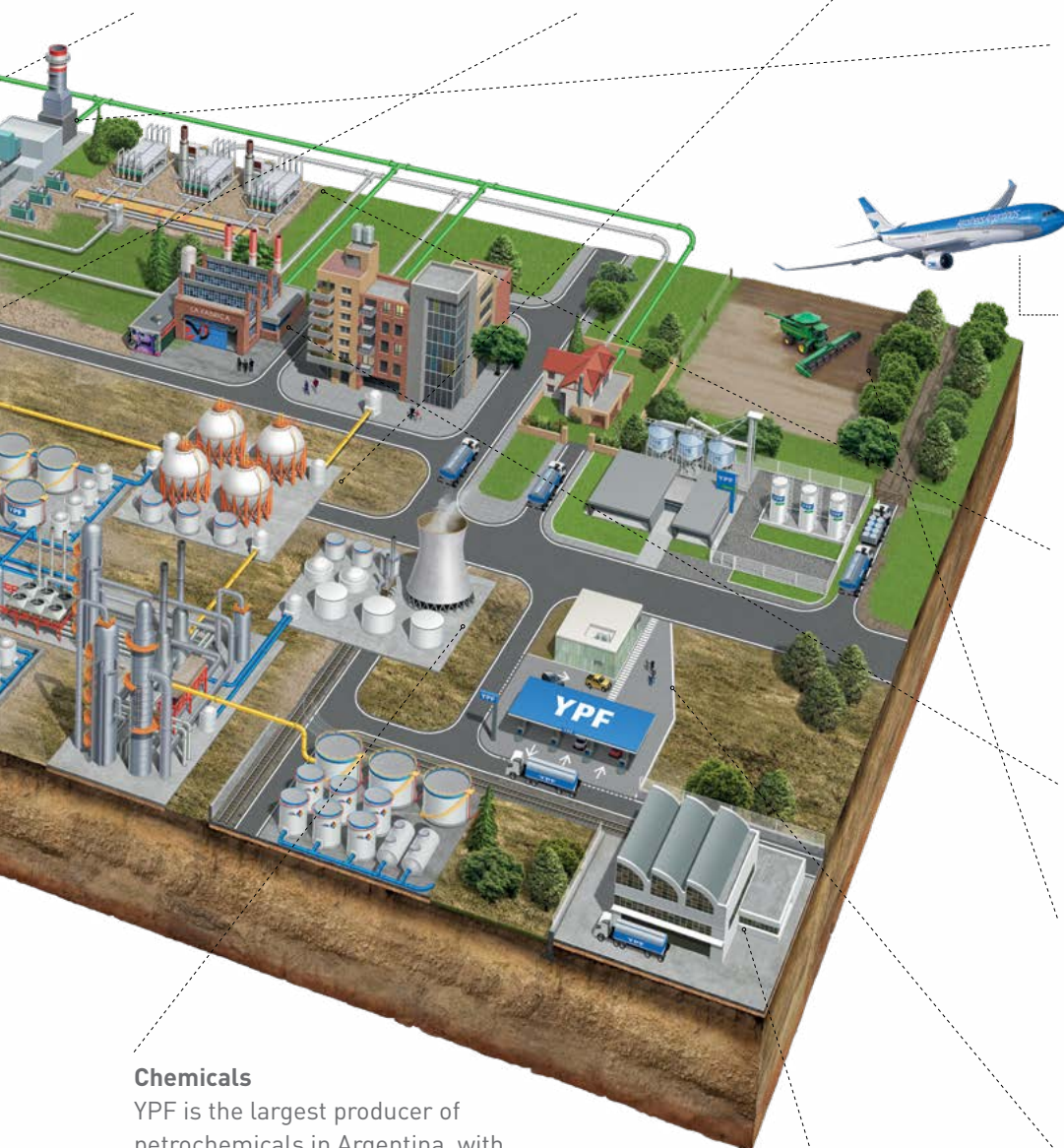
YPF is the largest producer of petrochemicals in Argentina, with two company-owned facilities: Ensenada (Buenos Aires) and Plaza Huincul (Neuquén). It also holds a 50 percent interest in Profertil S.A. Bahía Blanca (Buenos Aires).

Lubricants and Specialties

Design, production and sale of lubricants and specialties.

Retailers

A leading company in selling fuels and lubricants, with convenience stores in over 1,500 gas stations nationwide.



OPERATIONS

As of December 31, 2018, YPF S.A. conducted its operations based on the following organization:

UPSTREAM

Upstream operations consist of activities relating to exploration, asset building, and production of crude oil and natural gas. They involve locating and identifying new reservoirs as well as implementing production processes to recover those natural resources. This segment seeks to maximize our portfolio's productivity and profitability through ongoing oil and gas development, implementation of modern techniques to boost recovery in mature fields, and intensive development of unconventional reservoirs.

The Upstream business derives revenues from the sale of produced oil to the Downstream business, the sale of the produced gas to the Gas & Energy business and, to a limited extent, from their commercialization to third parties.

By the end of 2018, YPF had interests in 108 concessions in productive basins and 24 exploratory blocks, which accounted for 45% and 37% of Argentina's total oil and gas production, respectively.

Unconventionals

YPF is the leading Latin American company in exploratory projects and the main producer of unconventional hydrocarbons, a venture undertaken in 2013 that has grown ever since, driven by significant investment flows.

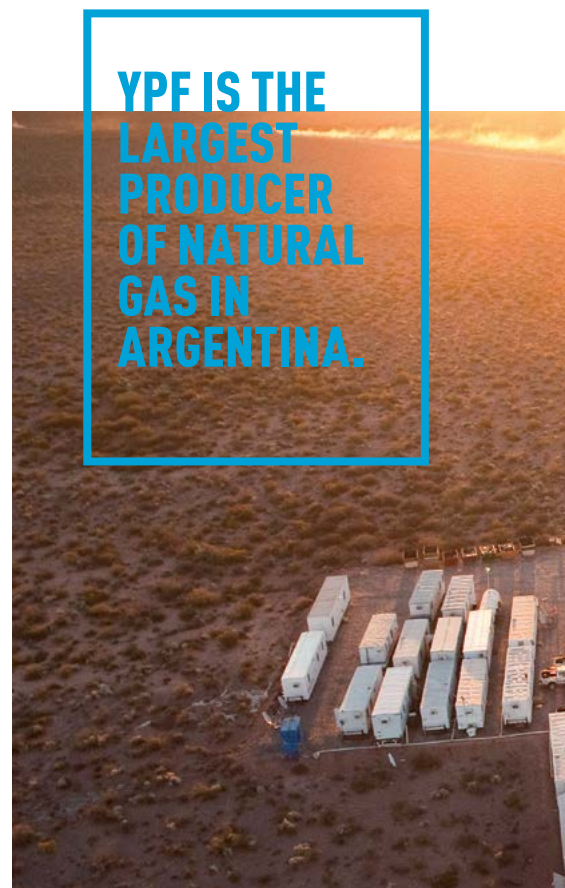
Its major project is Vaca Muerta, located in the province of Neuquén. In 2018, jointly with world-class partners such as Chevron, Dow Chemical, Petronas, Shell, Equinor, Schlumberger, Total and Wintershall, the company achieved a net shale production of 72,000 BOE/day from 676 active wells, representing a 64% increase over the previous year.²

GAS AND ENERGY

This division is in charge of the marketing and distribution of natural gas, and the commercial and technical operation of LNG regasification terminals.

Its total sales of 14,486 Mm3 in 2018—which account for 29.9% of the market—position YPF as the largest producer of natural gas in Argentina. The company handles the LNG regasification business through

² For more information on our unconventional operations, please visit:
<https://www.ypf.com/inversoresaccionistas/Lists/Presentaciones/YPF-Investor-Presentation-04-2018-LTM-USD.pdf>
<https://www.ypf.com/desafiovacamuerta/Paginas/index.html>
 Hydraulic stimulation:
<https://www.ypf.com/energiaypf/Paginas/mitos-y-verdades.html>
<https://youtu.be/TVZ00Z59SA>
 Water, Sand and Additives:
<https://www.youtube.com/watch?v=ny-lws0L70Y>





UTE Escobar (YPF and ENARSA). It operated Terminal Bahía Blanca up to October 2018, at which point the latter’s supply was replaced with local production. YPF has a 38% equity interest in MEGA S.A. (gas separation and fractionation) jointly with Petrobras and Dow Argentina. It also holds a majority stake in Metrogas S.A., a natural gas household distribution company operating in the City of Buenos Aires and Greater Buenos Aires.

YPF LUZ

In June 2018, YPF launched YPF LUZ—formerly, YPF Energía Eléctrica S.A.—as a new electric power company. Its main goal is to position itself as the third-largest electric

generator in Argentina and a leading company in the renewable energy sector by 2023.

YPF LUZ supplies reliable energy to companies nationwide and is the leader of the Renewable Energy Forward Market (MATER). It has partnered with GE EFS POWER INVESTMENTS B.V. (with a 24.99% stake), has an installed capacity of 1,819 MW, and will add a further 637 MW in renewables and cogeneration projects between 2018-2020. In 2018 its investments in renewable energies and efficient thermal power generation amounted to over USD 120 million and USD 228 million, respectively.

YPF LUZ operates a power generation complex in Tucuman (1,096 MW), two thermal power plants in Neuquén (229 MW), a cogeneration power plant in La Plata (128 MW), and holds a 31% interest in Dock Sud power plant (267 MW), jointly with Enel and Pan American Energy. It also produces 99 MW of electric power through its Manantiales Behr Wind Farm, located in the province of Chubut³.

³ For more information on our renewables strategy and YPF LUZ, please refer to chapter “Transforming Lives Through Energy”, or visit: <https://www.ypluz.com/HomeEnglish> and <https://www.ypf.com/energiaypf/Energiasrenovables/home.html>

DOWNSTREAM

The Downstream segment—where YPF is positioned as the largest operator in the market—refines, sells, transports and distributes oil, and produces a wide array of petrochemical products and petroleum derivatives, LPG. These are subsequently marketed through different sales channels such as Retail, Industry, Agro, LPG, Chemicals and Lubricants and Specialties.

It conducts its operations at three wholly-owned refineries with a refining capacity of 319.5 K bbl/day. YPF also holds a 50% equity interest in Refinería del Norte S.A., an entity jointly controlled with Pluspetrol and Pampa Energía S.A., and operated by the latter, with a refining capacity of 26.1 K BBL/day.

Through this segment, YPF develops products, services and market solutions for agriculture and industry sectors and supplies bulk gas directly to the wholesale market and over 45,000 facilities from different segments.

This segment is one of the leading petrochemical producers in Argentina and the Southern Cone of Latin America, with operations conducted at Ensenada Industrial Complex (CIE) and Plaza Huincul. In addition, Profertil S.A., a company jointly controlled with Agrium Holdco Spain S.L., is one of the leading urea producers in the Southern Cone. YPF's share in the domestic fertilizer market rose to 9.4%.

Gas stations

Our network consists of 1,591 gas stations, of which we own 113 (through a corporation called Operadora de Estaciones de Servicio S.A. - "OPESSA"). In 2018 forty new gas stations were opened—compared to 35 additions in 2017—, which account for 35.8% of Argentina's gas station market. YPF remains the only choice available in 220 cities across the country. Of the total number of gas stations, 567 feature YPF FULL convenience stores, including 26 new points of sale added in 2018. YPF BOXES is a lubrication and diagnostics service offered by YPF in 299 of its gas stations, representing a 20% increase from last year's figures.

Agriculture

YPF AGRO is the company's comprehensive sales channel for agricultural producers with a footprint in every agro-industrial area. It has lately added 103 centers (of which 9 are company-owned) throughout the country. Each center supplies all the necessary agricultural inputs such as fuels, lubricants, phytosanitary products, ensiling bags, fertilizers, and grease. Customers also receive technical advice from a commercial agricultural engineer who delivers specialized custom-made services.

Transportation

YPF provides products and services that enable transportation companies to exercise integrated fuel load monitoring on site and on the road. Its 7,000 customers are served directly, mainly when paying with YPF EN RUTA card in any of its various modalities.

Additionally, YPF supplies diesel fuel and lubricants directly to 730 customers on site, primarily to the passenger and cargo transport and service segments.

Aviation

The Aviation Division supplies JET-A1 fuel to 52 airports and AVGas-100LL to 41 airports in the domestic market, holding a 57% market share. In 2018 the Company sealed new deals with Turkish Airlines, Ethiopian Airlines and Norwegian Air UK to supply them with 100% of JET-A1 during 2019.

YPF Gas

We are leaders in LPG fractionation and distribution in Argentina. Our supply capacity and coverage—in bulk or packed—extends to every region in the country. We sell refined and crude oil products to both international and local customers for the construction, chemical, marine, mining and aviation industries.

ECONOMIC RESULTS

During 2018 the Group moved forward with its new strategy and achieved financial and production stability as well as increased reserves, reduced costs and growth in the electric power business. As a result, the company closed the year with AR\$ 435,820 million in revenues (up 72.4%) and an EBITDA⁴ of AR\$ 133,529 million, up 99.9% compared to 2017 figures. The latter result includes the revaluation of YPF’s investment in YPF LUZ for AR\$ 11,980 million during Q1 2018. If the foregoing amount is subtracted, the recurring EBITDA shows an increase of 82%.

YPF also made progress in reducing its debt as evidenced, inter alia, by the net debt/EBITDA ratio of 1.68.

YPF’s investments amounted to AR\$ 95,358 million (up 64.4%), positioning the company as the leader in the investment process in Argentina. The company almost doubled its investments in its industrial complexes (up 91.1%), which enabled completion of premium gasoline blending works in its refineries and moving forward with the engineering development of the

new gasoline and diesel fuel hydro-treatment units aimed at providing its customers with more environmentally sustainable fuels.

Crude oil production remained stable while natural gas production registered an annual 4.6% drop during periods marked by excess supply over domestic demand. However, the company capitalized this domestic drop to develop gas exports by boosting consumption in other markets.

The Downstream segment increased marketed volumes of diesel fuel and gasoline by 4.5% and 3.7%, respectively. Although the prices for its main products remained below devaluation in light of the country’s particular context, the prices for gasoline and diesel fuel in dollars dropped 5.3% and 1.7%, respectively, compared to 2017.

⁴ EBITDA: Earnings before Interest, Taxes, Depreciation, and Amortization.

Financial stability	Increase in reserves	Production stability	Decrease in shale costs	Natural gas exports	Renewable energy production
<p>AR\$ 435,820</p> <p>million in revenues in 2018</p> <p>The company's revenues increased by 72.4% and the recurring EBITDA went up 82%.</p> <p>Operating cash flows rose by 73.8%, allowing the company to self-finance its entire investment plans.</p> <p>The net debt/recurring EBITDA ratio was 1.68x</p>	<p>16.2%</p> <p>increase in 2018 reserves</p> <p>YPF's reserve replacement ratio was 178%, the highest in 22 years. Of the total reserves, 19% derive from unconventional hydrocarbons from the Vaca Muerta formation, obtained through the company's innovation and training efforts.</p>	<p>385</p> <p>new oil and gas wells became active</p> <p>Of this total, 148 hold unconventional resources.</p> <p>Although gas production dropped 4.6% due to demand restraint, crude oil production remained stable while YPF's net unconventional production increased 59.6% during Q4.</p>	<p>50%</p> <p>was the reduction of shale production operating costs between 2016-2018, while development costs dropped 29%.</p> <p>Performance and efficiency were enhanced, which positioned the company's main unconventional projects at the same competitive level as the Permian Basin (USA) and the rest of the world.</p>	<p>500,000</p> <p>tons per year is the capacity of the liquefaction barge we procured from Exmar for a 10-year term to export LNG for the first time in the country's history and industrialize Argentine gas.</p>	<p>62%</p> <p>is the average capacity factor for Manantiales Behr, YPF's first wind farm, which operates with 30 wind turbines and an installed capacity of 99 MW.</p> <p>The capacity factor, reaching peaks of 71%, is one of the highest in the world.</p>

ECONOMIC VALUE GENERATED AND DISTRIBUTED 2018⁵

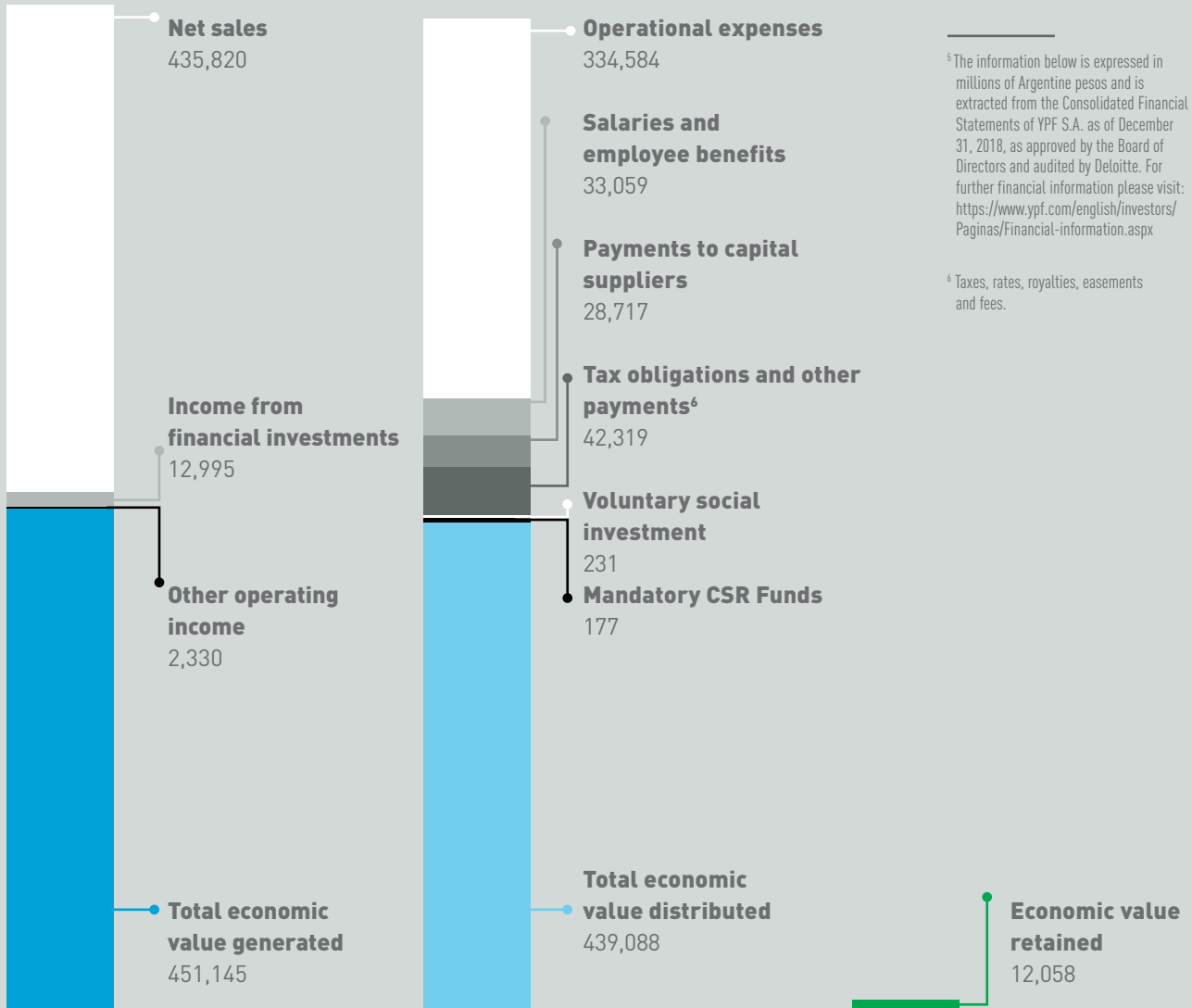
201-1

YPF plays a key role in the economy of the country and the development of the areas where it operates due to the value generated by its business

and distributed among its most relevant stakeholders.

YPF's net sales in 2018 increased by 73.1%. Thus, the company's

direct impact on the Argentine economy, as expressed in terms of economic value generated, was AR\$ 451,145 million.



⁵The information below is expressed in millions of Argentine pesos and is extracted from the Consolidated Financial Statements of YPF S.A. as of December 31, 2018, as approved by the Board of Directors and audited by Deloitte. For further financial information please visit: <https://www.ypf.com/english/investors/Paginas/Financial-information.aspx>

⁶Taxes, rates, royalties, easements and fees.

ABOUT THIS REPORT

102-45, 102-46, 102-48, 102-49, 102-50, 102-51, 102-52, 102-53, 102-54, 102-56



2018

YPF has updated its material topics following internal analysis and stakeholder dialogue.

YPF Group's Sustainability Report 2018 documents the operations conducted by both the company and the companies controlled and operated by it from an economic, social and environmental perspective. It covers the period from January 1 to December 31, 2018. The last sustainability report was for the year 2017. This report has been prepared in compliance with the Standards of the Global Reporting Initiative (GRI), Essential option, including its Oil and Gas Sector Supplement. The GRI content index is available at <https://sustentabilidad.ypf.com/en/>.

This report also serves as the Communication on Progress to the United Nations Global Compact (UNGC) in relation to its Ten Principles and the Sustainable Development Goals (SDG) to which YPF adheres to contribute to the UN 2030 Agenda for Sustainable Development.

The Oil & Gas Industry Guidance developed by the International Petroleum Industry Environmental Conservation Association (IPIECA) has also been used as a baseline for these topics.

As in previous years, the report also includes information on the actions taken by YPF Foundation.

YPF has updated its material topics following internal analysis and stakeholder dialogue and has, accordingly, refocused the contents of this report based on this updated analysis.

No significant changes have been made to the information provided in previous Reports or to the material topics prioritized. Any restatements of information are detailed in the relevant chapters.

This report has been submitted to an external review by Deloitte & CO S.A. The review provides limited and independent assurance about certain sustainable management indicators that the company has included in this Report.

For more information about environmental, social and governance performance provided in this Report, please visit the corporate web page⁷ <https://sustentabilidad.ypf.com/en>

⁷The contact point for questions regarding the report or its contents is: sustentabilidad@ypf.com.

MATERIAL TOPICS AND STAKEHOLDER DIALOGUE

102-43, 102-44

This report focuses on the sustainability topics most relevant to the company and its stakeholders during 2018. Topic selection and prioritization were updated through systematic dialogue instances with internal and external stakeholders. Their opinions on and priorities vis-à-vis YPF management are highly valued, as well as their expectations on the future of both the company and the energy industry. An expert consulting firm conducted a coordinated exercise that consisted in in-depth interviews to members of the company's board and senior management and an internal survey addressed to employees. Online surveys and opinion polls were carried out on the topics above to gather the opinion of external stakeholders—strategic partners, suppliers of goods and services, customers, governments, community, and civil society, including academia and non-government organizations.

Material topics are such topics that have or may have *significant economic, environmental or social impact on the relationship and decisions between the company and its key stakeholder groups*.

A key element of the content selection process is the ongoing dialogue with stakeholders throughout the year.

Media analyses, public opinion polls, reputation and brand positioning surveys, questions gathered during investor presentations and relevant global sustainability standards have also been factored in and their implications have been internally assessed.

The material topics have largely remained consistent over the last few years. In the economic dimension, the most relevant topics in 2018 were business ethics and integrity, level of incident and emergency preparedness and response, and YPF's leadership in the transition towards a low-carbon economy through an integrated energy

business model that is flexible, profitable and resilient to climate change. Other economic-related topics were responsible supply chain management and customer experience. Priority environmental topics included responsible water, effluent and waste management and emission management. In the social dimension, occupational health and safety, creation of shared value, impact on and relationship with communities, talent attraction and retention, human capital development and diversity were the topics most valued by our stakeholders.

Each of these topics is addressed in this report and forms part of the Group's business strategy and corporate values.

MATERIALITY MATRIX

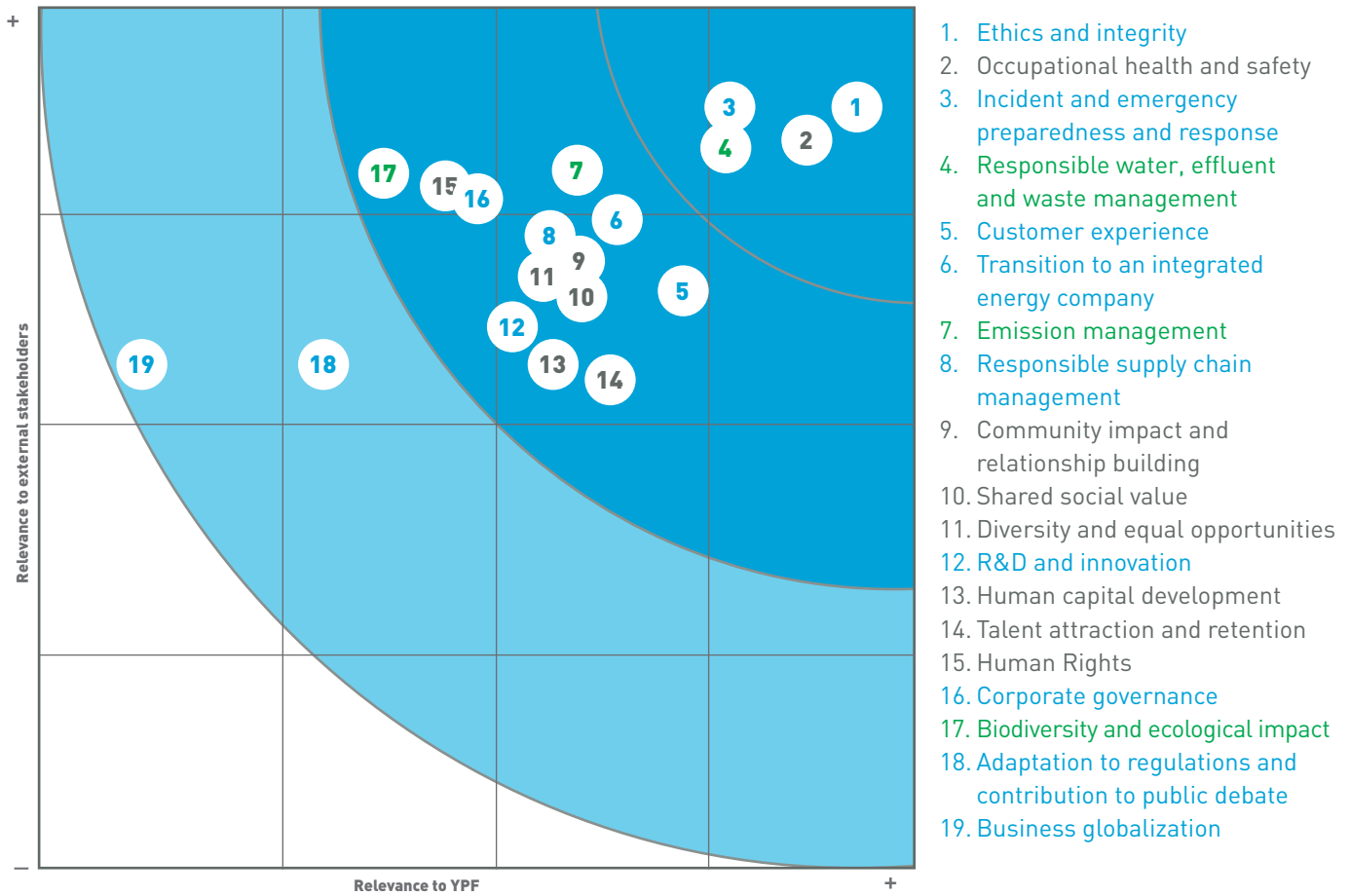
102-47

The following matrix was developed based on topic prioritization. It is

used for analyzing the internal significance attached to material topics by the company and their relevance to external stakeholder groups. Each dimension economic,

social and environmental is represented by a different color.

YPF Materiality Matrix



Economic dimension

Social dimension

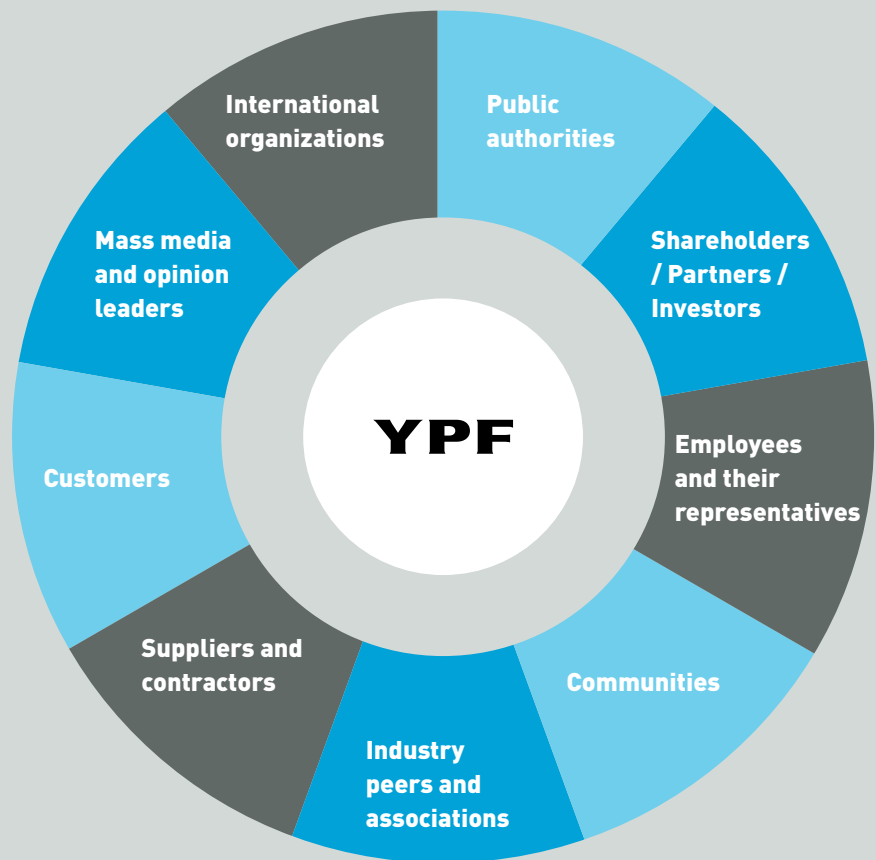
Environmental dimension

STAKEHOLDER RELATIONS

102-40, 102-42

YPF's stakeholders include all individuals and organizations linked to the company in its role as energy producer and supplier, employer or partner. The company has formal communication channels available and specific areas within its vice presidencies to manage transparent, long-term and mutually beneficial relationships with all stakeholders.

Stakeholder Groups



01.

COMMITMENT TO SUSTAINABILITY



SUSTAINABILITY

102-15

YPF's purpose is to transform lives through energy, turning natural resources into reliable, affordable and sustainable energy that improves both the quality of life for people and the progress of societies.

To this end, four corporate sustainability priorities were set: focus on people, climate action, sustainable production and creation of shared social value. These priorities are in line with contextual challenges, the transformation strategy into an integrated energy company and YPF's values. They are integrated into the business strategy and are aimed at conducting responsible operations and strengthening YPF's long-term competitiveness, driven by cross-cutting processes including Corporate Governance and Transparency, Innovation and Partnerships, to maximize the impact of actions.

Focus on people: YPF has set the health and safety of people and the assets integrity as an absolute priority across the organization. We work with a commitment to the development of people and their capabilities, as well as the promotion of diversity and inclusion, which in turn contribute to a more successful company.

Climate Action: Provide increasingly cleaner energy by means of a carbon-efficient oil and gas portfolio. Move forward with electric energy and renewables production. Address climate change adaptation. These actions imply incorporating the challenges associated with climate change into the business strategy.

Sustainable production: Run safe and responsible operations that reduce the carbon footprint and align with the circular economy. Use and offer customers lower carbon-content products.

Shared Social Value: Produce energy for millions of Argentines every day. Create energy for shareholders and other stakeholders. Maintain an ongoing dialogue with stakeholders and manage the environmental and social impacts of operations. Contribute to quality education and local development. Promote the adoption of high sustainability standards throughout the value chain.

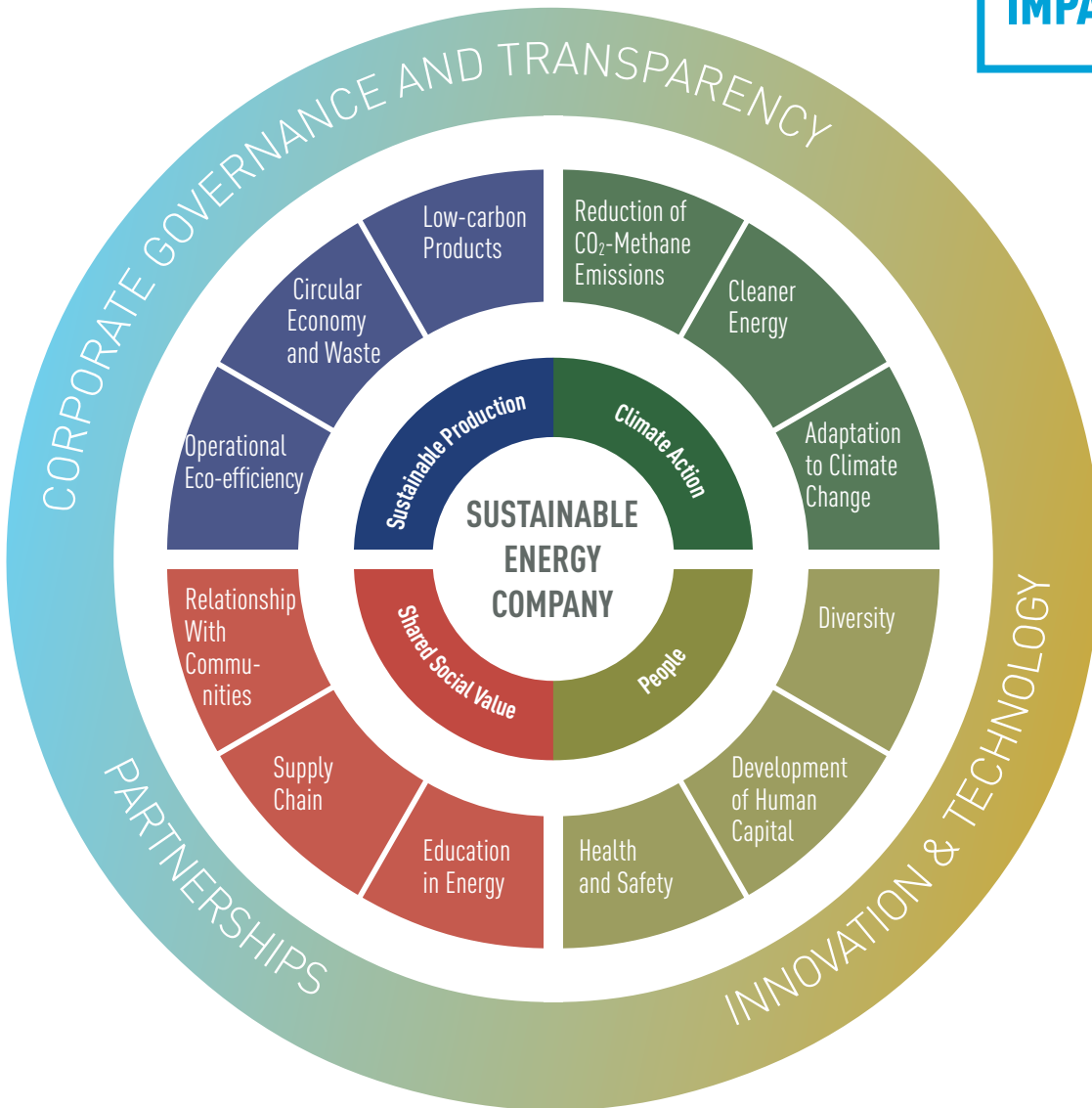
In this context, YPF is a member and the chair of both the Argentine Network of the UN Global Compact and the Business Council for Sustainable Development Argentina (CEADS - Consejo Empresario Argentino para el Desarrollo Sostenible). It is also part of the multi-stakeholder group of the EITI initiative (Transparency in Extractive Industries) in Argentina.

**YPF IS
THE CHAIR OF
THE ARGENTINE
NETWORK OF
THE UN GLOBAL
COMPACT.**

YPF SUSTAINABILITY PRIORITIES

The company believes that both a boost to these priorities in line with its business strategy and its involvement in partnerships and industry sector and global initiatives contribute to competitiveness in the long term.

YPF PARTICIPATES IN AND PROMOTES PARTNERSHIPS TO GENERATE EXPONENTIAL IMPACT.



CONTRIBUTION TO THE SDGS



CONTRIBUTION

YPF considers that the most significant challenges and contributions are centered on the SDGs that specifically fit the company's mission to produce affordable and sustainable energy for all.

Organizations have a key role to play to contribute towards the 17 Sustainable Development Goals (SDGs) set by the United Nations at global level and the Paris Climate Agreement, both of which the Argentine government has ratified.

YPF'S GLOBAL LEADERSHIP

YPF's Chairman served as the B20 Chair of the Energy, Resource Efficiency and Sustainability Taskforce, business chapter of the G20 World Summit hosted by Argentina in 2018.

In that year, he was also appointed chairman of the Argentine Network of the UN Global Compact.

As an energy sector company, YPF considers that the most significant challenges and contributions are centered on the SDGs that specifically fit the company's mission to produce affordable and sustainable energy for all (SDG 7). This is directly related to the transition to low-carbon economies (SDG 13) and to an efficient and responsible operation (SDG 12). SDG 8 on decent work and economic growth, and SDG 9 on industry and innovation are also relevant to the company's transformation capability. In addition, YPF has strengthened its commitment to SDG 5 on gender equality, SDG 16 on peace, justice and strong institutions, and SDG 17 on global partnerships.



7 AFFORDABLE AND CLEAN ENERGY



Sustainability Priorities	SDG	YPF's Approach
People	SDG 8. Decent Work and Economic Growth	Prioritize the health, safety and integral development of its own and contractors' employees. Develop Human Capital.
	SDG 5. Gender Equality	Strengthen the commitment to diversity, inclusion and equal opportunities. Promote female leadership in the company.
Climate Action	SDG 7 Affordable and Clean Energy	Provide sustainable and affordable energy required to sustain quality of life and development for the country.
	SDG 13. Climate Action	Develop a high value and carbon-efficient oil and gas portfolio. Natural Gas as part of the solution to climate change. Boost the electric power and renewables business. Integrate climate change challenges into the business strategy and move forward on operational adaptation.
Sustainable production	SDG 7. Affordable and Clean Energy SDG 12. Responsible Consumption and Production	Preserve the environment, committed to reducing the carbon footprint and stimulating circular economy initiatives. Comprehensively manage risks associated with the business.
Shared Social Value	SDG 4. Quality Education	Promote quality, energy-focused education. Contribute to the progress of existing work by STEAM-focused education and employee training and upskilling.
	SDG 7. Affordable and Clean Energy	Provide affordable and clean energy, driving progress towards universal energy access.
	SDG 8. Decent Work and Economic Growth	Generate economic value and genuine employment.
	SDG 11. Sustainable Cities	Contribute to the local development of the communities intersecting with the Group's operations.
	SDG 16. Peace, Justice and Strong Institutions	Ongoing, transparent and constructive dialogue with stakeholders.
Corporate Governance and Transparency	SDG 16. Peace, Justice and Strong Institutions	Commit to ensuring respect for human rights, integrity and transparency, best governance practices and anti-corruption mechanisms.
Innovation & Technology	SDG 7. Affordable and Clean Energy SDG 9. Industry, Innovation and Infrastructure	Invest in safe, modern and resilient business and industrial facilities, as well as in new energy solutions and industry-specific R&D. Foster the Entrepreneurial Ecosystem with a focus on energy and innovation.
Partnerships for Exponential Impact	SDG 17. Partnerships for the Goals	Drive a collective approach to finding and implementing solutions to the challenges posed by global sustainable growth.

PARTNERSHIPS AND COLLABORATION

102-12, 102-13

YPF and its subsidiaries implement joint programs and/or projects on sustainable development through partnerships with public and private organizations and entities. The Group also participates in business-related associations to share best practices.

In 2018, YPF LUZ started to participate in the Argentine Wind Chamber (CAE) and in the Electric Power Generators' Association of Argentina (AGEERA). YPF, in turn, joined the Association of Large Users of Electric Power of Argentina (AGUEERA). At the international level, the company joined the Extractive Industries Transparency Initiative (EITI), defined as the global standard for the good governance of oil, gas and mineral resources.

Thus, at the end of the reported year, YPF had participations and collaborations in the following institutions:

- United Nations Global Compact -Argentine Network
- CEADS (Argentine Business Council for Sustainable Development)
- CAE (Argentine Wind Chamber)
- CAEM (Argentine Chamber of Mining Entrepreneurs)
- CAI (Argentine Center of Engineers)
- CEPH (Argentine Chamber of Exploration and Production of Hydrocarbons)
- CIQyP (Argentine Chamber of Chemical and Petrochemical Industry)
- EITI (Extractive Industries Transparency Initiative)
- GDFE (Group of Foundations and Enterprises)
- IPIECA (International Petroleum Industry Environmental Conservation Association)
- IGU (International Gas Union)
- IPA (Argentine Petrochemical Institute)
- IRAM (Argentine Institute of Standardization and Certification)
- ARPEL (Regional Association of Oil, Gas and Biofuels Sector Companies in Latin America and the Caribbean)
- AAIQ (Argentine Association of Chemical Engineers) Executive Board and Technical Committees
- IDEA (Institute for Business Development of Argentina)
- IAPG (Argentine Oil and Gas Institute)
- AGEERA (Electric Power Generators' Association of Argentina)
- AGUEERA (Association of Large Users of Electric Power of Argentina)
- Argentine Secretariat of Energy
- Argentine Ministry of Labor, Employment and Social Security
- Argentine Ministry of Production
- Argentine Secretariat of Environment and Sustainable Development
- Argentine Ministry of Education
- CONICET (National Scientific and Technical Research Council)
- INET (National Institute of Technological Education)
- 54 Argentine state-run and private universities
- MIT (Massachusetts Institute of Technology)
- IFPEN (IFP Energies Nouvelles)
- Globant
- MIC Consortium (a space for oil & gas companies to work collaboratively on microorganism-induced corrosion)

SUSTAINABILITY IN THE CORPORATE MANAGEMENT MODEL

102-19, 102-20, 102-21, 102-26, 102-27, 102-29, 102-30, 102-31, 102-32

YPF views sustainability as a way of doing business that creates value for shareholders and all other stakeholders. The company has a Sustainability Policy in place that is reflected in both its management and operational excellence models.

The Sustainability Policy¹ is complemented by the Commitment to Climate Change and Energy Efficiency.

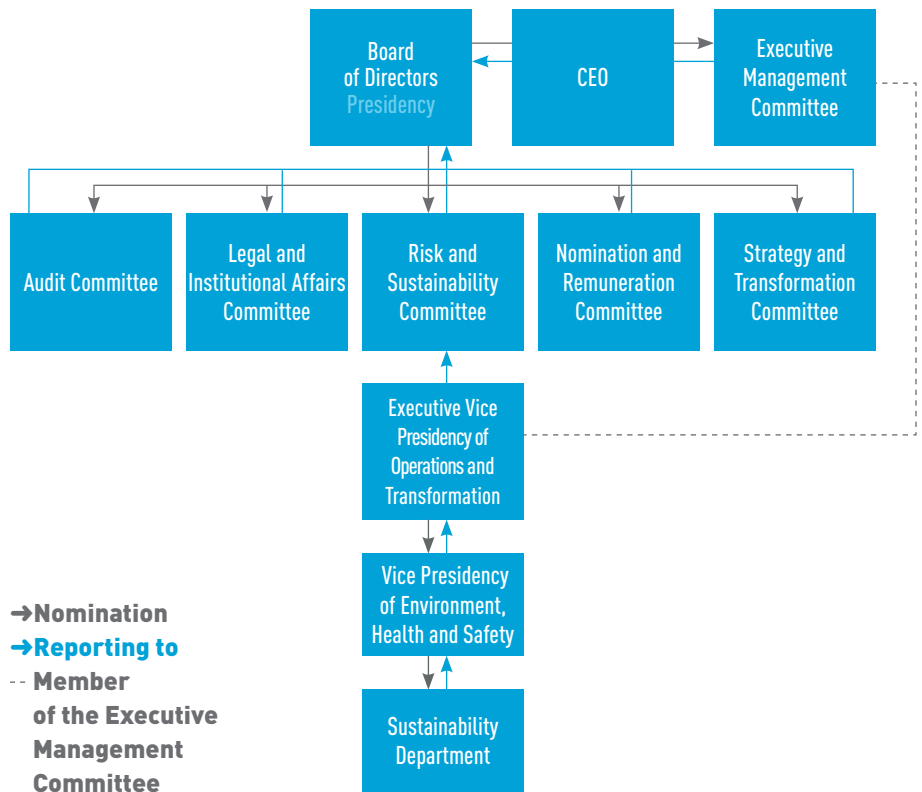
The Executive Management Committee, through each one of its members and their respective Vice presidencies, monitors relevant sustainability topics. The Board of Directors performs these duties through the Risk and Sustainability Committee, which is made up of five of its regular members.

Sustainability management in the business revolves around three key tenets:



¹ <https://www.ypf.com/english/TheCompany/Documents/YPF-Sustainability-Policy-2017.pdf>

Sustainability integrated into Corporate Governance



The Board of Directors is in charge of establishing comprehensive management policies for business risks and monitoring their suitable implementation, as well as promoting best practices in sustainability and approving the annual and quarterly Financial Statements, the Prospectus and the Form 20-F, among other duties.²

YPF also has a Sustainability Department, which reports to the Vice Presidency of Environment, Health and Safety (EHS) and is tasked with formulating and implementing sustainability strategies and plans across the organization, and reporting results on a regular basis to both the Executive Vice Presidency of Operations and Transformation and the Board's Risk and Sustainability Committee.

Each business unit and cross-cutting area of EHS, Human Resources, Supply Chain, Corporate Governance and Social Investment is responsible for meeting the company's sustainability goals.

PERFORMANCE INDICATORS

Top management goal achievement is evaluated by means of a target system associated with the strategic dimensions of management, and impacts on the variable remuneration of those holding managerial positions.

In 2017, five main corporate level targets were set focused on aspects such as finance and costs, operations, productivity and return from investments. To these, another aspect sustainability was added, with the Accident Frequency Rate (AFR) as a key performance indicator. In 2018, in the context of the new Strategic Plan, a new main target was introduced: the Sustainability Index, which includes the Accident Frequency Rate and features indicators for evaluation such as traffic accidents, spill frequency rate and specific CO₂ equivalent emissions.

The CEO and the Executive Management Committee are the ultimate responsible for monitoring compliance with these targets.

² For more information on this topic, please see Responsible Business.



Top management goal achievement is evaluated by means of a target system associated with the strategic dimensions of management.

02.

TRANSFORMING LIVES THROUGH ENERGY



LEADING THE FUTURE OF ENERGY

The energy industry is one of the most relevant sectors for the development of countries and for people's daily lives. Therefore, it is especially important to analyze, anticipate and adapt to the technological, environmental and economic challenges facing the sector.

Currently, the production of affordable and reliable energy that meets the energy demand of a growing population, while reducing greenhouse gas emissions, is at the center of the global industry strategy. It is possible to observe significant advances in the production of both more efficient electric power and renewable energy, and an evolution in the mobility sector through a growth in the production and sale of electric vehicles focused on certain countries.

Other signs show, at the same time, that the transformation cannot occur immediately, but will imply a process developing at different speeds. Renewable energies will become more competitive in many markets and are expected to grow significantly by 2050. They will do so, however, with a participation of around 2% in the global energy matrix and a scenario where they will still have to be accompanied by other energies to ensure a safe and continuous supply. On the other hand, the decarbonization of heavy transport and industry, petrochemicals and aviation will certainly be more complex.

Thus, the analyses of perspectives issued by the International Energy Agency show that even in a scenario of

profound transformation of energy production and consumption, fossil fuels, in particular natural gas, would still be needed in 2050 and would represent 40 % of energy demand. Each region or country must responsibly develop its own transition path based on availability of resources and capabilities.

A cleaner and more efficient energy future that takes into account the ambitions of the Paris Climate Agreement will require, on the other hand, joint efforts by governments, businesses and society as a whole, as highlighted by the Special Report issued in 2018 by the Intergovernmental Panel on Climate Change on Global Warming of 1.5°C.

This scenario implies a huge challenge for energy companies' planning and sustainability. YPF takes this challenge as an opportunity and addresses it from its transformation process into an integrated energy company. For this reason, the long-term business analysis of the company (2040) tests the resilience of its investment portfolio vis-à-vis different and possible scenarios, detecting both risks and new opportunities and prioritizing its portfolio.

Going forward, there will be an opportunity for more efficient, profitable development of oil and natural gas, as well as space for growth in electric power and renewables, and other new low-carbon energy solutions.

COMPANY PURPOSE

"We transform lives through energy"

The paradigm shift needed to address the current and future challenges facing the energy industry also motivated the development of a new purpose for YPF that was included in the introduction to this Report. As of 2018, a participatory construction process began that included in-depth study of the company's past, present and future, an analysis of YPF's context and project, as well as interviews and workshops with executives.

This renewed approach conveys the aspiration to be a beacon company in the provision of energy and mobility, renewing its pioneering spirit and contributing to the transformation of Argentina with commitment and innovation. A company that leads the energy of the present and the future, with a focus on sustainability, customer proximity, and striving to be the most relevant company for everyone living in Argentina.

Within this framework, YPF carries out its renewed business strategy towards 2023, which implies evolving from a strictly oil and gas company to an integrated energy company committed to leading energy transitions in Argentina.

The key pillars of this sustainability process are related to an oil and gas production lower in carbon emissions, profitable growth in thermal power and renewable energy production, and enhanced development of new energy solutions.

YPF is also committed to promoting the development of natural gas as a transition energy by expanding markets through gas exports.

With this vision, in 2018 an agreement was entered into with Exmar for the availability of a liquefying barge that, at the time of publication of this report, had allowed Argentina to export LNG

and industrialize Argentine gas for the first time in its history.

Along the same lines, an agreement was signed to export gas to Chile through a trans-Andean gas pipeline.

NATURAL GAS AS PART OF THE SOLUTION TO CLIMATE CHANGE

Natural gas is an abundant energy resource in Argentina, working as a safe, efficient and reliable energy source.

As the International Gas Union explains:

- During energy production, gas releases up to 50% less carbon dioxide (CO₂) than coal.
- It accompanies the development of renewables, ensuring a steady supply.

→ Lower levels of carbon monoxide, volatile organic compounds, nitrogen oxides, sulfur, dioxide and particles generated by the combustion of natural gas ensures that its use contribute to improved local air quality.

By developing Shale Gas, YPF can help Argentina become a gas exporter and also contribute to the development of other cleaner energy matrices.

STRATEGIC PLAN 2019-2023

103-1, 103-2, 103-3, OG2

The commitments associated with the 2019-2023 Strategic Plan consider the identified business opportunities and include the agenda of transitions towards a lower carbon matrix. They seek to develop all the energy potential available in the country with a projected investment of approx. USD 4 billion per year. This plan envisions profitable growth based on:

- An oil, gas and fuel portfolio competitive and more efficient in carbon emissions.
- More efficient electricity generation based on renewables and thermal power.
- Petrochemicals associated with the growth of natural gas production.
- Investment in innovation and technology towards a sustainable business and the development of new energy solutions.

As mentioned, the plan includes a boost to the internationalization of the natural gas business supported by the new export paradigm associated with the development of unconventional gas, as well as a B2C and B2B business strategy with a strengthened customer focus.

The Operational Excellence and Sustainability policies, the Commitment to Climate Change and Energy Efficiency are major underpinnings of this Plan.

BUSINESS STRATEGY COMMITMENTS

Operational excellence and sustainability: occupational health and safety and operational safety are YPF's top of priorities, as well as talent attraction and efficiency in carbon emissions.

Operational transformation and corporate culture aligned with the strategic plan.

Cost reduction, efficient capital allocation and financial discipline.

THE STRATEGIC PLAN INCORPORATES THE TRANSITIONS TOWARDS A LOWER CARBON MATRIX.

YPF BUSINESS PLAN 2019-2023

Production

CAGR
2019-2023
5-7%

Reserves

Replacement Ratio
2019-2023
>1X

Adjusted EBITDA

CAGR
2019-2023
10%

CAPEX

per year
2019-2023
4-5 KM USD

Net debt / EBITDA

2023
<1,5X

*TCAA: compound annual growth rate.

Focal points for a lower carbon energy matrix	
<p>More efficient Energy Production</p> <p>Although oil and gas will continue to be part of the project portfolio in the coming years, YPF's challenge involves gradually reducing the total intensity of carbon emissions generated by its operations. Projects include control and reduction of CO₂ and methane emissions in operations, energy efficiency across the organization, as well as exploration of solutions for carbon capture, storage and reuse.</p>	<p>Profitable growth of the electric power and renewables business</p> <p>This focal point involved the creation of YPF LUZ, whose mission is to become a profitable, efficient and sustainable electric power company optimizing the use of natural resources and contributing to energy development in the country and in the markets where it operates. Its objectives towards 2023 are, among others: move into third place among electric power producers, based on various sources (more efficient thermal, wind and solar) and become a leader in renewables with a fifth of YPF's total generation coming from this type of energy. The start-up of the Manantiales Behr Wind Farm in 2018, will be followed by the reduction of Greenhouse Gas emissions by 2020, which will be achieved by two new wind farms currently under construction.</p>
<p>Energy and Resource efficiency</p> <p>The amount of natural and material resources used in production processes has an impact on both their future availability and the waste and emissions they generate. Reducing the intensity of their use to conduct operations is another of YPF's focal points for action. The company has both pilot and ongoing projects that are described in this report and is committed to identifying greater opportunities in the circular economy. This process also impacts positively on company costs.</p>	<p>Innovation and technology</p> <p>To respond successfully to current and future energy demands, it is essential to apply innovation and technology to the business and to the promotion of new energy solutions. To this end, the Group has Y-TEC¹, the largest applied research center in Argentina, dedicated to generating and transferring technological solutions to the energy industry. Additionally, it has YPF Ventures, a new company already launched at the time of publication of this report. Part of the corporate goals include leading an agenda on mobility and making available to customers products allowing them to reduce the carbon footprint from consumption.</p>
<p>Responsible Management and Partnerships to enhance impact</p> <p>Addition of Climate Change challenges to scenario evaluation, and definition of corporate strategy. Incentives aligned with sustainability objectives. Regular Management Reports. Collaboration with public and private institutions to find the best possible solutions to current challenges and enhance results.</p>	

¹ In which CONICET has a 49%-interest.

CLIMATE ACTION

103-1, 103-2, 103-3, 201-2

5-YEAR OPERATIONAL GOALS

10%

reduction in intensity of direct CO₂eq emissions from company operations (Upstream, Downstream, and Gas and Energy).

20%

renewable energy generation over total energy generation.

70%

of low-sulfur fuels production

Since climate change represents one of the main global concerns and one of the biggest challenges facing the energy industry, climate action is one of the priority focal points of YPF Sustainability Policy. The Policy stresses a need to reduce greenhouse gas emissions, invest in production, industrialize and sell natural gas as a transition fuel, invest in electric and renewable energy, and strengthen the resilience of facilities and infrastructure, identifying operational adaptation measures for diverse scenarios and climatic events.

POLICY AND TRANSPARENCY

Climate-related considerations have been included in scenario analysis and in the company's long-term strategy. At the same time, there are key variables that are incorporated into decision-making on the basis of relevant specific goals set for YPF, and allow measuring progress. In the particular case of carbon emission reduction, the key indicator is incorporated into the company's sustainability objectives and impacts the variable remuneration of executives.

YPF's Sustainability Policy, Commitment to Climate Change and Energy Efficiency are available on the corporate website. At the same time a report on the company's performance is issued on a regular basis.

At Board level, it is the Risk and Sustainability Committee which is responsible for addressing these issues.

During 2018, YPF worked on improving its report on climate action by voluntarily participating in a sustainability assessment that RobecoSAM, a research firm, performs to select companies that are included in the Dow Jones Sustainability Indexes. The company further added more information on that topic in Form 20F and in this report.

During 2019, this process will be deepened, and progress will be made in the analysis of climate-related risks, which until now had been included in the corporate map with a focus on the potential involvement of assets due to extreme weather events.

ADAPTATION

During 2018, YPF moved forward with climate risk assessment at facilities using the BACLIAT tool (Business Areas Climate Impact Assessment Tool) on Company assets. The tool was optimized, incorporating quantitative risk management methodologies into the existing analysis process. To date, three critical facilities have been assessed: La Plata Terminal in 2016, Concepción del Uruguay Terminal in 2017 and the pipeline running from Puesto Hernández (Neuquén) to Lujan de Cuyo (Mendoza) in the reported year.

In addition, during 2018 the company made progress on the construction of a climate threat and vulnerability Map for all YPF operations and facilities. This increased

comprehensive tool, based on the results of climate change scenarios for Argentina and prepared by Argentina’s Secretariat of Environment and Sustainable Development, aims at deepening the understanding of risks faced by the company, identifying any adaptation actions needed, and strengthen management for implementing these measures.

EMISSION MANAGEMENT

103-1, 103-2, 103-3

In this context, YPF’s objective is to reduce the amount of carbon emitted in each unit of product generated (equivalent barrel produced, electricity generated, refined crude oil), independently of the provisions of rules and regulations. This is an ambitious objective, since we have a considerable portfolio of mature fields and a major growth plan for the company.

To achieve this end, and with a goal of reducing emission intensity to 10% by 2023, YPF set in motion actions for better energy management, reduction of flared and vented gas, electrification and digitalization of operations, as well as incorporation of various low-carbon energy sources for operations.

MAIN ACTIONS FOR CLIMATE UNDERTAKEN BY THE COMPANY WITH DIFFERENT DEGREES OF PROGRESS:

Provision of energy to the country with a more carbon-efficient oil and gas production.	Growing and profitable production of electricity and renewables by YPF LUZ, a new company.	Incorporation of climate into scenario analysis and business strategy.
Clean Development Mechanism implemented and operative in the two industrial facilities.	Continuation of the Forestry Project developed in Neuquén, with 7,000 hectares planted.	Development of climate change risk analysis tools.
Management systems designed to quantify Greenhouse Gas (GHG) emissions according to the Standards certified in all operations (ISO Standard 14064-1 with external verification in Downstream industrial complexes).	Crosscutting energy efficiency strategy based on a company energy map with ISO 50001 implementation and certification.	Design and implementation of actions to adapt our facilities to Climate Change.
Efficiency strategy in the use of resources, with initiatives on water and waste management.	Funding for research and development in new energy solutions and environmental sustainability through Y-TEC.	Boost to innovation and entrepreneurial ecosystem for new energy solutions through YPF Ventures.
Partnerships with public and private institutions to enhance impact.		

GHG Inventory

103-1, 103-2, 103-3, 302-1, 305-1, 305-2, 305-4, 305-5, OG6

For a decade, the company has focused on gradually introducing management systems to account for emissions through inventories of greenhouse gases (GHG). This is aimed at carrying out traceable measurements aligned with YPF's objective of reducing CO₂eq. intensity by 10% towards 2023.

In line with climate action, all the Regional Center main facilities in Neuquén and Río Negro were subjected to annual monitoring of emissions and external air quality in their plants, primary separation units, repositories and batteries.

Preparation of the company's GHG inventory is based on the API methodology and other designed by accredited entities. In addition, ISO 14064-1 is applied in industrial facilities. During 2018, Lloyd's Register Quality Assurance² externally verified the GHG emissions inventory of all YPF industrial facilities: La Plata, Luján de Cuyo and Plaza Huincul. The Group also monitors other

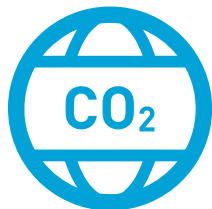
	Unit	2015	2016	2017	2018
Total Direct GHG Emissions	tCO ₂ e	15,488,916	15,715,958	17,012,559	17,951,758
Emissions of Carbon Dioxide (CO ₂)	tCO ₂	12,150,187	12,416,186	13,007,777	13,557,352
Methane Emissions (CH ₄)	tCH ₄	127,276	125,442	152,868	167,426
Nitrous Oxide Emissions (N ₂ O)	tN ₂ O	526	549	614	701

	Unit	2015	2016	2017	2018
Renewable energy production	MWh	-	-	-	148,646
Energy consumption	KGJ	191,586	195,761	199,573	212,538
Direct GHG emissions (scope 1)	tCO ₂ e	15,488,916	15,715,958	17,012,559	17,951,758
Direct GHG Upstream Emissions (scope 1)	tCO ₂ eq	8,874,106	9,186,890	10,570,443	10,565,160
Direct CO ₂ emissions (scope 1)	tCO ₂	12,150,187	12,416,186	13,007,777	13,557,352
Indirect CO ₂ emissions (scope 2)	tCO ₂ / MWh	1,262,083	1,240,946	1,132,113	1,081,277
Vented gas	t	127,048	116,894	111,832	114,435
Vented gas / production	t/t	0.005	0.005	0.004	0.004

atmospheric emissions such as SO₂, NO_x, CO³, NMVOC, and other particles, according to applicable regulations.

² <https://www.lr.org/en/>

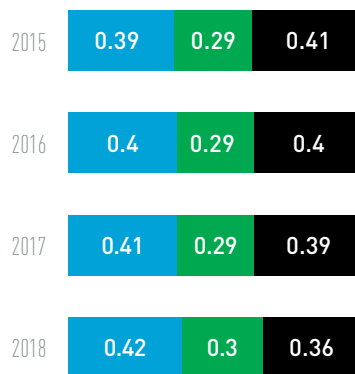
³ Non-Methane Volatile Organic Compounds.



CO₂

CO₂ eq Emissions - Goal by 2023: -10%

Intensity of direct GHG emissions, per business



- **Upstream** tCO₂e/t Oil & Gas produced
- **Downstream** tCO₂e/t crude processed
- **Gas and Energy** tCO₂/MWh electricity produced

The intensity of GHG emissions is calculated by factoring in the emissions classified in Scope 1 (direct emissions) by processing unit. For the Downstream Business, the calculation includes the emissions by ton of crude oil processed in refineries; for the Upstream Business, the direct emissions by ton of oil and gas produced; and for the Gas and Energy Business, the emissions calculated on the basis of the MWh produced. The increase in the intensity of upstream direct emissions is mainly due to an increase in drilling and workover operations. These operations do not represent an increase in production and consequently generate an increase in emission intensity according to the calculation methodology used. On the other hand, the increase in the intensity of downstream direct emissions is due to an improved calculation of direct emissions at Plaza Huincul Industrial Complex, where data from the downstream business began to be included in the calculations.

Intensity of direct GHG emissions - total -

Unit	2015	2016	2017	2018
tCO ₂ e / production unit	0.36	0.37	0.38	0.38

	Unit	2015	2016	2017	2018
Methane Intensity*	Tn CH ₄ /Tn Oil & Gas produced	0.0055	0.0054	0.0060	0.0066
Methane Emissions	tCH ₄	127,276	125,442	152,868	167,426

*Upstream methane emissions represent 98% of YPF's total methane emissions.

YPF Energy Intensity (weighted - GJ / production unit)

302-3

2015	2016	2017	2018
4.89	4.84	4.65	4.78

Energy Consumption (KGJ)

2015	2016	2017	2018
191,586	195,761	199,573	212,538

Total amount of the energy contained in fuels consumed and used to conduct operations plus the energy equivalent of the electricity purchased. YPF S.A. Guide to Environmental Parameters.

The analysis of intensity of total company emissions for 2018 remains stable compared to 2017, while the Gas and Energy business saw a decrease for the first time since 2015. On the other hand, the Upstream and Downstream businesses saw one-tenth increases. In the case of the Upstream, the slight rise is due to the completion of a greater number of well tests without associated production, and in the second case it is due to an improved calculation of emissions in Plaza Huincul refinery.

Reduce Methane Emissions

Although methane’s lifecycle in the atmosphere is shorter than CO2’s, methane has greater warming potential, thus significantly contributing to man-made climate change. It is then vital to work to specifically minimize methane emissions during hydrocarbon production and distribution.

YPF has estimated the methane intensity from its operations is 0.0066 tCH4/t of Oil & Gas produced. The objective is to keep levels low and reduce them. For this reason, starting in 2019, the company will create a work team focused on obtaining higher quality data and implementing leak detection and mitigation programs as key tools to lower methane intensity in cost effective ways.

Energy efficiency

103-1, 103-2, 103-3, 302-1, 302-4

Once the baseline for consolidated energy consumption was defined by area, in 2018 the company focused on the improvement opportunities detected to achieve greater efficiency in all operations and start processes for better energy management. This was in line with its target to decrease energy consumption intensity 10% by 2023.

To achieve this, an Energy Efficiency Committee was created in the years reported, made up of seven specialists from different businesses, and from the environment and sustainability areas.

Teams addressing these issues were formed in the Upstream and Gas and Energy businesses, which added to those already working in the Downstream.

In 2018, despite significant specific savings, the total intensity of energy consumed by YPF registered an increase. The start-up of the Tucumán -El Bracho Thermal Power Plant, Loma Campana I and II Thermal Power Plants and La Plata Cogeneration Plant in 2018 resulted in a decrease in energy intensity in the Gas & Energy business. However, owing to the energy consumption contributed by this business, which is proportionally greater in the company’s total matrix as compared to 2017, an increase was

generated in the weighted energy intensity for the whole company in 2018. Also, although to a lesser extent, there were scheduled shutdowns in the Downstream. This trend is expected to reverse due to ongoing actions.

Downstream

During 2018, the slight increase in energy intensity in the Downstream (3%) was linked to a decrease in processed crude oil by scheduled shutdowns, power cuts and an increase in consumption due to higher production in units, such as Methanol and Logistics, which do not process crude. On the other hand, the unit managed to reduce energy consumption in refineries. Through operational improvements and investments, the Downstream saw a reduction in total energy consumption of 959,203 GJ in its operations.

At the Luján de Cuyo Industrial Complex, the expected savings (505,624 GJ) were realized, mostly due to four investment projects executed towards the end of 2017.

At La Plata Industrial Complex, savings of 405,954 GJ were achieved, due to operational actions (reduction of energy consumption in the areas of auxiliary services in Chemistry, among others) and maintenance.

At Plaza Huincul Industrial Complex, savings (52,625 GJ) were achieved by optimizing boiler schemes.

On the other hand, the costs associated with the negotiation of electric power contracts were reduced after implementing distributed self-generation in Loma Campana I and adding renewable energy from the Behr Manantial Wind Farm.

Other actions are being carried out in different areas of the company, including the determination and measurement of specific energy consumption at Gas Stations. The objective is to increase efficiency by upgrading equipment to higher efficiency technological advancements, and optimizing energy consumption through measures such as adapting lighting to day and time of use. A pilot test is currently in place to install consumption meters, temperature sensors and other devices and gauges in two OPESSA stations (own network). The results obtained will allow the company to determine adequate meters and correct use of electrical equipment, and issue a manual of good energy practices for all gas stations.

Upstream

Along with the generation of specific jobs in energy efficiency, in 2018 the Upstream began to develop energy management systems according to ISO 50001 guidelines and introduce an Energy Management System (EMS) and standardization of online monitoring of significant energy uses.

Regarding equipment consolidation and energy efficiency awareness, in 2018 this unit carried out more than forty projects on reducing energy use,

mainly in water injection, product heating, fuel gas networks, fugitive losses and lighting replacement, among others. These actions allowed reducing consumption by at least 4 MW of electricity and 150,000 m³/d of gas. As for electric power generation, the unit is updating its generation capacity and adding renewable energy supply.

In relation to multiannual projects, the Upstream has ongoing processes for optimization of extraction systems and electrification of oilfields with high efficiency equipment, as well as several parallel plans for venting and flaring control, and fugitive emissions. During 2018, the unit, along with the Environment area, carried out a detailed survey of gas flares in the business.

Gas and Energy

In 2018, this business defined new lines of work to introduce energy efficiency in its operations and optimize the use of gas in all YPF activities.

Thus, in conjunction with the Upstream, it created projects for capturing non-commercial or vented gas, mostly in well tests, for producing liquefied natural gas or LNG. After installing ten liquefaction plants in 2017 to capture gas at the wellhead, and venting seven wells in Neuquén and Mendoza, an estimated 150,000 m³ of gas were used daily. This has enabled to reduce emissions and use gas recovered in industrial operations, generate electricity or make it available for household use

for communities without connection to the natural gas distribution network.

The Gas and Energy business also started an energy optimization project for process furnaces and large heating systems in high-consumption plants.

Corporate Buildings

The corporate area also implemented actions on energy efficiency. During the reported year, company headquarters in Buenos Aires was awarded the ISO 50001 certification and improved energy management by introducing new energy analyzers and adapting its monitoring program for reducing daily energy consumption.

Along these lines, new operational control procedures were implemented by adjusting AC temperature settings, defining time periods for equipment operation, maximum powers and replace existing lighting with LED lighting, among others.

ISO 50001 Certifications

In 2018, YPF was awarded new ISO 50001 Energy Management System certifications for the following facilities:

- El Bracho Thermal Power Plant, Tucumán
- Loma Campana I Thermal Power Plant, Neuquén
- Loma Campana II Thermal Power Plant, Neuquén
- Loma Campana Este Thermal Power Plant, Neuquén
- Puerto Madero Tower, CABA
- Y-TEC, La Plata

EIGHT OF THE GROUP'S FACILITIES ARE ISO 50001 CERTIFIED FOR ENERGY MANAGEMENT.

These sites add to the certificates awarded in previous years —for Petroquímica La Plata and Buenos Aires (2016) and Canning Plant, Buenos Aires (AESAs, 2017)— making up a total of eight certifications to date. On the other hand, a certification process for La Plata Refinery is scheduled for completion in 2020.

Other Actions on Emission Reduction

Clean Development Mechanism

Projects: YPF continued monitoring its two projects registered under the Clean Development Mechanism (CDM), which allow reducing emissions in the different stages and processes of oil refining. through the recovery of flare gas in La Plata and Luján de Cuyo industrial complexes. Residual gases are compressed and injected into the fuel system to feed furnaces and boilers, thus avoiding the need to use natural gas and fuel oil for heating. In 2018, CO₂ was reduced by around 173,000 tons between both projects.

The methodology developed by YPF was approved by the United Nations in 2007.

Afforestation: In 1998, YPF launched a forestation plan for the province of Neuquén, which currently features 7,000 hectares of pineapples, native plants and other plant species. The carbon capture calculation made in 2014 estimates that the forest mass can capture 760,000 tons of carbon in a period of 30 years. During 2018, field studies were carried out to support an updated calculation.

In 2018, Plaza Huincul Industrial Complex also developed an afforestation plan in its premises and in the City Park, with a total planting of 337 species, exceeding the 200 originally planned. For its part, La Plata Industrial Complex has conducted forestry activities in Refinery and Chemistry since 2014, with a total of 685 trees and 119 shrubs planted. Its plans for 2019 include introducing 40 species of empress tree by a pilot test and planting seeds in its own nursery.

Low Sulfur Fuels and Biofuels

YPF is implementing a new fuel specifications project to have a cleaner and more sustainable platform.

Focused on reducing the sulfur content in fuels (gasoline and diesel fuels), the company is ready to enter the biofuel production market, in addition to maintaining the mandatory blend in the fuels it refines today. Both initiatives are explained in the section of this report on customers.

NEW B-TRAIN UNITS

YPF is the first company in the country to use B-train units to transport its fuels. Its purpose is to improve efficiency in the logistics chain, sustainability and environmental care, as well as its commitment to road safety.

The introduction of this type of unit, scheduled for testing in 2019, will allow YPF to expand transport capacity and generate a positive impact per cubic meter transported: an approx. 25% reduction in fuel consumption and an approx. 45% reduction in emissions.

ONE OF THE MAIN MILESTONES OF 2018 WAS THE LAUNCH OF YPF LUZ.



DEVELOPMENT OF THE ELECTRIC POWER AND RENEWABLES BUSINESS

One of the main milestones of the reported year was the launch of YPF LUZ, the Group’s energy company that aims to become the third largest electric power generator in the country and a leader in renewable energy, including wind, solar and biomass. Other milestones included the opening of the Manantiales Behr Wind Farm and the start of construction of a new wind farm.

YPF LUZ also added natural gas-based thermal energy:

- A new electric power plant in the Province of Tucumán with a generation capacity of 267MW was added to the two other plants that the company owns in the El Bracho Complex. The start-up of a new turbine generates the energy equal to the consumption of more than 280,000 homes.
- The Loma Campana Complex — made up of the 105 MW Loma Campana I, 107 MW Loma Campana II, and 17 MW Loma Campana Power Plants— is located in the area of the Vaca Muerta formation

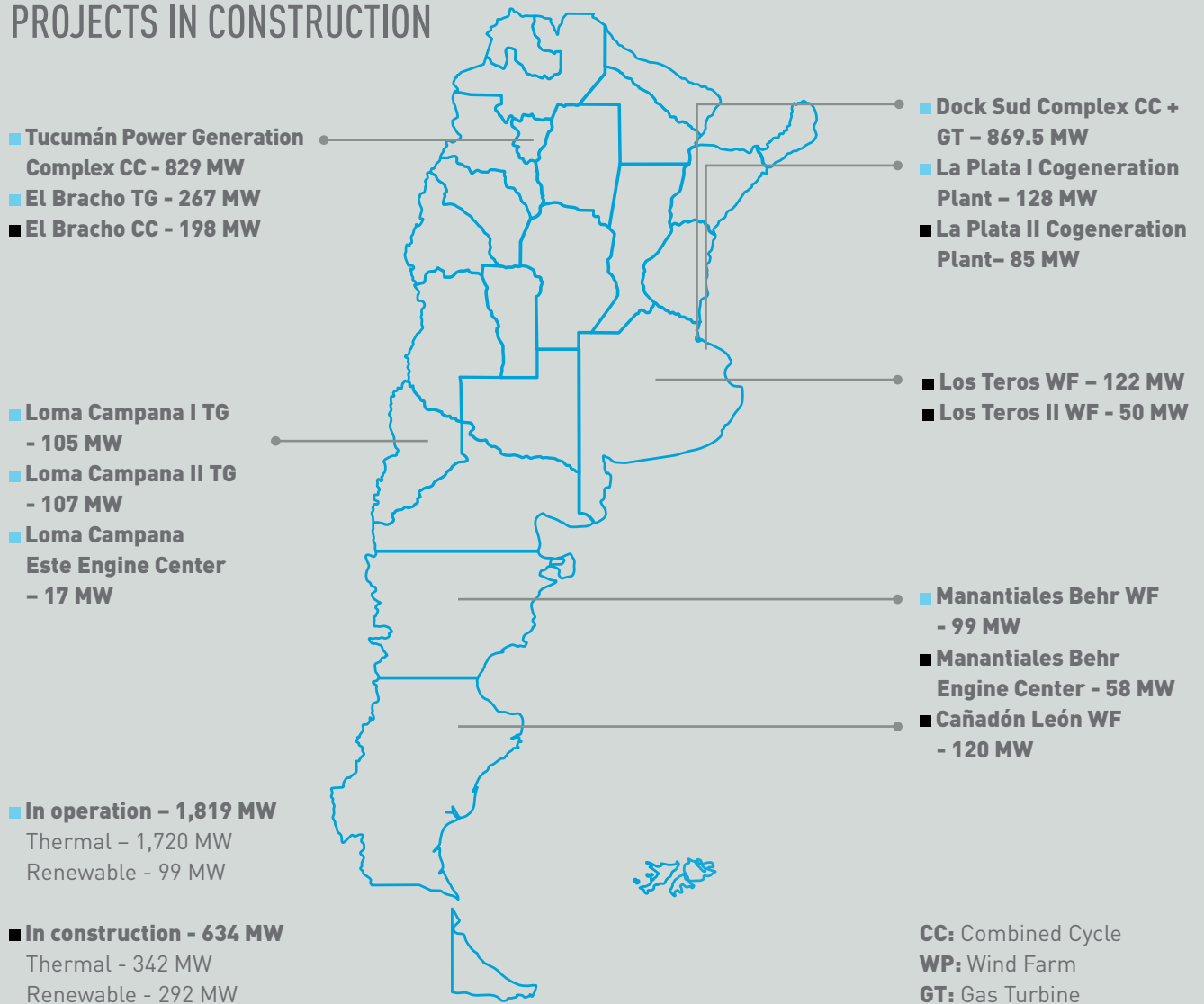
in the province of Neuquén. The complex is a milestone for the company as part of its positioning as one of the main electric power generators in the country. At the same time, a 130,000 hectare green lung was created with almost 100,000 poplars planted, which allows reusing controlled liquid effluent for tree irrigation.

- La Plata Cogeneration Plant located in La Plata YPF Refinery was acquired from Central Puerto. It supplies steam to YPF, and energy to CAMMESA.

YPF LUZ plans to reach an installed capacity of 5,000 MW by 2023 based on efficient thermal generation and about 400 MW of renewable energy. To this end, it is working

on structuring the business while currently executing six projects that will provide an additional 637 MW capacity by 2020.

PROJECTS IN OPERATION AND PROJECTS IN CONSTRUCTION



Currently, in addition to providing YPF with renewable energy, distributed energy and cogeneration, YPF LUZ signed agreements with Toyota and Coca Cola FEMSA to provide them with renewable energy for 100% of their energy demand for 10 and 15 years respectively, and also with Profertil for 60% of its energy demand for 21 years.

MANANTIALES BEHR WIND FARM

In July 2018, the Manantiales Behr wind farm (99 MW) became operational. Its implementation allowed YPF SA to have renewable energy accounting for 17% of its demand from the Argentine Power Grid (in excess of the 12% requirement set by law in 2019).

In terms of GHG emission reduction, its emissions are in the order of 241,571 tCO₂e per year.

The facility has thirty wind turbines and two transformer substations, and is located on an oilfield that has produced oil and gas for over 80 years. It is one of the most important wind energy projects in the country

due to size and quality of the resource, with an average capacity factor of 62% of the installed capacity. This makes it one of the wind farms with the highest energy yield and capacity factor in the world.

Manantiales Behr Wind Farm has an Environmental and Social Management Program in place, audited by international organizations. It has been granted an ISO 14001 Environmental Management certification and a certification to issue carbon bonds.

In addition, a thermal power plant is being built at Manantiales Behr which YPF LUZ will operate together with its wind farm, combining both to make a hybrid generation system. YPF LUZ will invest US \$ 60 million in the construction of the plant, which will have a capacity of 58 MW in a first stage, to be expanded to 90MW in a second stage.

To learn more, visit:
<http://www.ypf.com/energiaypf/ParqueEolico/index.html>

RENEWABLE ENERGY PROJECTS UNDER CONSTRUCTION

Los Teros wind farm

Construction of the first stage of this wind farm started in 2018. Located 45 km from the City of Azul, province

of Buenos Aires, the farm will have 45 wind turbines, an installed capacity of 174 MW and a 53% capacity factor. It is scheduled to be opened and to enter into full commercial operation in 2020.

The wind power to be produced by Los Teros will entail CO₂ emission savings of 5.5 million tons over 20 years vis-à-vis the same energy produced by a traditional thermal power plant.

Cañadón León wind farm

Under the RenovAr 2.0 Program, YPF LUZ was awarded the 99MW Cañadón León Wind Farm project. The farm will have a 20-year contract (PPA) with CAMMESA (Wholesale Electric Market Management Company) for the total amount of the energy produced.

The Park is located 25 km from the city of Caleta Olivia, in the province of Santa Cruz. During 2018, progress was made to build an additional 23 MW to supply the Renewable Energy Term Market (MATER).

At the end of 2018, YPF LUZ had a 1,819 MW installed capacity for electric power generation.

INNOVATION AND DEVELOPMENT

103-1, 103-2, 103-3

Investment in innovation and development is of paramount importance not only to strengthen YPF's efficient, competitive and sustainable operations, but also to successfully complete the transformation process into an integrated energy company. Our goal is to become more flexible so as to seize business opportunities, and more agile and efficient to continue being competitive in an increasingly complex energy market.

To this end, we conduct our operations along three strategic lines:

- Process automation and operational data-informed decision making.
- Generation and transfer of innovative technology solutions for the energy industry through Y-TEC.
- Diversification and exploration of the company's business boundaries through YPF Ventures, attracting external innovation to generate local innovation.

BUSINESS INNOVATION AND TECHNOLOGY

The strategic lines on innovation and technology outlined in YPF's renewed Business Plan are focused on 10 key focal areas aimed at boosting production, speeding up operations, increasing organizational efficiency, strengthening safety performance and improving customer focus.

YPF'S 10 STRATEGIC FOCAL AREAS

1. Cybersecurity
2. Data-informed decisions
3. Digital creation and collaboration
4. Connected assets
5. OT/IT technology convergence
6. Agile processes
7. Applied innovation
8. End-to-end supply chain
9. Customer journey – CX Digital
10. Cloud

1. Cybersecurity

During 2018 the company moved forward with a multi-year action plan started in 2017 which seeks to meet global cybersecurity standards by 2020.

We updated our cybersecurity policy as an enabler of digital transformation, extending its scope to industrial networks and stressing both the concept of cyber risk in operation technology and the need to make decisions based on risk assessment.

During the second half of 2018, in accordance with international Oil & Gas standards, the company organized and implemented a cyber risk management center and an IT security incident response team to monitor and mitigate cybersecurity threats.

In addition, it updated its internal cybersecurity incident response procedures and processes and, in the last quarter of 2018, it conducted a major tabletop exercise within the cybersecurity awareness program with the participation of the Crisis Committee.

2. Data-informed Decisions

In 2018, according to a five-year perspective aimed at strengthening Analytics-informed decisions, YPF sped up development of data monetization projects through the creation of an Analytics Experience Center that led to a fivefold increase in the Analytics portfolio, with a total of 29 projects across the company.

Further actions included implementation of the first App for YPF's shareholders, start-up of four Upstream projects, and three new patent applications derived from models drawn from this business unit. The company also performed the first Analytics-led monitoring of the marketing campaign for using LED lamps, and developed new models for calculating sales volumes in gas stations.

As part of the R&D focus on core businesses, work was conducted on combustion modeling in new engine technologies to reduce emissions, and on development of in-house capabilities for image analysis based petrophysical and geomechanical characterization (Roca Digital).

3. Digital Creation and Collaboration

The Digital Workplace project was implemented in 2018 with the aim of prompting a change in the company's work culture to keep in line with its business strategy.

By migrating to an integrated world-class collaborative platform, more than 21,000 employees were able to access the platform to collaborate from any place and mobile device in real-time.

In 2018 this project earned the IAPG Award to Human Resources Management in the Oil and Gas Industry.

4. Connected Assets

In 2018 the company moved forward with five projects to modernize operating data acquisition and transmission.

The Upstream business launched three mobile technology deployment projects to streamline real-time monitoring of field operations, visualize new developments in Drilling and Workover and strengthen reliability of stored physical inventories.

One of these projects—operations automation—is key to improve well operation safety and efficiency as it allows real-time monitoring,

predicting potential operating failures and reducing costs. The goal is to have 100% of the wells automated by 2021. By the end of 2018, 55.2% of the wells were already automated, while 80% of them are expected to be automated by the end of 2019.

The company also made progress in implementing a two-way data link system in 150 gas stations to strengthen communications infrastructure and optimize performance of YPF's Own Network. Last-generation controllers were deployed in 1,000 gas stations that enable online transactions with YPF En Ruta and Serviclub. This process is scheduled for completion by the end of 2019.

5. OT/IT Technology Convergence

During 2018, Upstream operating processes were improved by applying world-class technologies. Digital lighting was extended to over 1,700 square km in the company's reservoirs through the Tetra trunking network (voice) and over 9,400 additional square km, through the Redline oilfield wireless network. Telesupervision was also supplemented with over 900 additional remote radios.

6. Agile Processes

In 2018 work progressed on several projects both in the Upstream business and at corporate level focused on optimizing and streamlining administrative and operating processes.

An example of this was the initial development of a mobile application for Upstream maintenance management to speed up supervision in control rooms by improving communication and thus, operational security, through risk mitigation. In September 2018 a pilot project was launched in Oil & Gas unconventional operations and in Northern Mendoza. This initiative features a total of 10 projects, over 1,700 users, 11 technologies, 12 suppliers, triplicate processes, over 544,000 master data entries and over 405,000 transactions per month.

Other significant projects included: (1) development of a Mobile App to manage hired resources; (2) generation of an initiative to reduce the time of IT projects through by means of 23 agile cells; (3) development of a computer solution to speed up access times to Upstream geotechnical information; and (4) implementation of Robotic Process Automation (RPA).

7. Applied Innovation

In 2018 cutting-edge technologies were applied in several business solutions, such as central and mobile device monitoring of more than 2,800 security cameras, vehicle control automation through license plate recognition at La Plata refinery and use of face recognition technology for visitor management at YPF Tower in Puerto Madero. The company further outlined an innovation strategy and implemented a digital innovation process and support through an Innovation Management Web Portal and a Mobile App for capturing innovative ideas.

As part of the Autonomous Production Monitoring Units (Unidades Autónomas de Monitoreo de Producción - UAM), the company, through Y-TEC, designed its own monitoring system for individual pumping equipment that allows reducing manufacturing, installation and maintenance costs.

8. End-to-end Supply Chain

As an integrated company, one of YPF's challenges is being able to plan and manage, guaranteeing the highest level of safety in its operations. Part of these challenges relate to the ability to safely and predictably supply its network of more than 1,500 gas stations. Equipping its trucks with state-of-the-art technology will allow

YPF to predict the safest route, especially in adverse weather conditions.

In December 2018 the company launched the SISMICA project designed to further stimulate integration of its supply chain. The project consists of a standard, collaborative seismic data interpretation platform that will enable integration of projects and geophysical data provided by multiple users.

9. Customers Journey – CX Digital

In 2018 the company launched its YPF App, offering customers digital and innovative experiences and a new customer payment and self-management platform. The App allows customers to pay for fuel by scanning a QR code, place orders at stores for later pickup, schedule appointments at YPF Boxes, identify the nearest gas station according to their needs, and interact with Serviclub. Work also continued on manufacturing proximity wristbands that will allow gas station attendants to log in and carry out much more agile transactions, supplying more and better information on consumers in order to customize services.

By year end the App was already up and running in over 100 gas stations throughout the country.

10. Cloud

Cloud technology is both a driver for strategic growth in businesses like YPF's and an enabler for speeding up the transformation process within the company.

With a view to achieving a cloud-based technology operating model, the company moved forward in aligning its infrastructure with the cloud environment, focusing on the analysis of monitoring tools, and integration and connectivity services. In November 2018 the company completed the Cloud Roadmap, giving way to the Migration project that, at the time of publication of this report, is in execution.



Y-TEC

Y-TEC is the leading company in the generation and transfer of innovative technological solutions for the energy industry. It is formed by YPF Tecnología S.A. (with a 51%-interest) and CONICET (National Council of Scientific and Technical Research -Argentine scientific system, with a 49%-interest).

The company operates by embracing an Open Innovation model that has enabled it to partner with other technology-based companies, institutions of the Argentine scientific system and world-class partners. These include, among others, the Massachusetts Institute of Technology (MIT) and the Fraunhofer Institute for Energy Economics and Energy System Technology IEE, both focused on joint development of R&D projects. They have joined a broad network of 23 Innovation Spaces and other international organizations.

Y-TEC is a world-class Research and Development center located in the city of Berisso, province of Buenos Aires. It has a surface area of 13,000 m², 47 labs and 12 experimental plants. It is staffed with a team of 250 scientists and technical experts working on 6 technological programs in a cross-disciplinary manner.

Its capabilities are currently focused on managing a portfolio of high-impact projects aimed at seizing key opportunities for the sector. In 2018 the company continued expanding its patents portfolio and intensifying research, which included new industrial designs and further

advancement of technologies to the transfer and implementation stage.

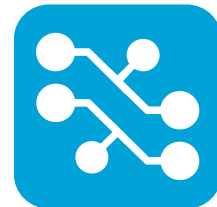
New Energies Program

In 2018 the New Energies technological program was launched for the purpose of exploring and developing cross-border technologies that help transform YPF into an energy company.

Its most significant projects include the advancement of studies on hydrogen production from water and solar energy by means of materials with enhanced optical properties. These materials feature more efficient absorption of sunlight and catalysis of the water-splitting reaction, yielding hydrogen and oxygen as products.

The company also completed installation of its first experimental plant to produce prototype ion-lithium cells in Argentina as a major step for moving forward in the development of new active materials with greater capacity and lower manufacturing costs. An experimental biogas plant was put into operation with a treatment capacity of 500 kg of diverse organic waste per day, an energy generating capacity of 30 m³ of biogas or 15 m³ of methanol, and an installed capacity of 150 kWh/day.

In 2018, after evaluating solar projects worth one thousand megawatts (1,000 MW), Y-TEC earned the designation of qualified external consultant for the RenovAr program.



HYDROGEN

Y-TEC's most significant projects include the advancement of studies on hydrogen production from water and solar energy.

Environmental Sustainability Program

In 2018 the company consolidated its Environmental Sustainability program with a focus on emission reduction, sustainable production and bioproduct development.

Projects with significant progress included development of smart fertilizers and bioinsecticides for agriculture, CO₂ capture in industrial processes for transformation into new products, and nanotechnology-based projects to achieve higher efficiency in water effluent remediation.

Y-TEC also launched its first 100% biological fungicide for soybean cultivation which is already being marketed by YPF Agro.

YPF VENTURES

This new company—on which YPF worked throughout 2018 and which had already been launched by the date this report was published—was created to speed up the development of new energy businesses. Its goal is to stay ahead of the curve by combining innovation and vision. With this initiative, YPF also starts to play a relevant role in promoting the ecosystem of Argentine entrepreneurial talent.

YPF Ventures will operate through two large vehicles: a bridge fund called Argentina Energy Bridge, and a seed fund, YPF Early Stage Fund.

Both vehicles seek opportunities that will allow YPF to diversify into new energy and mobility business lines and invest in technologies adjacent to the company, so as to improve economic margins and seize business opportunities associated with a lower carbon economy.

The bridge fund creates a link between the hubs where energy innovation takes place and our country or Latin America. The advantage of this type of investment is that it reduces risk by bringing already proven technologies to the country and steps up YPF’s positioning in the forefront of innovation across the region.

The seed fund, on the other hand, seeks to build and promote an ecosystem of innovation in the country and region. This fund will supply funding for projects from local and regional entrepreneurs who would otherwise be unable to have access to the capital, knowhow or potential market expansion that YPF can provide.

YPF Ventures confirmed its investment in two such projects:

- The first one is jointly developed with Sustentator, an Argentine company that was founded in 2008 and is currently a leader in distributed energy generation. Under a capitalization agreement, YPF will start providing services directly to end-users behind the meter by supporting the use of solar energy.
- The second one involves an investment in Bird Technologies, a leading company in urban micro-mobility. YPF Ventures’ investment as Bird’s strategic partner is focused on speeding up expansion of the platform in Latin America.

YPF VENTURES WAS CREATED TO SPEED UP THE DEVELOPMENT OF NEW ENERGY BUSINESSES.

CUSTOMER FOCUS

YPF is a highly valuable brand in the market. The provision of quality, innovative and climate-sensitive services and products is the cornerstone of YPF's strategy to preserve that quality. As such, it is crucial for the company to be attentive to market changes and challenges with a focus on customer's expectations and experience.

One of the company's priorities is to achieve a satisfactory customer experience. With that goal in mind, it is constantly implementing improvements and new developments when providing energy to every segment:

- Sales to consumers (B2C), meeting the needs of users through fuels, gas stations, gas, lubricants, convenience stores and boxes, among others.
- Supply of fuels, agrochemicals and fertilizers to key industries (B2B), primarily agriculture, mining, oil and gas, infrastructure, aviation and transportation.
- Electric power supply (B2B), including efficient thermal energy, cogeneration, distributed energy and renewable energies through YPF LUZ. It provides its customers with products that help reduce their carbon footprint.

All products and services supplied by YPF were designed to achieve full customer satisfaction. During the reported year, the various channels showed the following improvements:

RELATIONSHIP WITH GAS STATION CONSUMERS

YPF's share in the diesel and gasoline market increased from 56.1% to 58% in every segment between 2017 and 2018, which made it necessary to implement an aggressive infrastructure adaptation plan. Along these lines, 26 new convenience stores (YPF FULL) were opened at gas stations to provide welcoming spaces to get together, study, work or just relax. Eighty stores also underwent renovation to make them more sustainable, technological and healthier.

The company continued offering lubrication and diagnostics services based on ELAION oil changes—its most advanced lubricant powered by Anti-Stress (TAS®) technology—, registering almost a 20% growth compared to 2017 figures. The renewal of its business partnership with Suzuki Motos Argentina further extended the technological cooperation relating to ELAION MOTO lubricant.

YPF Serviclub

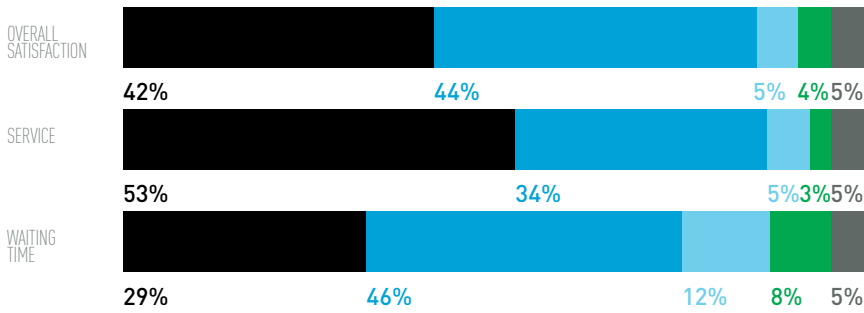
YPF's fidelity program—which has been rewarding members for consumption at YPF gas stations across the country for over 20 years—introduced cutting-edge technology to improve customer experience at every point of sale. The company also concentrated its efforts on developing new promotions and partnerships with a focus on benefit clubs, national and regional banks and fuel discounts, now available to near 3.2 million Serviclub members.

The YPF+ program rewarded the best operators in the gas station network with a training trip to Disney Institute according to three criteria: excellence leadership, employee's commitment and service quality.

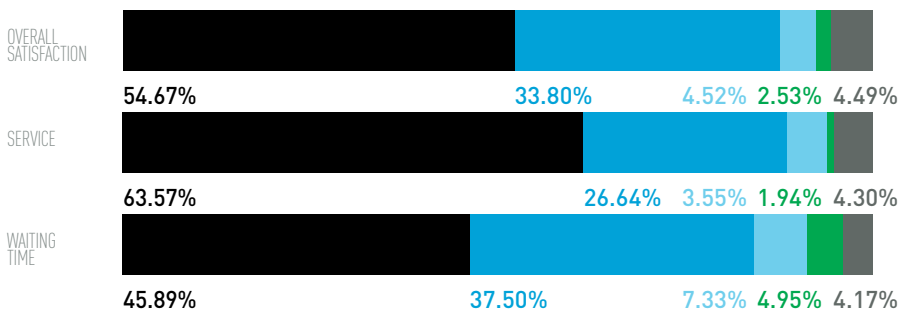
This initiative seeks to boost customer service experience based on the assessment of qualitative and quantitative variables through a mystery shopper. In turn, the Networking Experience Project allows sharing best practices among gas station employees and supervisors all over the country.

2018 CUSTOMER SATISFACTION POLLS

Customer satisfaction tracking in YPF's Own Network

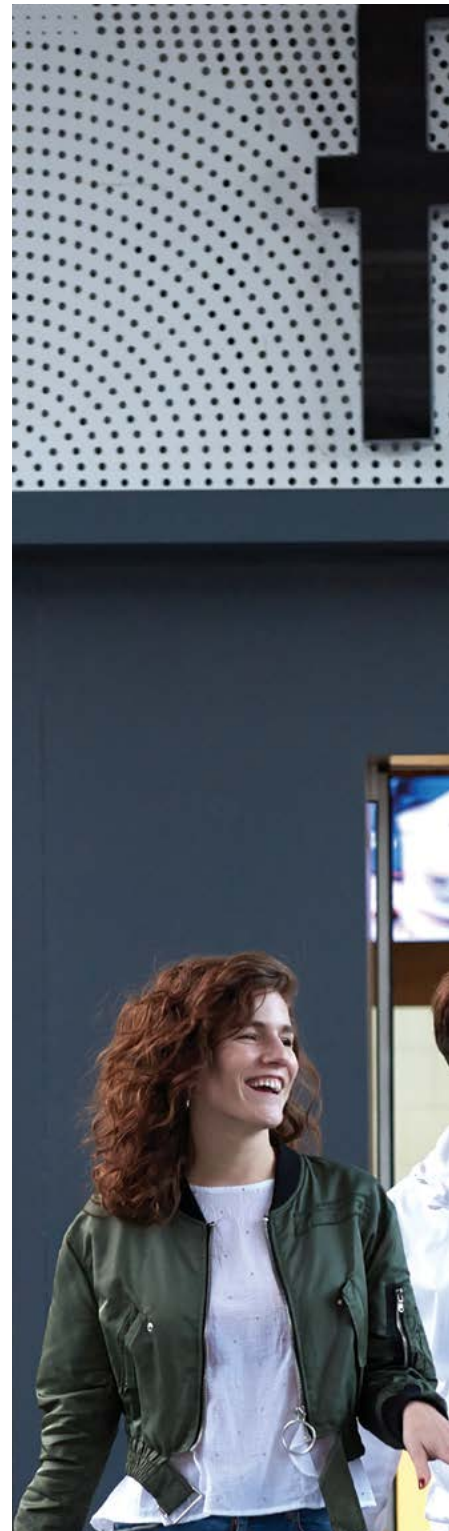


Customer satisfaction tracking in Associates' Network (third parties)



- Highly satisfied
- Satisfied
- Neutral
- Unsatisfied
- Highly unsatisfied

* Based on Serviclub's 2018 ongoing member survey





CUSTOMER SATISFACTION

The company conducts ongoing monitoring of customer satisfaction. In gas stations catering for end consumers, measurement is made by polls taken in both YPF's Own Network and Associates' Network. In 2018 almost 210,000 people were surveyed with consistently high satisfaction levels.

CORPORATE CUSTOMER RELATIONSHIP

YPF Agro

During 2018 YPF launched new branded phytosanitary products, fertilizers and adjuvants for the agricultural sector, reaching different markets through local and international distribution agreements. YPF's share in the domestic fertilizer market rose to 9.4%.

Transporte

The transportation segment registered a 27% increase in sales of YPF ON THE ROAD cards compared to 2017 figures, primarily due to new incentive programs. Action plans focused on sustainable mobility were also outlined for 2019-2021:

- develop an ecosystem of transportation and logistics solutions beyond fuel supply to achieve a more efficient, competitive and pleasant work.
- explore new energies for transport (electric and gas) to spearhead the new sustainable mobility business.

YPF Gas

YPF Gas—the company’s LPG (liquid petroleum gas business)—notified its largest customer in the aero fuel market of the renewal of nine supply units and process optimization at Jorge Newbery airport, accounting for an investment nearing USD 4 million.

These investments are part of a plan developed by YPF to accompany the growth of the Argentine commercial aviation market—evidenced by an increased number of passengers, flights and airport infrastructure improvements—with better products and services.

WHAT IS LPG?

Liquefied Petroleum Gas (LPG) is the alternative fuel most widely used at a global level because it features easier distribution, lower emissions than other fossil fuels, great heating value, and allows for optimal consumption monitoring and immediate startup due to the simple and safe installation of containers and tanks.

YPF LUZ Customers

YPF S.A. is the largest purchaser of renewable energies in YPF Luz and Argentina and, as of the date of publication of this report, the company with the highest renewable energy consumption in the country. During the first quarter of 2019 the company purchased 99,060 MWh of renewable energy, which accounts for 17% of its demand from the Argentine power grid, exceeding by 5% the 12% requirement set by the Renewable Energy Law in 2019.

In 2018 the electric power company also executed other agreements to supply renewable energies to companies:

- In August 2018, Coca-Cola FEMSA Argentina started production at both plants in Buenos Aires with 40% of renewable energies, pursuant to a 15-year supply agreement entered into with YPF LUZ. Based on this agreement, the electric power generator will supply wind energy to 100% of the operations of the bottling plant, starting in 2020.
- Toyota and YPF LUZ entered into a 10-year agreement for the supply of wind energy to the operations of Toyota’s plant in Zarate. In one year and a half, Toyota’s plant in the province of Buenos Aires—whose 2017 production accounted for 26% and 41% of Argentina’s automobile industry production and exports, respectively—will produce vehicles with 100% renewable energy.

PRODUCT INNOVATION

103-1, 103-2, 103-3, 0G8, 0G14

Biofuels

During 2018 YPF maintained the mandatory biofuel blend in the formulation and marketing of diesel fuels and gasoline in compliance with the provisions of Argentine Law 26093 (10% of biodiesel blend in diesel fuels and 12% of bioethanol blend in gasoline) aimed at replacing the use of fossil fuels. The annual total purchase of biofuels by YPF amounted to 666,031 tons of FAME and 596,485 cubic meters of ethanol.

Biofuel purchases from YPF rank second after crude oil purchases from third parties, accounting for 900 million dollars per year.

One of YPF’s milestones in 2018 was the creation of a new structure within its organization, to assess future alternatives in a more competitive scenario pursuant to the market deregulation framework established by Argentine Law 26093, which will enter into force in May 2021. Owing to the know-how developed during the past 12 years of regulation, the company is uniquely positioned to contribute its lessons learned and experience to the market.

New Fuel Specifications (NFS)

YPF supplies last-generation fuels without heavy-metal based additives to support environmental stewardship. Its fuel reliability builds upon quality controls performed in the fuel distribution circuit and traceability mechanisms. These include: (1) a certification system that guarantees source quality; (2) 14 regional laboratories that supervise fuel quality at every shipping terminal before loading it into distribution trucks; and (3) mobile labs monitoring YPF's points of sale across the country⁴.

In an attempt to meet customer requirements, adapt to changes in the automobile industry and comply with Argentine regulations, the Downstream business is carrying out the New Specifications Project— involving a USD 1.3 billion investment—to achieve a cleaner and more sustainable platform.

Its main goal is to reduce sulphur content in fuels (gasoline and diesel fuel) and add a higher percentage of unconventional crude oil processed at YPF's refineries. This will allow the company's industrial complexes to position themselves among the most efficient ones in the region and comply with the regulation controlling sulphur content in marine fuel (IMO 2020). This represents a considerable challenge both for the regional industry and the world.

Y-TERRA

It is the new fungicidal bio-fertilizer for soybean cultivation fully developed by Y-TEC to be marketed throughout YPF Agro network.

From a formulation based on *Trichoderma hp*—a microorganism found in the soil—Y-TERRA combines three actions in a single product: it favors plant growth, improves the phytosanitary condition of crops and controls main pathogens. YPF's new organic fungicide is also highly effective at very low doses and may be applied without altering traditional seed inoculation procedures, as it has already been designed in line with eco-physiological requirements for soybean cultivation. Due to its innovative features, it provides superior protection over other fungicides and reduces environmental impact by replacing the use of chemical agents with a 100% biological product.

CUSTOMER PRIVACY

103-1, 103-2, 103-3

YPF has an information security policy in place that defines controls, management, and responsibilities. Its scope includes personal information privacy protection and is applicable to controlled companies, contractors, suppliers and business partners.

RESPONSIBLE MARKETING AND LABELING

103-1, 103-2, 103-3, 416-1, 417-1

YPF's marketed products have their own Safety Data Sheets (SDS) that provide information on any hazardous substances and/or mixtures contained in them in order to warn about their risks prior to consumption. These Safety Data Sheets conforms to the Global Harmonized System for chemicals. During 2018 the company updated 12.5% of the Safety Data Sheets published in Spanish, Portuguese and English.

These Safety Data Sheets provide information that allows users to:

- a. Develop an active people protection program, including employee training at their workplace.
- b. Analyze the required measures to contribute to environmental stewardship.

⁴For more information on fuels visit: <https://www.ypf.com/productosyservicios/Paginas/YPF-Agro.aspx>

03.

PEOPLE



YPF's transformation into an integrated energy company calls for the hiring of new talents and constant development of their skills through on-going learning involving different training strategies, and digitalization and technology as key components.

The health and safety of 63,000 employees – including own and contractors' employees- as well as the creation of a collaborative and flexible work environment marked by respect for inclusion, freedom of association and equal opportunities as core values are a priority for the organization.

During 2018, emphasis was placed on:

- people management focused on talent attraction and development.
- a reward and incentive system that boosts productivity and performance, and encourages merit-based assessments.
- a strengthened, close and effective leadership guiding the company in its transformation process towards the achievement of expected results.

The relevant milestones of the year included, among others, launching of an on-line survey to measure organizational climate and commitment, with a high rate of

response; defining "YPF attitudes" to highlight behaviors driving the company's transformation; reviewing and gauging YPF's Talent Map according to the new objective, and implementing 360° executive assessments.

In addition, mentoring was first implemented to promote internal career development, and *Job Posting* was relaunched as a transparent and open process for internal position filling.

PEOPLE EMPLOYED

102-8, 401-1

	2016	2017	2018
YPF Group - Total employees	61,729	63,449	62,905
YPF S.A.'s own and controlled companies' staff.	19,257	19,072	20,702*
Contractors' staff	42,472	44,377	42,203

* YPF S.A. and controlled companies. Details for MetroGAS not included. Form 20-F reports 21,314 employees, including MetroGas staff and excluding YPF LUZ, YPF GAS and YPF Foundation staff.

Women Employed*	2016	2017	2018
Women employed (%)	22	22	21
Female leadership (%)	12	11.8	12.7
New hires (women) (%)	11	8.2	15.8
Women/men remuneration (%)	96.6	96.1	95.7

* Excluding staff under temporary employment contracts

Turnover Rate	2016	2017	2018
Women turnover (%)	10	7.6	6.6
Total turnover (%)	23.7	12.8	9.1

523 out of 1,875 were voluntarily terminations.

DIVERSITY AND EQUAL OPPORTUNITIES

103-1, 103-2, 103-3, 401-3

YPF Group represents different ideas, experiences and contexts. Each point of sale, office or facility is also part of a community. This is why YPF intends to set an example in terms of equity, equal opportunities and inclusion for all those interacting with the organization.

The company promotes diversity as a core value that not only creates a more representative workforce, but also helps build a more successful and profitable company. The principles of respect, non-discrimination and equal opportunities are engrained in the Code of Ethics and Conduct and guide the company's activities.

Diversity is key to acknowledge the different ideas and opinions that contribute to a better organizational development by:

- Providing greater chances to cope with a changing and competitive environment.
- Understanding and responding to an increasingly demanding market.
- Contributing to talent management and retention.

The company set up a Diversity Committee intended to ensure equal opportunities and lead diversity and inclusion initiatives, and has implemented a five-year plan (2018-2022) which promotes diversity and inclusion for employees, customers and suppliers. In addition, a Diversity Leader was appointed to coordinate action implementation.

In 2018 a policy was defined that establishes the expectations, commitments and requirements to promote diversity and inclusion in YPF, specifying what is required of each employee to meet them.

DIVERSITY AND INCLUSION MANIFESTO

Respect singularity

Create opportunities

Promote inclusion

Value talent

Learn

Get to know each other

Trust

Transform

Be honest

Seek plurality

Grow in diversity

For action plans to be representative, YPF uses internal surveys and opinion polls to prepare diagnostics which, in turn, are supplemented by comparative studies, research works and interaction seminars.

GENDER EQUALITY

In 2017, ten critical issues were identified as obstacles by YPF female employees in terms of participation, promotion, remuneration and recognition. An action plan was defined for implementation between 2018 and 2020 to remove such obstacles, which include: Work clothing, Infrastructure, Participation, Technical Training, Working Methodology, Co-responsibility, Career development, Inappropriate behavior, Protection of People and Culture.

In 2018 the action plan began to be executed and 18 associated indicators were monitored to measure progress.

While the number of women in leading positions went up by 0.7% between 2017 and 2018, the number of female executives rose by 4% during the same period.

YPF SET A GOAL TO INCREASE THE PERCENTAGE OF WOMEN IN LEADERSHIP POSITIONS TO 25% BY 2025.

Initiatives favoring family-work life balance continued to be executed and consolidating. Benefits for parents include (1) extended paternity leave, to up to 15 days –a much longer period than that established by law–; (2) addition of one month to the statutory maternity leave; and (3) the mother’s gradual return to work with a reduction of one extra hour in regular workdays, in addition to breastfeeding leave.

These initiatives had an impact on 99% of the total female employees who resumed work after their maternity leave, a 3% increase as compared to 2017. 90% of male employees who became fathers took the new paternity leave.

The pay gap is 4.3% in favor of men, considerably higher than in 2017, but lower than the pay gap in the Argentine market.

Diversity in action 2018

Inspiring Talks	Interactions	Internal Recognition Tool	Reporting
Open talks on gender, innovation, bias, diversity and inclusion.	YPF planned meetings with companies and organizations to drive actions for diversity and inclusion.	The Inspiration value in the internal recognition tool allows the company to highlight people who seek plurality and promote diversity and inclusion.	To guarantee transparency and traceability, the company generated reports to inform on the degree of progress of its action plans.

Partnerships

RED Universidad Torcuato Di Tella	IPG	Upward	W20
As a network member, YPF took part in the <i>Win-Win project: Gender Equality is Good Business Program</i> . The initiative promotes gender equality across the private sector to increase economic empowerment and leadership of women as a basis for sustainable, inclusive and equitable growth.	YPF is part of the leadership group of the Gender Parity Initiative promoted by the Argentine government. The initiative aims to foster public policies to advance gender equality and women’s empowerment.	YPF, together with other companies, participated in the drafting of a Good Practices Manual which paves the way and is a benchmark for all organizations interested in promoting the gender perspective and helping women reach decision-making positions.	YPF took part in the private sector work session on Women in Leadership Positions, which concluded with a recommendation to G20 leaders to “speed up women’s access to decision-making positions through progressive promotion and equal compensation, as well as through incentives to organizations implementing these measures.”

DIVERSITY AND INCLUSION

Another relevant pillar for equal opportunities is access to a decent job. With this in mind, initiatives were developed to strengthen the employability of various social groups.

APPRENTICESHIP AND WORK TRAINING PROGRAM,

which in 2018 reached over 400 advanced students from industry-related degree courses. It is designed to allow students to put their academic training to action and acquire the conduct inherent in the corporate world. These practices will extend to technical school students as from 2019.

EMPLOYABILITY PROGRAM FOR YOUNG ADULTS FROM VULNERABLE SECTORS,

in which 70 people participated throughout the year. It is aimed at reaching professional competence, developing aspects inherent in the work culture, and moving forward and completing high school studies.

EMPLOYABILITY PROGRAM FOR PEOPLE WITH DISABILITIES,

consisting in training and qualifying practices, with 60 persons participating in 2018. This program is supplemented with other like initiatives, such as:

- Inclusive Procurement Program, targeted at social projects and protected workshops, and formed by teams of people with different types of disabilities.
- “Full de la Sonrisa” Program, targeted at young persons with Down and Asperger syndromes, who are hired to work within the same workspace and shift.

EMPLOYABILITY PROGRAM FOR PERSONS WHO SPENT TIME IN PRISON,

To help and join them in their social and professional re-insertion efforts. In 2018, YPF had ten participants who, due to their good performance, continued working under employment contracts as gas station attendants.

All initiatives were led by trained tutors in different Argentine provinces, which evidences the federal reach of the initiatives.

An Internship Program is under way, for implementation in 2019, targeted at Argentine students pursuing master’s degree programs at international universities, with a view to contributing to their employability, strengthening YPF’s position as an employer and contributing to the return of Argentine talent trained abroad.

TALENT ATTRACTION AND RETENTION

103-1, 103-2, 103-3, 401-1

YPF Group aims at becoming the employer of choice among professionals through comprehensive management of its human resources, attracting and developing young talents and other players in furtherance of the company’s strategy.

YPF’s corporate values guide managerial conduct across all company areas and guarantee a framework of respect, transparency and collaboration in a robust culture marked by constant feedback, holistic training and development.

Distributed in many locations across the country, all employees work on a full-time basis and 92% under a permanent employment contract.

Hires ¹	
New hires	4,387
New hires rate	21,2%
Turnover rate	9,1%

NEW TALENT

During 2018 we continued developing our talent attraction programs. In addition to traditional recruiting processes, YPF undertook different initiatives aimed at incorporating young professionals through university and other virtual fairs.

YPF organized university events in several Argentine provinces to introduce the company, share employment opportunities, and deepen its insight into the expectations and ambitions of potential new employees. Over 185 people were chosen during these events. The interest of young university students and recent graduates positioned YPF as one of the best employers in the “company of your dreams” ranking.

To enable other young adults to train in careers of great interest to the company, YPF granted over 200 scholarships for undergraduate and associate degrees to its employees’ children.

EMPLOYEES VALUE PROPOSAL

102-38, 102-39
103-1, 103-2, 103-3, 201-3
103-1, 103-2, 103-3, 202-1
103-1, 103-2, 103-3, 401-2

YPF’s Value Proposal continued in 2018 focused on talent development, performance management –see Talent Development – and remuneration and benefit administration.

Remuneration and Benefits

The company’s remuneration policy is a key tool to motivate employees to contribute to the achievement of strategic and operating objectives, establishing a competitive pay which is the pillar of the Employee Value Proposal.

PROGRAM OBJECTIVES

- Ensure external competitiveness and internal equity, facilitating the attraction, retention and commitment of the best professionals who can contribute their talent to the organization.
- Foster performance and recognition of individual merit.
- Encourage promotion and development of employees.
- Encourage cooperation and collective efforts.
- Retain key employees.

Pursuant to the company’s internal equity policy on remuneration, employees receive equal pay for equal position, experience and performance.

¹ The new hire rate and the turnover rate are calculated on the total staff of YPF S.A. and controlled companies at the close of 2018 (except for MetroGAS).

In the reported year, the wage for entry-level positions at YPF Group still more than doubled the current minimum wage in Argentina². Similarly, as for the relationship between the total annual remuneration earned by the best-paid person in the organization against the average total annual remuneration, the ratio remained 21 for YPF S.A. and 27 for YPF Group.

Performance-based remuneration included a bonus for approximately 7,000 YPF employees not covered by bargaining agreements, more than in 2017, and for 9,000 employees covered by bargaining agreements. Tied to the achievement of annual business targets, the program consists in a set of goals and specific measurable indicators established by YPF's Management by Objectives Program at company, business unit and employee level.

Additionally, in 2018 the Long-Term Variable Remuneration program for key executives and employees continued. Such program is based on the granting of shares of stock mainly intended to favor the alignment of key staff's performance with the objectives of the company's strategic plan, generate a clear and direct relationship between value creation for shareholders and remuneration of key staff, and attract and retain key Organization staff with a competitive remuneration.

Benefits for a Better Quality of Life

Health Care and Welfare Plan	Life Insurance	Personal Loans	Pension Plan with Company Contributions
Transportation	Cafeteria	Gym discounts	Day-Care Centers
Birth and School grants	Discount programs	Parental Leaves	Reduced flexible remote work

² Based on the starting salary at YPF Group equivalent to the wage of an entry-level salesman at OPESSA, which includes base salary, meal allowance and other fixed benefits. This base salary is 2.8 times higher than the current Adjustable Minimum Living Wage in Argentina.

NEW DEVELOPMENTS - 2018

WORK CLIMATE AND COMMITMENT

Launching of an on-line survey to measure work climate and commitment, with over 50 statements, a 78% response rate and a 79% commitment level.

Global results were communicated at company and business unit level through 300 leaders, who defined more than 800 actions plans for work climate management.

YPF ATTITUDE: STAR ME UP

To transmit and give visibility to the attitudes and behaviors expected from the organization's staff and to contribute to corporate transformation, YPF Attitude was created for use with the StarMeUp platform, a unique intuitive, participative and horizontal market tool. During 2018, over 20,000 stars were sent.

With StarMeUp, stars are sent to employees, leaders and fellow workers when they excel in any of the following YPF attitudes":

Innovation

Agility

Inspiration

Collaboration

Commitment

TALENT DEVELOPMENT

103-1, 103-2, 103-3

YPF accompanies its employees in their career path by providing them with tools and resources that help them boost performance. The primary goal is to build a more robust, merit-rewarding culture founded on dialogue, feedback, continuous learning, and holistic development.

TALENT MAP

The company identifies, through an on-going and systematic process, the potential skills of employees. This contributes to building a Talent Map that is part of the company's Succession Plan and defines actions for improvement and development of people involved.

In 2018 progress was made towards a *bottom-up* process for identification of talent. It was targeted at employees with growth potential in managed complexity and employees with high technical skills, who were submitted to managerial analysis. This action ended with a Talent Review held by the company's Executive Committee.

MENTORING

During the reported year, YPF also carried out its first mentoring experience. In this context, persons identified with high potential were assigned an individual mentor who assisted them to boost and speed up their career development within the company.

JOB POSTING

This practice was relaunched in the same period, as part of the internal talent search for position filling, together with other recruitment sources such as candidates eligible from the Talent Map and Succession Plan. This relaunching implied the open posting of managerial vacancies company-wide, reaching approximately 800 postings during the year.

ENHANCED LEADERSHIP

During 2018, a new YPF leader profile was defined in line with new professional challenges and YPF's digital transformation, based on 4 aspects of like relevance: strategic, result-oriented, people-oriented and personal.

Such profile was communicated across the organization through information campaigns and meetings with leaders and renowned experts in the field.

At the same time, a 360° assessment feedback was carried out with approximately 1,000 leaders, including the CEO, Vice presidents, Executives and Senior Managers, and was based on supervisor-employee conversations and definition of individual development plans. Management and Leadership Programs were integrated, adjusted to the new required profile.

In addition, YPF joined the ARPEL Leadership Program, aimed at providing a comprehensive industry view in Latin America. Ten executives took part in its first edition, in Argentina, Colombia and Mexico.

DURING 2018, YPF DEFINED A NEW LEADER PROFILE.

PERFORMANCE MANAGEMENT

103-1, 103-2, 103-3, 404-3

YPF has a performance assessment tool applicable to all its employees, which aligns people's efforts with corporate objectives by improving team execution and performance assessment quality. Fulfilling the company's goals concerns all employees and entails setting individual targets³, self-assessment of both employees and supervisors, and potential multifeedback. In 2018, 100% of employees subject to assessment pursuant to internal rules were actually included in this process.

³ The self-assessment process and the setting of individual targets are required only for employees not covered by bargaining agreements.

Training	
Total hours - YPF Group	606,418
YPF S.A.	66% of total
Average hours per YPF S.A. employee	40.3 hours

In-house Training Hours (by type)	2016	2017	2018
Technical	179,030	240,442	219,104
QUESH	70,111	61,136	44,080
Management	132,701	122,971	135,029
Total	381,842	424,549	398,213

YPF S.A.

MANAGEMENT BY OBJECTIVES

The company's objectives cover a wide range of areas: sustainability, efficiency, financial and operating discipline, and transformation.

MORE THAN 90 UNITS

have specific goals.

APPROXIMATELY 12,000 EMPLOYEES

have individual objectives.

82% OF EMPLOYEES

receive short-term performance and goal-based bonuses.

APPROXIMATELY 1,000 EMPLOYEES

receive long-term remuneration through the granting of shares.

TRAINING

103-1, 103-2, 103-3, 404-1, 404-2

During 2018 the YPF continued investing in the ongoing development of employees holding technical and professional operating positions. It delivered wide-ranging courses related to management skills and competencies through Leadership and Management programs.

At the same time, the company intensified the *e-learning* format to streamline the learning process and reach a larger number of people. It further offered the possibility of finishing high school, and achieving a first undergraduate, specialization or master's degree consistent with their activity within the company and with a commitment to return to work.

ONGOING COMMUNICATION

YPF encourages dialogue through various mechanisms and tools that encourage exchanges between supervisors, employees and peers, such as the Y-net intranet and the social network #EnRed, the CEO's monthly meetings with employees at different company units and the Ethics Line⁴.

⁴ See on page 87.

EMPLOYEES' REPRESENTATION

102-41

103-1, 103-2, 103-3, 402-1

103-1, 103-2, 103-3, 403-1, 403-4

YPF and contractors' employees provide their services subject to current labor laws and the regulations established in collective bargaining agreements. YPF S.A. is committed to complying with the deadlines and modalities set forth by labor legislation in force, its internal rules, and the Collective Bargaining Agreements entered into directly or through the industry trade associations in which it formally participates.

FORTY-SIX PERCENT OF THE EMPLOYEES AT YPF S.A. ARE REPRESENTED BY THE LABOR UNION OF OIL AND HYDROCARBONS (SUPEH).

Contractors' employees are represented by another 16 labor unions, whereas 61%—mostly in the Upstream business—are represented by nine labor unions.

Employees have a company's Board member representing them, an internal Labor Relations Policy, and a specific area that coordinates the relationship between employees and labor unions ensuring that all relevant issues are duly addressed in

the agreements and translate into appropriate working conditions.

The company's main Upstream and Downstream activities are carried out by employees under a collective bargaining agreement, who are directly or indirectly employed. To YPF, building collaborative relationships with labor unions is crucial to support a management approach focused on health and safety stewardship as well as on holistic employee development. In 2018 the company worked on the implementation of the Collective Bargaining Agreement 1261/12 "E" issued by SUPEH. This agreement includes a paragraph on occupational medicine and six sections on Occupational Health and Safety which provide—inter alia—for the creation of a mixed safety committee and the expansion of the role of employees' representatives in all matters relating to environmental compliance monitoring. Employees should become properly apprised of environmental health, social diseases, accident rate factors and safety measures, and help carry out activities in healthy and risk-free environment. Likewise, health and safety provisions of labor laws in force apply to all employees.





TRADE UNION CAREER

In 2018 the Trade Union Career was launched, a new project for the development of SUPeH-YPF trade union representatives, thus putting into practice one of the items agreed upon in the latest collective bargaining agreement. This entails a process of knowledge alignment and continuous improvement for those playing such role, which includes Trade Union Management courses delivered by Buenos Aires University and Universidad Católica Argentina, featuring a public-private academic synergy specially designed for YPF. Forty trade union representatives are attending the first edition, from 15 SUPeH branches in 7 provinces, which evidences the federal scope of the project. The first edition of the Program is expected to conclude in May 2019.

OCCUPATIONAL HEALTH AND SAFETY

103-1, 103-2, 103-3, 403-1, 403-4, 403-7, 403-8

At YPF, the occupational health and safety of all the people working in its operations—including suppliers and business partners—is a top priority, pursuant to the Code of Ethics and Conduct.

YPF Management System focuses on mitigating occupational, industrial and process risks; is based on a robust corporate safety culture; and operates within the framework of the

Safety, Environmental Protection and Health Preservation Policy.

The company also has a Health, Environmental Protection and Health Preservation Plan in place that is annually reviewed. During 2018, an improvement project at company level was implemented: the Operational Excellence model. Its objective is to further enhance YPF safety culture, through the

introduction of a safety approach and a proactive behavior at all organization levels. Thus, five main improvement areas were identified: planning, operation, assessment and improvement through training, management support, and leadership and customer focus.

Leadership and Customer Focus

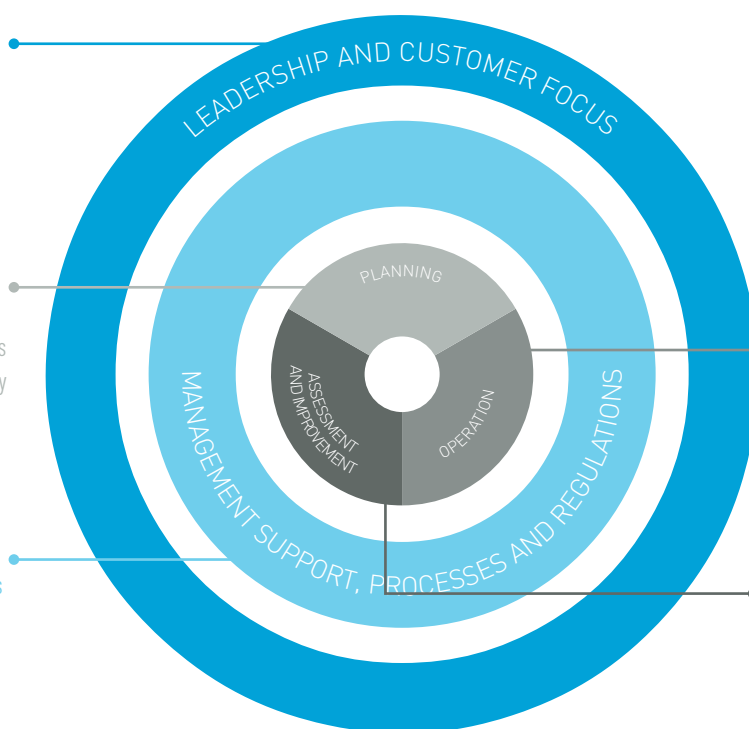
- 1- Operational Excellence Policy
- 2- Leaders
- 3- Commitments with internal and external customers

Planning

- 4- Organizational Risks and Opportunities
- 5- Goals and planning
- 6- Structure and Human Resources
- 7- Roles, responsibilities, authority and leadership

Management Support, Processes and Regulations

- 8- Communication (external and internal), participation and queries
- 9- Processes and documents
- 10- Internal and external regulations
- 11- Information systems



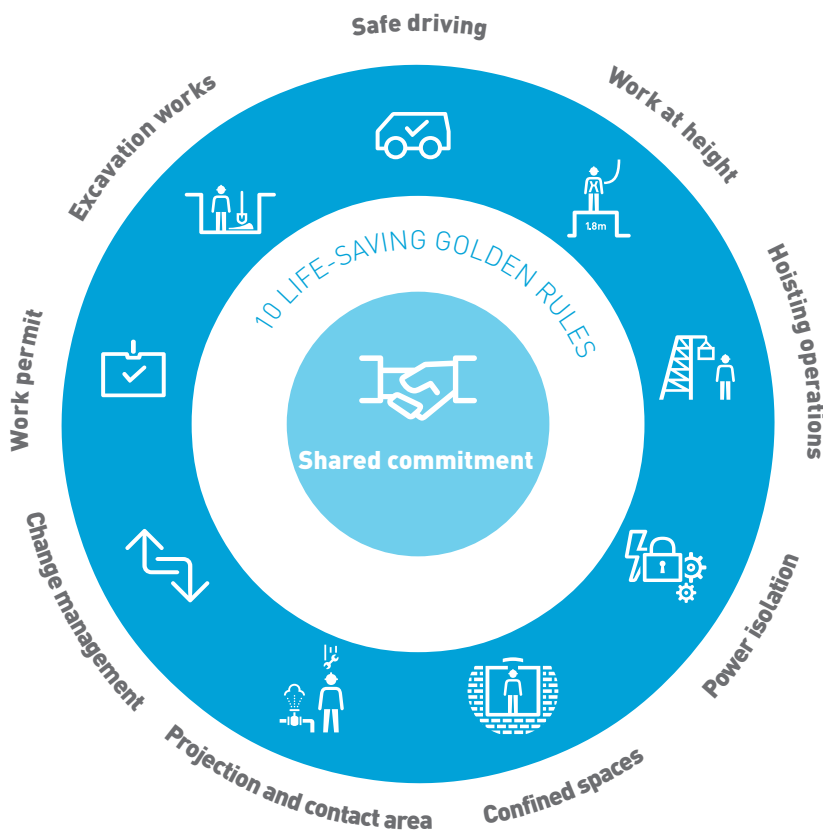
Operation

- 12- Operational identification of hazards/ aspects and evaluation of risks/impacts
- 13- Asset integrity and reliability
- 14- Definition and execution of operational procedures and criteria
- 15- Management of hired processes, products and services
- 16- Change planning and management
- 17- Competence
- 18- Awareness, accountability and operative discipline
- 19- Knowledge management
- 20- Emergency preparedness and response

Assessment and Improvement

- 21- Cost follow-up, measurement, efficiency analysis and optimization
- 22- Performance assessment
- 23- Non-conformity and corrective action
- 24- Incidents and accidents
- 25- Audits
- 26- Management reviews
- 27- Continuous improvement

10 Life-Saving Golden Rules



In addition, the six Golden rules were reviewed and a new scheme was designed with the launching of the ten life-saving Golden rules. During 2019, the scheme will be deployed to all YPF employees (own and contractors' employees).

ACCIDENT AND INCIDENT PREVENTION

103-1, 103-2, 103-3, 403-1, 403-2, 403-3, 403-5, 403-9, 403-10

The company's Management System is certified to OHSAS 18001 (Safety) and ISO 14000 (Environment) standards in the company's main industrial plants.

The company carries out systemic risk monitoring in industrial assets by implementing corporate standard 10.065. In 2018 risk studies were conducted in 85%, 88% and 100% of the assets in the Upstream, Downstream⁵ and Natural Gas businesses, respectively, and in 100% of the assets in YPF LUZ.

Systemic Risk Control in Industrial Assets (%)

	2017	2018
Upstream	74%	85%
Downstream	99%	88%
Gas and Energy	85%	100%

⁵ During the second quarter 2018, Business Management's risk studies were added to the follow-up report.

Drills and Training to Firefighters

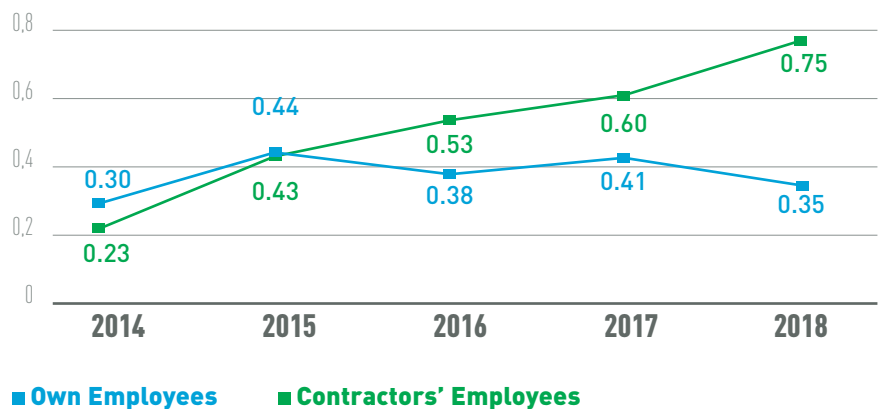
	2017	2018
Emergency drills	2,827	2,187
Upstream	821	423
Downstream	1967	1719
Gas and Energy	39	45
Firefighters trained	400	640
Upstream	44	141
Downstream	338	434
Gas and Energy	18	65

The main guidelines for Process and Operating Safety are embedded in the Management Plan and focus on the following areas:

- 1. Process Safety
- 2. Operating Safety
- 3. Contractor Management
- 4. Standards Review
- 5. Emergency Management
- 6. Outreach Campaigns
- 7. Training and Instruction
- 8. Audit

Process review and control was carried out through:

Safety Training Index (%)



STI (%) = (training hour load/hours worked) x100

- Self-assessment and gap detection.
- Audits and inspections of facilities and change management procedures.
- Monitoring and follow-up of improvement measures developed from process safety risk assessments.
- Performance monitoring and safety management audits of designated companies.

At the same time, own and contractors' employees are constantly trained in their roles and responsibilities to respond to emergencies. The objective includes the implementation of a prevention culture focused on hazard identification and awareness to control risks and minimize incidents. During 2018:

- Williams, Fire & Hazard Control delivered in-class and field training to employees from the Emergencies and Engineering and Maintenance area to use mobile high flow fire extinguishing equipment in large fuel storage tanks.

SAFETY AWARD TO AESA

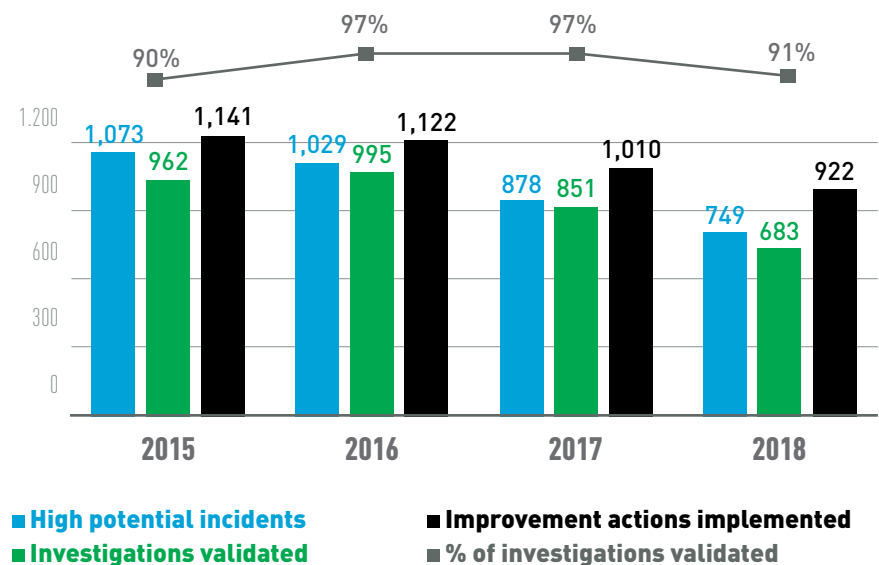
For the third time in a row, YPF's subsidiary AESA received the IAPG 2018 Safety Award in the Building, Manufacturing and Engineering categories.

In 2018, 2,187 drills were conducted and external training was delivered to 640 firefighters. They were intended to define action and response in case of emergencies, and considered eventual scenarios of fire, explosion, leakage, spills and injured staff.

- Upstream managers, heads and supervisors carried out 9,801 field activities together with environment, safety and quality experts so as to identify observations and non-conformities. In aggregate, 85% of the audits on the same topic scheduled 2018 were effectively conducted.
- The specific, 7-year old safety culture program implemented for Business Management operations continued in place. It is focused on making people experience the value of safety at the workplace and in their personal life.
- Together with the IAPG (Instituto Argentino del Petróleo y del Gas – Argentine Oil and Gas Institute) the Company organized the Interdisciplinary Safety Seminar, which was open to community members.
- In 2018 YPF became a member of the IOGP and participated in the safety indicator benchmarking.
- YPF professionals participate in ARPEL and CCPS (Centro de Seguridad de Procesos para la Industria Química – Center for Chemical Process Safety) technical committees.

During 2018, 2,181 environmental and safety incidents were recorded, accounting for a 22% decrease as compared to the previous year. Of this total, 749 were considered high potential incidents (14.7% less than in 2017), and consequently, appropriate investigations and improvements were carried out.

High Potential Incidents and Improvements Introduced



Of the 749 high potential incidents, seven cases involved individuals, who needed a recovery period of at least six months. Includes YPF S.A. and controlled companies. Details for MetroGAS not included.

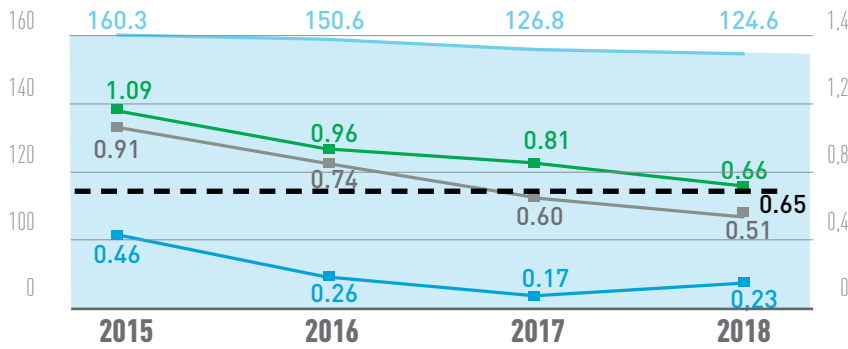
Following a high potential incident, corrective measures are implemented and procedures are reviewed to avoid the eventual occurrence of similar incidents. In all cases reported in 2018, the procedures were reviewed and new risks were identified, trainings were updated or the staff was retrained in safety and risks and specific procedures. In some cases, audits were conducted to monitor compliance with the applicable procedures. The work-related accident⁶ frequency rate per million of worked hours in 2018 was 0.51, compared to 0.60 in the previous year. The target for the year

was 0.65. Accidents involved mainly trauma and hand injuries. A type-of-injury analysis is integrated into work planning so as to constantly improve health and safety conditions.

In spite of all the improvements, during 2018 three contractor employees died during operations. One of the fatal accidents occurred at Complejo Industrial Luján de Cuyo (Mendoza) and the other two, in the province of Neuquén during Upstream operations.

⁶ To calculate the accident frequency rate, the only accidents considered are those occurring in places or circumstances where YPF is responsible for safety management.

Accident Frequency Rate (AFR)



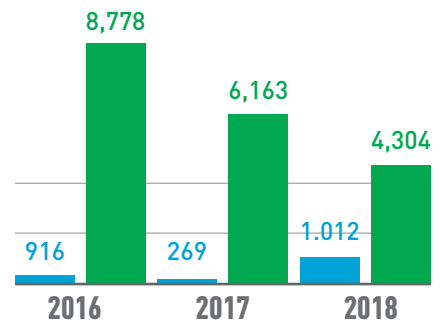
- Hours worked (millions)
- AFR (own employees)
- AFR (contractors' employees)
- AFR (total)
- Target for 2018

AFR = (Number of computable fatalities + number of accidents with loss of computable days) x 1,000,000/Number of man-hours worked. Computable accidents: accidents over which YPF has safety management procedures. The AFR target includes both own employees and contractor's employees. YPF S.A. and controlled companies. Details for MetroGAS not included.

According to regulations, all cases were investigated to find out root causes and obtain lessons learned so as to improve safety for future activities. In all three cases investigations were conducted by officers in charge of the operations together with independent experts, and have now been closed. Since each of the accidents took place in a different area, improvement actions were defined for each of the operations, which were internally communicated and implemented and shared with other industry companies, operators and the industry as a whole,

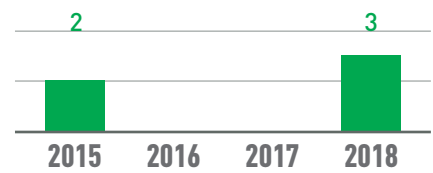
so as to avoid recurrences. A common element identified was the need to strengthen operative discipline and safety culture. Therefore, programs were defined to that end.

Days Lost due to Computable Accidents



- Own employees
- Contractors' employees

Fatal Accidents (number)



- Own employees
- Contractors' employees

Fatality Rate: Number of computable fatalities x 100,000,000/ Number of man-hours worked. During 2018, the fatality rate was 0 for own employees and 3.66 for contractor's employees.

HEALTH CARE

103-1, 103-2, 103-3, 403-6

A healthy work environment is critical for people to develop, and also to guarantee safe and efficient operations. Thus, YPF implements a continuous improvement physical and emotional health care model which has the following objectives:

- Promote and protect employee health.
- Prevent and control diseases and accident injuries, enhancing the physical, mental and social welfare of employees.
- Eliminate factors and conditions that may endanger occupational health and safety.
- Generate and promote safe and healthy work conditions, as well as workplaces that protect employee health.
- Constantly improve people's health through preventive medicine recommendations.
- Offer adequate pre-hospital medical assistance and patient follow-up.

The Occupational Health Management Rule sets forth basic criteria and standards on occupational health, such as a

response to medical emergencies by qualified health professionals and with high complexity equipment to ensure efficient first aid assistance.

During 2018, YPF worked to maintain the accreditation issued in 2017 by the Specialized Center for Standardization and Certification in Healthcare to YPF Medical Service. Internal audits were conducted, and 11 own auditors were trained.

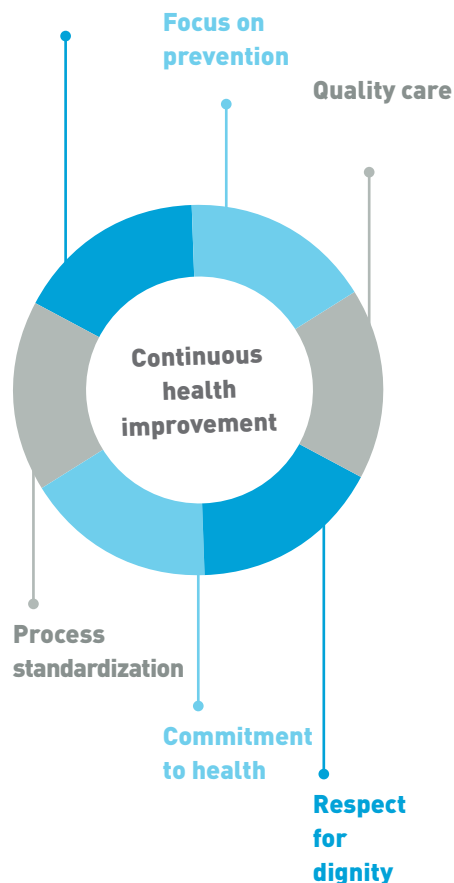
As a result, audits were planned for each location, highlighting aspects that require improvement so as to maintain an integrated management system, which will be reassessed within two years.

Absences due to non-work-related diseases amounted to 98,897 days. The absence rate for women was higher than that for men: 3.79 vs. 2.00, respectively⁷. The total rate amounted to 3.37.

The total number of days lost by the company's workforce due to work-related and *in transit*⁸ accidents was 8,993, with a similar absentee rate⁹ for men (0.22%) and women (0.24%). The total rate was 0.23%.

A new Health Culture

Healthy lifestyle



⁷ This rate calculates the number of absence days per year, based on an average 22 working days per month, for own staff (YPF S.A. and controlled companies, excluding AESA and MetroGAS).

⁸ In transit accidents of own staff (YPF S.A. and controlled companies, excluding AESA and MetroGAS).

⁹ The rate of lost days is obtained by comparing the total number of days lost due to accidents based on an average 22 working days per month.

Absences due to non-work-related diseases

	2016	2017	2018
Lost days	87,563	84,826	98,897
Absentee rate - Women (%)	3.84	4.28	3.79
Absentee rate- Men (%)	1.25	1.41	2.00

Emotional Health - Lost days due to psychopathologies

2015	2016	2017	2018
18,783	16,559	8,750	10,736

Lost days due to psychopathologies, per person

2015	2016	2017	2018
110	70	35	49

Disease Prevention

According to the prevalences detected during the period, YPF worked on the following disease prevention programs:

- Smoking cessation, developed together with YPF health care plan.
- Cardiovascular risk prevention: follow- up of cases and referral to specialists when required.
- Prevention of Psychoactive Substance Use Program, jointly with trade unions.
- Emotional health.

RECORD COMPLIANCE WITH HEALTH CHECKS

Every year YPF’s own employees must undergo a full examination to check their health condition, detect prevalence diseases and outline appropriate prevention programs for cardiovascular, metabolic and trauma issues, to name a few. In 2018, the medical exam compliance rate of YPF employees was 95%, the highest percentage as compared to previous years.

In 2018 YPF was the first company to be certified by the SEDRONAR (Secretaría de Políticas Integrales sobre Drogas de la Argentina- Secretariat for the Prevention of Drug Addiction and Trafficking) for implementing a Drug Use Prevention Program at the workplace.

Prevention also extends to promoting physical activity and healthy food, as well as care of pregnant employees and mothers of newborn babies, with lactation rooms in company facilities.

Besides, the company prepares each year a risk map for hazardous facilities in order to prevent and reduce exposure to risk factors or chemical substances by employees who may be more exposed due to the nature of their work.

Pursuant to applicable Argentine legislation, in collaboration with the Occupational Risk Insurer (ART), the company performs an annual survey of workers exposed to risk factors (NTEAR), determines adequate controls, and conducts regular health checks of their staff, particularly of employees working in refineries and in liquid fuel logistics terminals.

Based on obtained results, in 2018 specific training was delivered to coordinating doctors and to doctors of specific health units. Additionally, a postgraduate course on occupational diseases was created, and an efficient project for early detection of occupational diseases was designed.

Concurrently, prevention seminars were held according to tasks and health risks detected, with an emphasis on personal care and use of personal protection equipment.

By means of the Outsourcing System (SRC), YPF medical service also conducts management audits to supervise the health data that contractors record of their own workers. Guidelines are also set for disease prevention and health promotion that are implemented at health units located across the country.

Emotional Health

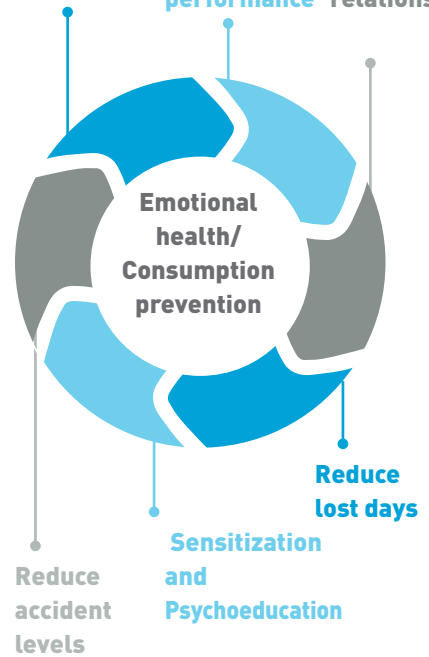
The Emotional Health Program focuses on prevention, orientation and evolutionary follow-up of individuals emotionally affected in their work and personal life.

Activities were also carried out featuring healthy active breaks, psychometric assessment, family-work life balance, job loss grief, e-learning, workshops for parents of teenagers, and online (video conference) therapy.

During 2018, the Company delivered prevention talks and workshops on anxiety, stress and accident risks across the country. This program launched a Healthy Library, created an Interdisciplinary Health Committee CIS – Occupational Health, Human Resources and OSYPF –, and made a series of several in-house psychometric assessments for drivers.

Emotional Health

- Promote health and safety**
- Improve work environment and performance**
- Improve interpersonal relationships**



04.

RESPONSIBLE BUSINESS



CORPORATE GOVERNANCE

102-18, 102-19, 102-22, 102-23, 102-24, 102-28
103-1, 103-2, 103-3, 405-1

A corporate governance system with a focus on ethics, transparency and anti-corruption mechanisms is key to consolidating a responsible business model at the economic, environmental and social levels. This is why the foundations for YPF's corporate governance system are integrity, transparency, accountability, safety, sustainability, human rights, gender equality, shareholder involvement, the Board's efficient operation and the external auditor's independence. They are defined in the Corporate Bylaws, the Board and the Transparency Committee's Rules, as well as in the Code of Ethics and Conduct applicable to YPF's employees, and the Internal Code of Conduct in capital markets.

This system also protects the interests of YPF shareholders by ensuring professional management of the organization. Corporate governance practices are governed by the General.

Corporations Law 19550 (LGS), the Capital Markets Law 26831 (LMC), Argentine Securities and Exchange Commission (Comisión Nacional de Valores - CNV) rules and United States Securities and Exchange Commission (SEC) rules.

In 2018 YPF joined a special "Corporate Governance Plus Panel" (+GC Panel) of *Bolsas y Mercados Argentinos S.A.* (BYMA), following an invitation to take part in it. This is a new market segment to be formed by companies who voluntarily adhere to higher corporate governance and transparency standards than those required by Argentine regulations, and commit to monitoring them on a regular basis. These standards are aligned with the principles outlined by the Organization for Economic Cooperation and Development (OECD) and adopted by the G20.

YPF is also among the 15 companies forming part of the first Sustainability Index of the Argentine stock market. This index—developed by BYMA jointly with the Inter-American Development Bank and Thomson Reuters—brings together companies with outstanding sustainability performance.

The Index—which aims at promoting increasingly responsible capital markets in line with the Sustainable Development Goals (SDG) set by the United Nations—assesses corporate performance according to four criteria: environmental, social, corporate governance and sustainable development, based on companies' disclosures in their Sustainability Reports and corporate reports like Form 20-F.

GOVERNANCE STRUCTURE AND MANAGEMENT

102-33

The Board of Directors, responsible for directing and managing the company's business, is nominated and their performance evaluated by Shareholders' Meeting.

As of Dec. 31, 2018, the Board was made up of 12 regular directors (11 independent directors and 1 non independent director) and 9 alternate directors (4 independent directors and 5 non independent directors). The Board also has one female director among both its regular and alternate members.

The Board evaluates on a regular basis the main corporate issues, including economic, environmental and social topics, and their associated impacts, risks and opportunities. Among its primary duties, it reviews the information required to be reported in financial statements, the Code of Corporate Governance, proposals to shareholders (prior to each meeting), and the Sustainability Report, among others. The Board of Directors is also in charge of appointing senior officers.



In order to properly pursue the pillars that drive corporate action, the Board has a number of committees created and formed by its regular members. The Board Committees are:

- Audit Committee
- Nomination and Remuneration Committee
- Risk and Sustainability Committee
- Strategy and Transformation Committee
- Legal and Institutional Affairs Committee

There are also two committees created by the Board and formed by the company's senior management: the Internal Transparency Committee—in charge of monitoring the rules and principles of voluntary action relating to listed business corporations and their proper governance, so as to implement adequate measures—and the Ethics Committee—in charge of administering the Code of Ethics and Conduct, evaluating and determining appropriate steps to address reported situations.

The Supervisory Committee has the power to oversee Board compliance with the General Corporations Law 19550 (LGS), the company's Bylaws, any applicable rules and regulations, and decisions taken by the Shareholders' Meetings.

During 2018 YPF's Board resolved to implement a self-assessment system—following training to its members—in line with an ongoing improvement program on corporate governance. The system entails regularly monitoring and ensuring the Board's own efficacy and fulfillment of its duties, professionalizing management, ensuring foresight and organization, and aligning with OECD and G20 Principles, other international practices and the recommendations of the Argentine Securities and Exchange Commission.

The assessed dimensions include, among others, the quality of the Board's risk monitoring and management role, the quality of its strategic and business advice, its dynamics and the proactive participation of its members, and its composition and diversity. This process is implemented by the Corporate Secretary's Office and the Chairman of the Board.

YPF'S MANAGEMENT

The CEO is YPF's top executive officer, to whom report the various corporate Vice Presidents. These are appointed by the Board, and some of them are members of the Executive Management Committee. It is important to highlight that, in accordance with the corporate Bylaws, the Chairman of the Board shall not serve as CEO.

For a list of the members of the Board of Directors for Fiscal Year 2018, visit: <http://www.cnv.gov.ar/sitioWeb/Empresas>. In the search field enter "YPF S.A." and select "Información societaria" as a filter. From "Información Societaria" > Nóminas > De Órganos Sociales y Gerentes > 27 abr 2018 - ID 4-569741-D > Descargar > On the new screen download document "Nomina Directorio -27.04.2018.pdf"

For information on the Board's current composition at the time of this Report, see <https://www.ypf.com/english/investors/Corporate-governance/Paginas/Board-of-Directors.aspx>

For more information on the various Committees and the Supervisory Committee, see <https://www.ypf.com/english/investors/Paginas/home.aspx#>Corporate-Governance>

For more information, visit: <https://www.ypf.com/english/TheCompany/Paginas/Executive-Management-Committee.aspx>

YPF's Senior Management

Name	Position
Daniel Cristian González Casartelli	Chief Executive Officer - CEO
Pablo Bizzotto	Upstream Executive Vice President
Santiago Martínez Tanoira	Downstream Executive Vice President
Marcos Miguel Browne	Executive Vice President of Gas and Energy
Luis Miguel Sas	Chief Financial Officer - CFO
Carlos Alberto Alfonsi	Executive Vice President of Operations and Transformation
Sebastián Mocerrea	Executive Vice President of Corporate Affairs, Communications and Marketing
Germán Fernández Lahore	Corporate Vice President of Legal Services
Sergio Fabián Giorgi	Vice President of Business Development
Diego Pando	Controller

Remuneration

102-25, 102-35, 102-36, 102-37

The remuneration of Board members must be determined by the Shareholders' Meeting based on the results for the relevant fiscal year and pursuant to the General Corporations Law 19550 (LGS) and the Argentine Security and Exchange Commission rules.

In addition, the Nomination and Remuneration Committee assesses and sets guidelines for the remuneration paid to the company's CEO and senior management.

To accomplish this task, it takes into account environmental, social and management metrics that are embodied in the annual objectives of both the CEO and the company.

MANAGEMENT OF CONFLICTS OF INTEREST

YPF's Code of Ethics and Conduct defines specific policies and procedures for identifying, handling and solving conflicts of interest. Additionally, there is a procedure specific to the Audit Committee—acting on the advice of the

Committee Secretariat and the Corporate Governance Department for complaints within the Board of Directors.

TRAINING

YPF has ongoing training programs in place for Board members and senior management that include topics related to their roles and duties, comprehensive business risk management, business-specific and regulatory knowledge, corporate governance dynamics and sustainability.

Likewise, they regularly receive training in corporate governance, transparency and integrity, which includes compliance, the integrity plan and its implementation. In addition, they are briefed on economic and political developments and their main aspects, at local, regional and global level.

In 2018, all 12 directors received training in the Action Plan 2018-19 and the Integrity Plan issued by the Compliance Department.

Additionally, Audit Committee members are trained in international accounting, audit and internal control rules as well as capital markets-specific regulations.

For more information, please refer to YPF's Code of Corporate Governance 2018 at <https://www.ypf.com/english/investors/Corporate-governance/Paginas/Corporate-Governance-Code-YPF.aspx> 2018

CORPORATE ETHICS AND RESPONSIBILITY

102-17, 103-1, 103-2, 103-3

Ethical conduct is one of the company's sustainability priorities. YPF's Code of Ethics and Conduct, the Ethics and Audit Committees with their respective reporting channels, specific procedures for solving conflicts of interest, anti-bribery and anti-corruption guidelines, and employee training in these topics, among others, all contribute to strengthen an ethical, transparent and healthy corporate culture.

YPF's Ethics Committee is in charge of pursuing corporate policy in line with the highest integrity standards and respect for corporate principles and values. It is formed by six members, four of which are from top management—the Internal Auditor, the Corporate Vice President of Legal Services, the Vice President of Human Resources and the Chief Compliance Officer—and two of which are directly appointed by the Chairman of the Board from among employees from operating or business areas, which reflects the company-wide importance of this matter.

During 2018 and in line with the best corporate governance practices, YPF created the position of Chief Compliance Officer—in lieu of that of Compliance Officer—, who will now directly report to the Board's Audit Committee.

CORPORATE ACTIONS IN 2018

- Replacement of the position of Compliance Officer by that of Chief Compliance Officer.
- Anti-retaliation policy.
- Complaints Management and Investigation Policy.
- Incorporation of Contractual Anti-corruption Provisions.
- Implementation of a supplier *Due Diligence and Background Check* questionnaire based on associated risk factors.
- Traceability and classification of complaints received through the different channels.

Code of Ethics and Conduct

103-1, 103-2, 103-3, 205-2
103-1, 103-2, 103-3, 412-2

The Code of Ethics and Conduct is the cornerstone of the company's culture of integrity. It provides the guiding values and principles for all the company's activities and a benchmark for what company standards say is acceptable or unacceptable behavior. It sets out guidelines making emphasis on the expected behavior of all company members.

CORPORATE MILESTONES IN 2018

- Induction to the company of young professionals, with a focus on expected principles and values.
- Approval of a Code of Ethics for controlled companies (OPESSA, Y-TEC and AESA, among others).
- Signing of the Code by all new directors, employees, contractors and suppliers. In the event of noncompliance with the company's ethical standards, YPF has the power, as applicable, to terminate any agreement entered into with such parties.
- Online training, with problem-solving cases. In 2018, 584 company employees received this training.
- Ethical Space on the company's intranet, with direct access to the Ethics Line.

The Code applies to employees, senior management and Board members as well as YPF's subsidiaries and controlled companies, their contractors, subcontractors, suppliers, consultants and other "business partners". All of them are expected to comply with the applicable law, the Code of Ethics and Conduct, corporate policies and human rights principles. The company has Contractual Anti-corruption Provisions and supplier Due Diligence and Background Check processes in place based on the associated integrity risk.

CODE OF ETHICS AND CONDUCT: MAIN AMENDMENTS AS OF THE RELEASE DATE OF THIS REPORT.

YPF has a renewed Code of Ethics and Conduct that defines corporate ethical values; includes new

definitions, guides and examples; strengthens guidelines such as zero-tolerance to corruption; and adds

other good market practices that cut across its business.

Commitment to sustainability	Integrity	Diversity and Gender Equality	Human Rights	Health and Safety as a Priority
It refers to the company's commitment to conducting responsible business at the economic, environmental and social levels.	It details specific procedures for solving conflicts of interest, and anti-bribery and anti-corruption measures. Pursuant to the new legislation, these activities—whichever their form—are strictly and utterly forbidden.	It provides guidelines for maintaining a respectful, harassment-free workplace, with a zero-tolerance policy regarding discrimination, mistreatment and all types of bullying, abusive or offensive behavior. The company operates a Harassment-Free Workplace Policy, and a Diversity and Inclusion Policy.	The new regulations delve deeper into human rights and provides guidelines to support diversity and equal treatment and opportunity so that every person reaches their full professional potential.	The Code now includes rules aimed at building a safe and secure workplace, clearly forbidding conduct that may endanger employees, including any violent actions, threats, or other forms of intimidation. Any use of knives, firearms or illegal substances on the company's premises or grounds is strictly forbidden.

Our Code of Ethics and Conduct is available at: <https://www.ypf.com/english/investors/Corporate-governance/Documents/YPF-Ethics-Code.pdf>

During 2018 YPF began to update its Code of Ethics and Conduct in accordance with the ongoing review of its regulations and in light of specific circumstances. Among the latter were the new Law 27401 on Criminal Liability of Legal Entities in Argentina and best market practices.

Reporting Channels

YPF provides several channels or methods to speak out or report breaches of the Code of Ethics and Conduct:

- Have a one-on-one conversation with a superior or area supervisor, or a Human

- Resources, Internal Audit or Compliance representative.
 - File a report through the Ethics Line, the Internet or by phone.
 - File a report by sending an email to the Ethics Committee.
- The company undertakes to keep all complaints confidential ensuring the safety and anonymity of and non-retaliation against good faith whistleblowers during their employment and/or contractual relationship.

REPORTING LINES*

Ethics Line

The Ethics Committee supervises operation of the Ethics Line, which receives reports on potential irregular practices, fraud or corruption, breaches of company regulations, unethical or illegal behavior, and suspected conflicts of interest involving any subject person. This service is provided by PwC consulting, an independent unbiased third party.

* These reporting channels are also open to third parties.

Whistleblower

The Audit Committee operates the “Whistleblower” line—a mechanism formally established pursuant to the Sarbanes–Oxley Act requirements—for reporting potentially irregular practices associated with accounting, auditing and internal control on financial transparency.*

COMPLAINTS

185 Number of complaints received
152 Closed processes
33 Pending complaints

During 2018 YPF launched a campaign to raise awareness of the reporting channels called “It is good for people to speak up”, which increased the number of complaints by 30% as from September 2018.

Breaches identified in filed reports are solved and, whenever applicable, punished in accordance with the Code of Ethics and Conduct, internal regulations and applicable legislation. Measures adopted by the Group involve severance, suspensions, warnings, employee relocation, supplier disqualification, abstentions due to conflicts of interest, staff training and recommendations.

* To contact the Audit Committee, visit <https://ccau.ypf.com.ar/entrada.aspx>

Prohibition of Contributions to the Public Sector

103-1, 103-2, 103-3, 415-1

YPF’s Code of Ethics and Conduct expressly prohibits making or offering payments in cash, in kind or any other benefit, directly or indirectly, to any person at the service of any entity—whether public or private—, political party or candidate for public office, with the intention of unlawfully obtaining or maintaining business or other advantages.

This concept is reinforced in the corporate donations policy, which specifies that donations will not consist of funds or contributions to support political parties or campaigns.

The revised Code of Ethics and Conduct further ratifies the prohibition to fund electoral campaigns and/or make any kind of contributions to political parties.

Transparency with Shareholders and Investors

The company has an Investor Relations Department tasked with addressing investor questions and concerns. This area is in charge of reporting, on a quarterly basis, corporate management results via webcasts available on YPF’s website and freely accessible by shareholders, investors, potential investors, corporate bodies and regulatory authorities.

The Board of Directors complies with the regular reporting requirements laid down by the General Corporations Law 19550 (LGS), the Capital Markets

Law 26831 (LMC), Argentine Securities and Exchange Commission rules, and Bolsas y Mercados Argentinos S.A. (ByMA) Listing regulations. In addition, the company has a Corporate Affairs and Corporate Governance Department that, among other things, handles registration of shareholders for attending shareholders’ meetings or as otherwise required, and provides them with relevant information.

CONFORMANCE TO REGULATIONS AND CONTRIBUTION TO PUBLIC DEBATE

103-1, 103-2, 103-3

With its near century-long existence and experience in the extraction business and as one of the largest energy producers in Argentina, YPF plays a proactive, articulate role within the segment in terms of legal, supervisory and regulatory framework updates of the local energy industry. YPF can also make significant contributions to other areas within its purview such as transportation, construction, chemicals, aviation, mining, agriculture and the marine market.

Its contribution to the public debate translates into publicizing the company’s best practices, successful processes and expert feedback, underscoring the importance of its role within the country and providing the law-making process with knowledgeable insight. The Group has historically managed to adapt to new regulations, keeping at all times a forward-looking approach with a focus on providing efficient, safe and reliable services to the country.

RESPECT FOR HUMAN RIGHTS

103-1, 103-2, 103-3, 410-1

The company recognizes and respects Human Rights as a fundamental corporate ethical value. It not only complies with current Argentine laws but also outperforms existing standards on working conditions,

occupational health and safety, trade unions and the right to collective bargaining, diversity and equal opportunities, as well as respect for the communities impacted by company operations.

This commitment is corroborated by the company's varied regulations driven by a preventive and protective approach to respecting human rights in its fields of action.

<p>The Code of Ethics and Conduct establishes that respect for human rights is a cornerstone of how YPF conducts business and covers specific situations regarding, for example, equal opportunities and non-discrimination.</p>	<p>The Sustainability Policy guarantees fulfillment of current legal requirements, corporate ethical values and commitments, and the company's alignment with the highest standards vis-à-vis human rights, among other topics. This policy further integrates the commitment to Human Rights into its social value priorities.</p>	<p>YPF's Physical Security Policy establishes the obligation "to ensure that all people performing security duties at YPF and its controlled companies have solid training in human rights". Along these lines, all surveillance and access control agreements require staff to have training in human rights. This requirement has been fully met, as 100% of security contractors' staff who started working for the company in 2018 are trained in human rights.</p>
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In addition to specific policies, human rights are fully ingrained across the company's agenda, particularly in activities or areas like environmental management, health and safety, labor practices, diversity and inclusion, local communities, value chain and risk management in operations.

As anticipated in 2017, in 2018 the company began a risk analysis process—aided by independent experts—involving Human Rights that covered the following aspects:

- Study of current laws and regulations.
- Updating of international standards and best practices.
- Identification of potential risks in YPF's own operations and in the value chain or activities ancillary to the business.
- Identification of actual or potential human rights issues that may be of concern.
- Integration of results into the company's risk map, and relevant ongoing review.

DURING 2018 AN ONGOING HUMAN RIGHTS ASSESSMENT BEGAN.

RISK MANAGEMENT

102-11, 102-15, 103-1, 103-2, 103-3, 205-1
103-1, 103-2, 103-3, 412-1

A Risk Management culture enables YPF to efficiently and adequately manage identified threats, setting cross-organizational principles and processes for overall compliance.

Risk management is a top management commitment. It is a corporate-wide, structured and ongoing process that allows identification, evaluation and control of risks that may affect YPF's operations. It involves a cross-organizational approach that seeks to evaluate how different risk scenarios may impact primary corporate goals.

The Risk and Sustainability Committee, one of the Board's Committees, is in charge of establishing risk management policies and supervising their implementation, identifying the main factors that may affect each business.

In addition, the corporate Risk Management Department—reporting to the Chief Financial Officer—participates every month in the Risk and Sustainability Committee by keeping it updated on its activities, on changes in the scenarios identified by the various Business Units and/or Areas, and on any other relevant information.

The company also has a Risk Management Policy in place that sets the framework and principles for its activity at corporate level and establishes different rules and procedures applicable to all business units and areas.

Following international trends, risks are classified as: Environmental, Strategic, Operational and Compliance.

These broad classifications are broken down into different scenarios such as occupational fraud and corruption, financial risks and climate and operational events, among others. All actions planned to mitigate these risks identified in the different areas are focused on preventing, managing and controlling such risks and may change their initial assessment. An example of this is cybersecurity, an area that has gained greater significance due to the potential impact on the operation of plants and their systems.

For each new project, an assessment of the potential risks that may affect its regular development is made by using the most appropriate technique.

ONGOING TRAINING IN RISK MANAGEMENT

During 2018, Downstream and Upstream employees from different areas such as process engineering and projects, maintenance and operations coordination, among others, received training in:

- Implementation methodology for risk analysis in industrial facilities
- Quantitative risk assessment
- Cause-consequence analysis

For the third consecutive year, Upstream employees worked on the QESH (Quality, Environment, Safety and Health Policy) skills matrix, which defined minimal training by job position through e-learning or in-person delivery. By the close of 2018, 48% of YPF's own employees had already been trained.

The company has also organized several training workshops on topics related to road traffic risks and work at height in collaboration with its Occupational Risk Insurer.

For more information on economic, environmental, operational and climate change-related risks, see YPF's Form 20-F at <https://www.ypf.com/english/investors/Lists/InformeAnnualForm20/YPF-20F-2018.pdf>

Actions to Strengthen Risk Management Culture

Risk Map	Workshops	Feedback
<p>This key tool is jointly prepared by all YPF's business units under the leadership and coordination of the Risk Management Department.</p> <p>In addition to regular reviews, it is globally updated every three years.</p> <p>A group called "Risk Map" was created in the Workplace platform that enables all parties involved to communicate fluently, generate fresh ideas, clear out doubts and exchange experiences.</p>	<p>A minimum of three internal workshops are planned in addition to special work meetings with each business unit or area.</p> <p>The Risk Management Department organizes specific meetings to review lessons learned on past incidents/accidents and also share global reports. This work is coupled with individual or cross-functional discussion tables when scenarios span more than one business unit.</p> <p>In 2018 the company held four Workshops and over twenty individual meetings and concluded its annual work with the first global review of the Risk Map.</p>	<p>In each workshop, every participant is prompted to give his feedback by means of satisfaction surveys that encourage making proposals for improvement of the Risk Management process and/or related topics of interest. Participants are also inquired about the support received from their relevant areas and the clarity of reviewed matters.</p>
Work by Business Unit	Financial Risk Analysis	
<p>The work of each area and business unit consists of analyzing and integrating:</p> <ul style="list-style-type: none"> → lessons learned; → management of change processes (MOC); and → follow-up and implementation of recommendations. <p>Units share their experiences and working methodologies following risk visits by international professionals, and are subject to different audits (both internal and external), regulatory certifications and regulatory entities.</p>	<p>The company performs sensitivity analysis and stress tests of financial risks in order to assess the impact caused by determinants such as interest rates, exchange rates, inflation and prices, among others. Monte Carlo simulations are also performed to obtain risk metrics regarding the company's cash flows, introducing simulation variables to configure a probability and impact matrix.</p>	

ENVIRONMENTAL IMPACT MANAGEMENT

In terms of environmental management, YPF's major challenges involve the maturity of a large part of its oil and gas asset portfolio, the integrity of its facilities, an efficient use of resources, a proper approach to the scenarios in which it operates, and overall risk management.

Fields that are nearing the end of their useful lives require more energy to keep up production due to the larger amount of water produced with oil and gas. This water must, in turn, be treated for reinjection or discharge.

As unconventional activities grow, it is vital to work towards addressing every environmental risk and opportunity.

Land use management and biodiversity protection are both crucial in the performance of operations. As such, it is necessary to be fully knowledgeable of the environmental and social context and the potential outcome of company activities, including impacts on biodiversity and ecosystems.

Management of gas emissions into the atmosphere originating from YPF's operations—an issue elaborated in the chapter on Climate Change of this report—is a commitment associated with its activities.

YPF's environmental management is deep-seated in its Operational Excellence Policy and follows the

guidelines established by the OHSAS 18001 (Safety), ISO 14001 (Environment) and ISO 9001 (Quality) standards.

Environmental stewardship is one of the main pillars of this Policy and provides guidelines like prevention, rational use of energy, efficient use of resources, reduction of emissions into the atmosphere and adequate waste management with a focus on reduced waste generation.

ESHIA

YPF conducts an Environmental Impact Assessment for all its operations and projects in accordance with case-specific legislation and internal regulations, which include the Environmental, Social and Health standard. This assessment produces an Environmental Management Plan, a key tool for ensuring proper management of both operations and projects. This Plan provides measures aimed at preventing or minimizing environmental impacts, the required monitoring to guarantee their compliance and an action plan for potential contingencies. All company businesses units constantly monitor and report on their major environmental parameters. During 2018 external reviews of environmental parameters were conducted in the Northern Mendoza and Chubut Regions of the Upstream business, and of Logistics and the Plaza Huincul Industrial Complex of the Downstream business.

Additionally, the Logistics Executive Management of the Downstream business started an environmental review program along its pipeline routes. The goal is to review their environmental condition with a focus on sites potentially impacted by past operations.

Achievement of these goals requires the commitment of all company employees. To this end, the company places strong emphasis on employee training. It organizes annual environmental workshops that promote the exchange of knowledge and best practices among leading representatives of these areas, enforcement authorities and external trainers, universities, research centers and specialized consultants. In 2018 groups of environmental experts also began to work on lab accreditation and control, management of environmental issues and air emissions in order to build networks of agents and specialists within the company. During 2019 the company expects to set up new water and overall waste management groups.

RESPONSIBLE WATER, EFFLUENT AND WASTE MANAGEMENT

103-1, 103-2, 103-3, 303-1, 303-5, OG5

YPF is committed to an integrated water management approach focused on resource sustainability. The company's Water Management Strategy addresses water from a three-pronged perspective: (1) as a vulnerable resource for both YPF and its neighboring communities; (2) water used in operations, primarily focused on its efficient use; and (3) water as an effluent from operations and processes, with emphasis on the conditions for disposal and its assessment to enable reuse within and without industry.

Its corporate policy reflects this approach by including assessment of water resources in terms of use, transportation and storage, as well as consumption optimization, ensuring adequate treatment of process water to enable reuse. Management also comprises the analysis and treatment of liquid effluents.

Based on a benchmarking study conducted in 2015 on several assets within the business units, the company gathers information on water withdrawal and effluent disposal points, together with relevant volumes. This enables an ongoing improvement process of water management plans in its operations. Since 2018, this particular area has been strengthened by a preliminary mapping of

withdrawal and disposal points based on water risk indicators for all operations. This mapping will allow establishing a connection between our operations and the sites with different sensitivity to water risk variables, such as water shortage, water quality, climate change and increasing freshwater demand.

At the same time, YPF continued implementing the Local Water Tool² in the Southern area (Tierra del Fuego), Plaza Huincul Industrial Complex and La Matanza fuel dispatch terminal. The results achieved from its 2017 implementation in Estación Fernández Oro (EFO) were integrated into the business's Water Management Plan.

In addition, since 2010 the company performs ongoing surface water monitoring in its areas of operation, such as Neuquén River and Mari Menuco and Barreales Lakes, in the province of Neuquén. During 2018 this monitoring included Estación Fernández Oro, taking samples from Negro River and all existing groundwater level meters in the area. Samples confirmed the absence of water quality anomalies in the areas of operation. Hydrocarbon-specific monitoring is performed to detect the presence of HTP, BTEX and HAP, among others.

One of the pillars underpinning the knowledge of water as a resource is the study of hydrogeological resources. In this sense, a hydrogeological baseline was been put in place in the province of Neuquén

between 2015 and 2018 that includes Vaca Muerta (Shale) exploratory and development fields. In 2019, this baseline will be extended to include Río Negro and Mendoza fields and a study will be conducted of hydrogeological resources in the province of Santa Cruz.

HYDROGEOLOGICAL STUDY IN NEUQUÉN

YPF conducted this analysis in collaboration with the Under Secretariat of Water Resources of the province of Neuquén. In a joint, unprecedented private-public coordination effort in the province, the analysis sought to establish water quality in aquifers and required protection levels based on water quality criteria for consumption and irrigation. The performance of this study led to bimonthly meetings held by all hydrocarbon operators and water authorities of the province of Neuquén to unify criteria, exchange information, reach consensus and achieve a coordinated final product in line with the established criteria. As a result, a map was drawn for the

² Tool developed by GEMI (Global Environmental Management Initiative) and customized for hydrocarbon producers. It allows assessing external impacts, business risks, opportunities and management plans relating to water use and disposal in specific operating sites.

first time of all aquifers that need protection in the province of Neuquén. The map is a work in progress as water sampling and new hydrogeological data acquisition are still underway and must be updated on a yearly basis.

During 2019, the company will continue to improve knowledge of underground water resources in its areas of operation in the province of Neuquén.

The study of water management and treatment plants within industrial complexes continued at Loma Campana thermal power plant and at the Logistics Executive Management facilities in Ministro Pistarini, Jorge Newbery and San Fernando airports. Based on previous studies, the company is pondering the implementation of technological improvements in effluent treatment systems at fuel dispatch terminals. Along these lines, a study was conducted at La Plata Petrochemical Plant.

Water Management Evolution (Kt)*

	2015	2016	2017	2018
Water withdrawn from external sources	63,074	63,642	66,832	68,679
Discharged	28,082	27,918	28,147	24,835
Reused	9,776	9,945	179,066	182,761
Produced	174,558	175,591	170,129	174,621
Injected	185,929	186,476	179,569	183,189

*Guide to Environmental Parameters.

During 2017 production water treated and added to the secondary recovery process in mature fields began to be considered reused water as it is recycled into the production process.

Water Withdrawal Intensity

303-3

Water withdrawal is more intense in Downstream operations, particularly in refining due to evaporation in cooling circuits, production system purges and product purification processes.

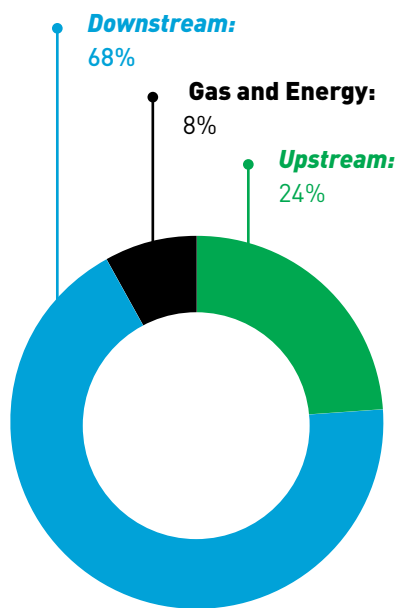
In Upstream processes, water consumption stems from the need to inject water into wells to improve production and to carry out conventional and unconventional well stimulation. Most of the water used for stimulation in mature fields is production water that has been treated and added to the secondary recovery process, as it is

recycled into the production process.

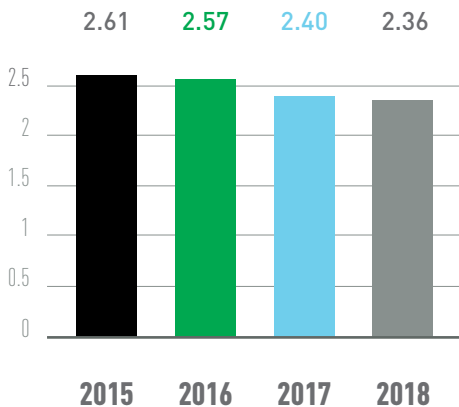
Water withdrawal permits for each activity or project are issued by the regulatory authorities of each province.

Water consumption in Vaca Muerta: pursuant to data furnished by the province’s water resources department, only 0.2% of the water from Neuquén River is used for industrial purposes, while 56% is used for irrigation and 2.1% for human consumption. The other 42% of the minimum basin flow remains available.

Water withdrawn by the company's main businesses



YPF's water withdrawal intensity (weighted)
(Kt of water withdrawn/production unit)



Thus, the Downstream business reused 9,157 kt of water, while the Upstream business, 173,406 kt.

Discharged Water

303-2, 303-4

A portion of the water used is treated and discharged in compliance with the requirements and permits established by the regulatory authority of the discharge site. In such places without specific regulations, YPF discharges water in accordance with current industry standards.

Waste Management

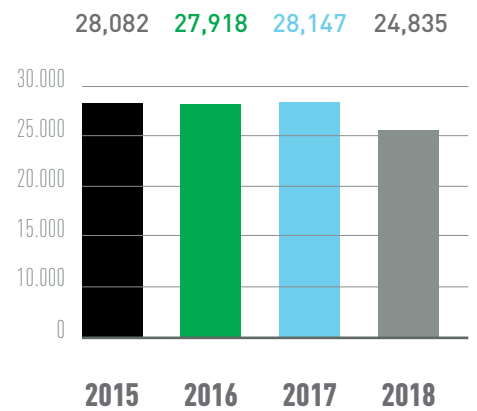
103-1, 103-2, 103-3, 306-2

The Group develops integrated waste management activities seeking to (1) phase out waste generation; (2) reduce waste hazardousness and environmental impacts; and (3) ensure proper treatment and final disposal. This approach further includes the creation of ongoing improvement programs in accordance with Argentine laws and the Operational Excellence Policy.

In 2018 the ongoing efforts of all areas and companies within the Group allowed YPF to continue reducing total waste generation (hazardous and non-hazardous) by 11% compared with the previous year, and by 44% in the past four years. Waste stock dropped 13% in the same period.

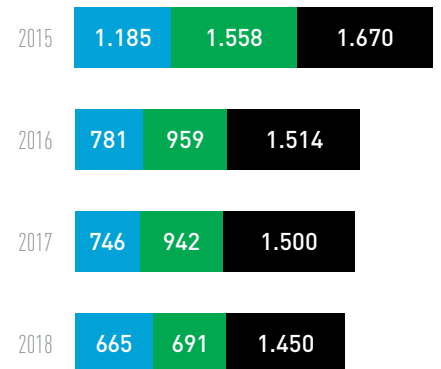
Discharged Water

(Kt)



Total waste*

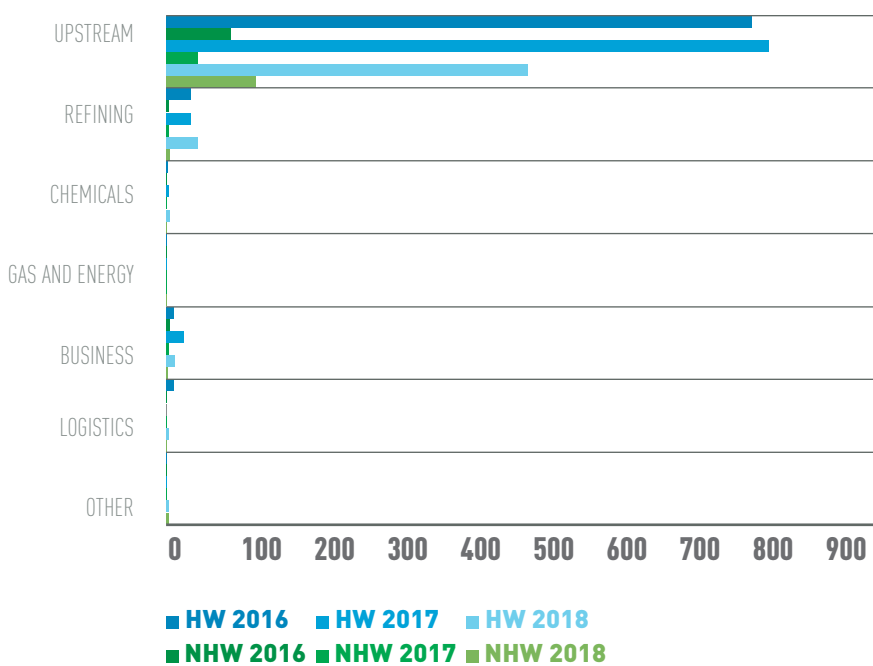
(Hazardous and non-hazardous, Kt)



- Generated
- Treated
- Stock

*Treated waste= reused + recycled + disposed of waste. The volume of treated waste is higher than that of generated waste, because it includes treatment of waste stored in previous years. Stock= stored waste + waste undergoing treatment (as of 12/31/2018).

Treated hazardous and non-hazardous waste by type of activity (Kt)



Treated hazardous and non-hazardous waste by type of activity (Kt)

In recent years, hazardous waste management in the Upstream business focused on generation reduction, treatment, proper remediation and final disposal. This allowed the company to lower its stock of soil with hydrocarbon repositories by 65% between 2012 and 2017.

Bioremediation is the most commonly used technique for eligible streams. It enables the recovery of soils to be later disposed of on sites identified by the relevant environmental authority.

As part of the new processes, in 2018 a project was developed to revalue oil-containing streams recovered from the centrifugation process of Sierra Barrosa Repository (Neuquén). The treated volume amounted to 718 m³. In 2019 new recovery and revaluation units will be added associated with unconventional activities.

Towards the end of the year, Luján de Cuyo Industrial Complex replaced the incineration of one thousand tons of contaminated soil with conventional bioremediation, thanks to the collaboration and technical support of Upstream business specialists. This measure will allow the complex to recover land for subsequent use and reduce the generation of polluting emissions.

The complex also started a project to use coke-polluted soil from a number of environmental situations as the paving base for internal roads within the facilities.

Spill Preparedness and Response

YPF has a Spill Prevention and Control System in place that has helped reduce the spill frequency rate for the past six years. This system provides an investment plan focused on the integrity, maintenance and improvement of facilities and pipelines as well as immediate action in the event of spills. Any spill situation is reported to a software program that automatically alerts the relevant environmental authority.

Spill Frequency Rate

	2015	2016	2017	2018
Upstream*	11.37	12.03	12.14	11.47
Downstream**	0.14	0.18	0.12	0.10

* SFR: (Number of spills/gross production + accumulated injected water) x 10⁶

** SFR: Number of impact spills x 1,000,000/transported cubic meters

As part of its initiative to strengthen this area, in 2018 the company executed an agreement with the firm Oil Spill Response Limited for the provision of technical expertise, resources, supervision and support in operational management—at the strategic and tactical level—in large spills.

In 2018, out of the total volume of spills in Upstream operations, 96.04% were minor spills, while 95% of the spilled volume was accounted for by production water associated with crude oil, and 5%, by hydrocarbons.

As regards Upstream plants, YPF is carrying out a comprehensive assessment project of large spill risks. This work includes a hydrodynamic-wave model to predict the extent to which containment enclosures may be insufficient in extreme situations and a hydrological modeling study of the sub-basin or micro-basin where the plant is located, establishing design storms and maximum flow calculations for different recurrence intervals. The purpose of this assessment is to

determine whether proper measures are in place to prevent above-ground resources from being impacted upon the occurrence of unwanted events or define appropriate actions if they prove inadequate.

Preventive, corrective and mitigation measures will be recommended based on its outcome. At an initial stage, 40 plants were chosen for study during 2018 and 2019. By the end of the reported year, 18 studies had already been concluded.

BANDURRIA SUR SPILL

On October 19, 2018, in the Bandurria Sur area, a hydrocarbon blowout occurred in a drilling well during the retrieval of a crown. Immediate action secured the well and stopped the blowout and a remediation plan was outlined that contemplated the removal of affected flora and fauna, the clean-up and recovery of plant species wherever feasible, and a site evaluation follow-up after remediation. During the incident, the company maintained permanent

communication with the provincial regulatory authorities and relevant stakeholders.

As a precaution, the provincial government resolved to suspend environmental licenses for PADS 8 and 9 until the company fulfilled the requirements imposed. YPF was later fined with USD 23,000 and its license for PAD 8 was permanently suspended.

On January 2, 2019, the provincial government resolved to lift the suspension of the environmental license for PAD 9.

BIODIVERSITY, ECOLOGICAL IMPACT AND CONSERVATION

103-1, 103-2, 103-3, 304-1, 304-2, 304-3, 304-4, 0G4

Biodiversity management at YPF is primarily focused on performing operations in or near ecologically sensitive areas in compliance with the current legislation and the company’s corporate standards.

During the early stage of project assessment, the company conducts environmental impact studies and provides an action plan. If the area of influence is found to be of high biodiversity value, the company may choose not to develop a given project. This is applicable if the area (1) falls under Category I of the IUCN (International Union for the Conservation of Nature); (2) is designated as a Core Area in Biosphere Reserves according to

UNESCO's MAB (Man and the Biosphere) program; or (3) is a Natural, Cultural, or Mixed Site on UNESCO's World Heritage List.

During 2018 the following baseline environmental assessment studies were performed in the Upstream business:

- CNII (the name is CN-III Norte) 569.80 km² (56,980 hectares)
- CN VII A171.43 km² (17,143 hectares)
- Los Parlamentos: 1,339.40 km² (133,940 hectares)
- Western Puesto Pozo Cercado 106.70 km² (10,670 hectares)
- El Turbio 4,895.52 km² (489,552 hectares)
- Cerro Manrique: 297.16 km² (29,716 hectares)
- Puesto Hernández: 147.28 km² (14,728 hectares)
- Don Ruiz: 109.12 km² (10,912 hectares)

At present, YPF is operating in two sites where Biodiversity Action Plans have been developed. Biodiversity monitoring and protection activities are carried out in them as well as recovery whenever required.

- Llanquanelo.
- Auca Mahuida: Environmental actions have been focused on three aspects: (1) topsoil recovery; (2) bank restoration; and (3) artificial rocky outcrops. In the latter case, the purpose is to build small-scale rock shelters for existing reptiles.

The company also develops biodiversity protection projects in the Ecological Reserve of Luján de Cuyo Industrial Complex. This 32-ha area was created in 1999 to contribute to the preservation of wild species and provide natural spaces for recreation, education and research.

It features a wildlife rescue, rehabilitation and conservation center jointly coordinated with the provincial Natural Renewable Resources Department. In 2018, 995 animals—mostly birds—were admitted to the center for recovery. Once rehabilitated, they are set free in their natural habitats.

The ecological reserve and the refinery were visited by approximately 1,300 students from primary and secondary schools, higher education centers and universities. A course was also delivered on how to identify indigenous, exotic and endangered species.

As part of the actions performed to recover natural sites, YPF collaborated in developing a habitat restoration study for native lizards in a field in Payunia, and revegetated remediated locations and areas with native species, particularly in the Loma La Lata area in the province of Neuquén and in the province of Santa Cruz.

As part of the project development for the Manantiales Behr Wind Farm, the company carried out monitoring

assessments based on international standards in order to define mitigation measures for possible impacts on avifauna species.

In 2018 the company started the development of a complete and updated biodiversity map that will allow visualizing any overlapping of its activities with especially sensitive areas in Argentina. This will help prioritize any required actions on sites with interference. The map not only includes areas under international, national or jurisdictional protection but also private areas and areas inhabited by endangered species pursuant to Argentina's Zero Extinction program.

Geographical location	YPF's production area	Species inhabiting the area ³	Identified risks	Prevention and mitigation measures	
Llancanelo Lagoon					
A 65,000-ha wetland, located in the south of the province of Mendoza and declared a RAMSAR site.	Production concession block located west of the lagoon, with a 24.5 square km. surface area accounting for 25% of the protected area.	101 birds: 95 non-threatened species and 6 vulnerable species.	Opening of sites and new roads.	Multiple locations and facility camouflaging.	
			Fuel and chemical spills on soil and in waterways.	Waterproof containment in tanks and trucks.	
			Noise emissions from the use of generators.	Protections installed on equipment to reduce noise emissions.	
Auca Mahuida					
A 77,020-ha protected area located within Auca Mahuida Provincial Reserve, province of Neuquén, under the Multiple Use Management Area category. It was declared a Protected Paleontological Area by Provincial Decree No. 3603/98.	Production concession blocks at Auca Mahuida Volcano, Bajo del Toro and Las Manadas, with a 36,046-ha area accounting for 47% of the protected area.	85 birds: 77 non-threatened species, 4 vulnerable, 2 threatened and 2 data deficient or unknown.	Opening of sites and new roads.	Protection to reduce noise emissions.	
			18 mammals: 11 non-threatened species, 1 undetermined, 1 exotic, 3 vulnerable and 2 near threatened.	Opening of sites and new roads.	Site adaptation to restore species composition.
				Fauna-vehicle collisions.	Speed limits and training.
22 reptiles: 8 non-threatened, 4 undetermined, 2 vulnerable, 2 data deficient and 6 unconsidered.			Drilling impact on guanaco birth rates.	Drilling operations carried out outside the species' reproductive cycle.	
				Soundproof structures.	

³ Number of species present in the area included in the IUCN's Red List of Endangered Species and in national conservation lists.

05.

CREATING SOCIAL VALUE



SHARED SOCIAL VALUE

103-1, 103-2, 103-3, 203-2

YPF is committed to working in conjunction with its stakeholders in finding solutions to common challenges and gaining mutual long-term benefits. The energy produced by the company enables the development of a broad array of activities: transportation and electricity for industries, institutions and homes (for heating or cooking), in addition to a wide range of products that span from lubricants to fertilizers.

The company contributes to the economic growth of the country and the provinces where it conducts operations in different ways: through the energy it provides; the goods and services it procures from national and local suppliers; the employees it hires and helps train; the taxes, royalties and dividends it pays to and the investments it makes in communities where YPF operates.

YPF is the largest investor in the country. One of its most noteworthy contributions to society in economic terms is the procurement of goods and services. This includes the direct impact caused by suppliers along the company's value chain when they

generate jobs and carry out activities aimed at addressing the needs of the Group. YPF's priority is to actively manage the supply chain paying close attention to any potential impacts, as well as to support local industries and suppliers without compromising quality, safety and other corporate and sustainability requirements.

In order to enhance its contribution to society, the company also works in collaboration with its stakeholder groups in business-strategic initiatives such as promoting education through YPF Foundation and making direct social contributions to communities.

In this context, a large portion of the company's social investment is focused on quality education aligned with a STEAM (science, technology, engineering, art and mathematics) approach, and local community development through projects based on strategic partnerships with government agencies, private institutions and social sector entities.

The company also creates value to society by training its employees and investing in R&D. These topics are further elaborated in two chapters of this report.

ECONOMIC VALUE DISTRIBUTED IN 2018

(In millions of Argentine pesos)

AR\$ 334,584
Supply chain

For operations

AR\$ 42,319
Tax obligations and other

Taxes, rates and royalties

AR\$ 33,059
Direct employees

Salaries, social security and other benefits

AR\$ 231
Voluntary Social Investment¹

Programs, donations and sponsorships

AR\$ 177
Mandatory CSR Funds

As defined by provincial regulations

¹These contributions are coupled with CSR Funds provided in accordance with provincial regulations, as well as funds channeled through cultural promotion and tax credit instruments.

RESPONSIBLE SUPPLY CHAIN MANAGEMENT

103-1, 103-2, 103-3, 204-1



During 2018, YPF continued joint work with local suppliers in carrying out its projects and operations. The company's relationship with its suppliers is governed by current legislation—in all applicable technical, fiscal, legal, labor and social security aspects—as well as by ethical values and applicable environmental requirements in agreement with its sustainable development commitment.

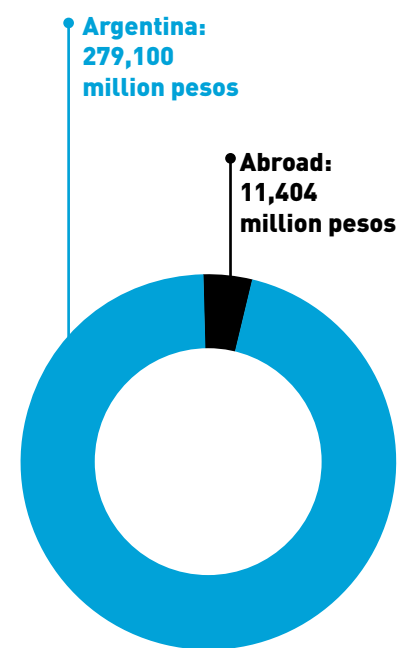
The company's General Procurement and Contracting Conditions, which suppliers or contractors accept when submitting their offers, comprise their basic obligations and responsibilities in matters such as ethics and conduct, environment, health and safety, and labor relations in accordance with YPF's Code of Ethics and Conduct and the Sustainability² and Operational Excellence Policies.

The above-mentioned requirements pervade the different stages of the procurement process, which in 2018 involved an aggregate of 6,546 suppliers with updated qualification information.

SUPPLIER CLASSIFICATION

In order to build reasonable confidence in the capabilities of its supply chain, YPF follows a procedure for classifying suppliers that involves the systematic analysis, against high-standards, of different aspects (economic and financial, quality, management capacity, safety,

Procurement



environment, etc.). The expected standard varies according to the level of criticality assigned to each group of goods to be procured. Thus, suppliers are registered and classified into three levels of criticality (high, medium and low) based on the goods and services offered and a number of operation-specific requirements.

² <https://www.ypf.com/english/TheCompany/Documents/YPF-Sustainability-Policy-2017.pdf>

Supplier Classification Process

New company / Classification renewal	Company engaged in high-criticality activities	Results entered into ARIBA procurement software
→ Assessment of criticality of activities based on internal regulations	→ Classification audit → Verification of quality management - safety - environmental criteria	→ Eligible company → Provisionally eligible → Ineligible company

* Companies with low and medium levels of criticality are analyzed based on legal, economic and financial and/or technical assessment criteria, as applicable. Provisionally eligible: A new audit is required in six months.

Companies with low and medium levels of criticality are analyzed based on legal, economic and financial and/or technical assessment criteria, as applicable.

Each supplier is classified vis-à-vis one or more segments for a given geography. This classification status allows or disallows its participation in requests for proposals and subsequent contract award and may change during the execution of a contract based on their performance evaluation.

In 2019 the company plans to add a specific paragraph in the Code of Ethics and Conduct in relation to business partners as part of its efforts towards strengthening classifications based on ethical and integrity risks.

Suppliers by level of criticality

	2018		2017	
	Count	Percentage	Count	Percentage
High	2,226	34%	2,275	26%
Medium	2,455	37.5%	3,820	44%
Low	1,865	28.5%	2,646	30%
Total	6,546	100%	8,741	100%

PERFORMANCE ASSESSMENT

103-1, 103-2, 103-3, 407-1, 408-1, 409-1

Over the life of contracts, the company carries out supplier performance assessments that evaluate:

- Regulatory compliance and fulfillment of contractual requirements in relation to quality management of goods and services supplied.
- Labor relations.
- Health and safety performance.
- Environmental preservation.



With this information the company prepares:

- Monthly compliance reports
- Quarterly risk maps
- A scorecard that monitors contractors' performance
- Action plans in the event of deviations

IN 2018, 70% OF SUPPLIERS WERE GIVEN A GOOD OR VERY GOOD PERFORMANCE RATING.

Based on different assessment tools used by the company, no significant risks of incidents of child, forced or compulsory labor, or of violations of freedom of association have been identified involving operations or suppliers under current contracts in the reporting period.

EHS MONITORING COMMITTEE

103-1, 103-2, 103-3

In 2018, with the purpose of strengthening the supervision of environmental, health and safety policy implementation by contractors, YPF created the EHS Monitoring Committee with participants from every area involved in contract performance. The Committee analyzes supplier performance in their relevant fields, evaluates and formulates improvement plans and corrective actions. It also works on alternatives when a supplier needs to be replaced.

During the reported year the company enhanced dissemination of sustainability issues in its contracting process. As a first measure, the procurement department shared the link to YPF's new sustainability site with over 500 service contractors and started preparing supplementary audiovisual material.

Operational excellence and sustainability information was also added to supplier training curricula and to presentations made by the company at trade shows and business rounds targeted to potential bidders/member companies. The contents included the following: the ten golden life-saving rules, commitment to diversity and inclusive procurement.

SUSTAINABLE SUPPLIER DEVELOPMENT

During 2018, YPF continued with the Sustainable Supplier Development Program³ aimed at improving the quality and costs of products and services procured by the company and strengthening the value chain in its areas of operation. These actions involve small and medium enterprises and are carried out in collaboration with government organizations and private entities.

One of its achievements was YPF's 2030 National Local Supplier Development Program launched in 2018 in collaboration with the Argentine Ministry of Production. This program seeks to boost activities and employment in the energy segment in a balanced and sustainable manner and to improve competitiveness across the value chain. The outcome of the initial stage includes an analysis of more than seventy proposals and the completion of ten projects with a potential impact nearing USD 56 million.

³ For information or questions about the program: desarrollosustentableproveedores@ypf.com / <https://www.ypf.com/Proveedores/Paginas/desarrollo-sustentable-de-proveedores.aspx>

QUALITY AND PRODUCTIVITY IMPROVEMENT PROGRAM

In conjunction with IRAM (Instituto Argentino de Normalización y Certificación – Argentine Institute of Standardization and Certification), YPF provides technical assistance to selected contractors for implementing Quality, Safety and Environmental Management Systems and production efficiency programs.

In 2018, 24 companies participated in this program in La Plata, Comodoro Rivadavia, Mendoza and Neuquén.

CREDIT SUPPORT

YPF helps suppliers obtain credit for production projects that require expansion of facilities, addition of new technology, increase of working capital or purchase of new equipment.

In 2018 YPF helped ten supplier companies obtain funding from different entities and organizations. Some of the applied-for amounts were approved and monetized through several banks for a total amount over USD 8 million.

With a focus on strategic supply, as from 2019 the company plans to restructure its Supply Chain activity from an operational perspective.

Based on these changes, and combined with a sectoral, competitiveness, management and supply development analysis, the company will try to identify opportunities for Supplier Development and for the growth and integration of industrial sectors into the different oil and gas value chains.

The potential tools available for use to develop high-impact business cases may comprise funding, technical assistance or the generation of a market share within YPF for a limited period of time.

INCLUSIVE PROCUREMENT

YPF is also committed to fostering and boosting inclusion in procurement and contracting processes.

The aim of inclusive procurement is to enable access, involvement and opportunities to suppliers committed to employing people with physical, sensory and mental disabilities. The offerors may be organizations with inclusion as their primary objective

(foundations, cooperatives, associations) or showing a genuine commitment to this goal by including in their workforce at least 10% of people with disabilities⁴.

In 2018 the company reached a total of 32 protected workshops registered, and awarded contracts to six institutions:

- APAD, a gift kit assembly service.
- La Usina, a training-for-inclusion service.
- Granja Andar, a catering service.
- La Rañatela, office product supplier staffed with people with disabilities.
- Buenas Manos, miscellaneous services provided by people with different disabilities.
- Red Activos, office products and services performed by people with disabilities.

Fundación Conciencia was also registered as a water bottle supplier for vending machines that are currently in the company's facilities. This foundation donates half of its profits to NGOs.

⁴ For information or questions about the program, visit: <https://www.ypf.com/Proveedores/Paginas/Compras-Inclusivas.aspx>

SOCIAL INVESTMENT

As a means to encourage local development, the company builds relationships with the communities where it conducts operations and contributes with direct social investments either through (1) its own programs and initiatives; (2) donations; and (3) sponsorship of educational and social institutions. These actions—funded through cultural promotion and tax credit instruments, voluntary contributions and mandatory provincial CSR Funds—seek to create mutually beneficial bonds with local players.

YPF also promotes actions and programs based on dialogue with different relevant stakeholder groups. These efforts are focused on delivering shared value, strengthening the social license to operate and increasing employees' commitment.

During 2018 the company's voluntary investment amounted to 230.6 million pesos, which included YPF Foundation's annual donation of 51 million pesos and its contribution of more than 72 million to life plans for indigenous communities with which YPF maintains a relationship.

YPF makes an active use of the tax incentives available at national and provincial level covering areas such as Social Development, Education, Technology, Investment, Culture and Work. It promotes, coordinates and oversees management of these tax credits to maximize the benefits in the communities where they are currently available. During 2018 the

Voluntary Social Investment	Unit	2018	2017
Total	Pesos	230,624,452	179,621,316
Donations	Pesos	85,164,672	57,575,166
Relationships with the community	Pesos	72,605,379	64,950,074
Indigenous communities	Pesos	72,854,401	57,096,076
Educational and cultural promotion initiatives	Pesos	89,015,493	65,448,238
Forestry project	Pesos	26,293,179	11,859,780

Mandatory CSR Funds 2013-2018: USD 152,370,000

company supervised the contributions made to 180 initiatives valued in 89 million pesos, which represents a 37% increase over the previous year.

YPF's contributions to CSR and sustainable development funds continued during 2018. They were allocated to agreements undertaken with the provinces of Neuquén, Río Negro, Chubut, Santa Cruz and Tierra del Fuego. These funds—which aggregated USD 152.3 million between 2013 and 2018—are managed by local authorities, with YPF and YPF Foundation having different levels of participation. They are basically used to contribute to community development in such matters as social infrastructure, education, health, environment, culture, science and research. The value of

the works performed during 2018 amounted to 177 million pesos.

In line with this, the company continued operating the fifteen Social Supply Modules (MAS) that enable access to energy in remote areas of the country by providing quality fuels. These modules started to be fully designed and developed in Argentina in 2014, fulfilling flexibility, sustainability, operational safety and environmental protection criteria.

During 2018, the following focal lines of action were defined for the Social Investment Policy: local development; education, science and technology; strengthening of community capacities and competencies; environmental care and protection; and inclusion and diversity.

FORESTRY PROJECT

YPF continued strengthening bonds with the province of Neuquén through forestry projects, maintaining 7,000 hectares of planted woods that generate sustainable employment in the different basins in the area. In this way, the company remains the leading contributor to the development of forest resources, the creation of local wealth, employment and productive diversification along the province’s foothills.

The task force comprises 57 people with forestry training and hundreds of families associated with the value chain. The latter includes growing species in nurseries to be later planted and industrialized.

In 2018 the company’s forestry project generated 65,280 daily wages between both women and men. This accounts for a 50% increase compared to the previous year.

In October 2018 the expanded facilities of the Northern Forest Industrial Park (Las Ovejas Cutting Mill) were opened, allowing integration of women to forestry activities. This has resulted in a transformative leap forward in the social dynamics of the region in line with the company’s equality and diversity policies.

The new works gave rise to timber harvesting and extraction activities in Nahueve forest field, with the aid of a state-of-the-art automatic timber harvester. Mastering this unit demanded a higher degree of labor specialization which led to the development of employees’ technical skills. The wood produced in forestry activities was used to build 250 dwellings for highly-vulnerable families. Additionally, 1,640 m3 of timber volume not suitable for industrial purposes were contributed to the province’s “Plan Calor” program, which distributes firewood to socially vulnerable families.

SOCIAL INVESTMENT AGREEMENT FOR ALLEN

In August 2018, the government of Río Negro, the municipality of Allen and YPF entered into an agreement to make investments in the City of Allen over the next four years. It establishes funding for building the new bus terminal and supply of asphalt for paving roads, among other works such as improvement of green areas. The aggregate amount of the social investment exceeds 50 million pesos. This agreement is combined with other actions carried out by the company in the City of Allen, such as new gas connections for the neighbors of Costa Este and contribution to the works at Parque Integración.



231

million pesos was the company’s voluntary investment during 2018.

RELATIONSHIP WITH THE COMMUNITIES

103-1, 103-2, 103-3, 203-1
103-1, 103-2, 103-3, 413-1

The company operates with full respect for human rights and the culture of indigenous communities and all citizens pursuant to the relevant legislation in force. It implements a community relationship policy that includes Indigenous Communities—currently under review and update—and seeks to forge strong and long-lasting bonds ruled by the principles of respect, mutual dialogue, integrity, responsibility, good faith and information transparency.

The company maintains an open, ongoing dialogue with inhabitants in the areas where it operates irrespective of their legal status in relation to land tenure; that is, with anyone living in the area and/or carrying out economic activities even if they are not landowners. With a view to enabling communication and grievance mechanisms, there is a team in regular contact with them that uses formal written instruments such as request forms, direct digital means

and face-to-face meetings where records are kept of any issues raised.

Within the framework provided by the laws of the province of Neuquén, two public hearings were held in relation to YPF's projects during 2018. All the stakeholders involved in Loma Campana-Lago Pellegrini Oil Pipeline and Crude Oil Plant projects in La Amarga Chica area were summoned and presented with the design and details of the relevant works and were given opportunities for consultation. Besides the official summons by the provincial government, YPF also issued public notices on local print media to foster proper communication.

Although the outcome of public hearings is not binding, the law provides that the presentations and observations by the participants shall be added to the Environmental Impact Assessment file issued by the enforcement authority. For this type of projects, the company must have an Environmental Impact Statement and the relevant Environmental Management Plan approved by the competent authority.

INDIGENOUS COMMUNITIES

103-1-2-3; OG9; OG10; 413-1

Community bonds have been forged particularly in the province of Neuquén as it features the largest presence of indigenous communities in areas where the company conducts its hydrocarbon operations.

Before starting operations in new projects, YPF maps the presence of indigenous communities in the area and appoints a Community Relationship team to contact them.

Once their vulnerabilities, needs and demands are assessed, the parties involved enter into consensual agreements that respect and promote their life plan.

Community	YPF's Area of Interest	Relationship Strategy
<p>PAYNEMIL 33 families</p>	<p>LOMA LA LATA</p>	<p>Process based on fluid and ongoing dialogue with community authorities. Daily interaction and analysis of particular situations based on a grievance and expectation mechanism jointly predefined with the community. The incorporation of digital communication tools, such as specific WhatsApp groups, has improved response times. This has been especially the case with YPF's Environmental and Safety team. The company continues implementing processes focused on standard of living optimization and cultural strengthening.</p> <p>Social investment projects continue being carried out, such as land systematization for alfalfa and corn crops, improvement of electricity installation in homes, gas and heating supply, drinking water supply, health insurance provision, veterinary services and school transport.</p>
<p>KAXIPAYIÑ 32 families</p>	<p>LOMA LA LATA</p>	<p>Dialogue instances are still maintained with community authorities after being resumed in the second half of 2017.</p> <p>This happened following some communication difficulties with certain community leaders, as well as groundless claims and impediments raised by some of them. The situation called for legal actions being filed by YPF, the outcome of which led to resume the regular development of the projects that had been prearranged between the parties.</p> <p>Throughout 2018 the company continued operating with assets already present in the area, maintaining its ongoing role of due diligence in operating processes.</p> <p>YPF also continued its social investment initiatives targeted to basic services, such as health insurance provision, energy in homes, surveillance stations for community safety, safe drinking water supply, bulk gas supply, and school transport.</p>
<p>CAMPO MARIPE 7 families</p>	<p>LOMA CAMPANA</p>	<p>The relationship model with this community is still subject to a land claim filed by community members before provincial authorities which has not been definitively resolved yet.</p> <p>According to land registers, part of the land being claimed by the community located in YPF concession areas belongs to the province and another part to third parties.</p> <p>During 2018 the activity in this controversial area was minimal and new dialogue instances were opened with the new community authorities.</p>

Community	YPF's Area of Interest	Relationship Strategy
LONKO PURRAN 9 families	PORTEZUELO NORTE – CERRO BANDERA	Constant and participatory dialogue with community authorities. Ongoing cooperation relationship and management of agreements and commitments. Role of due diligence in operating projects. Improvements in members' standard of living, including provision of drinking water supply and upgrade of roads and accesses.
GELAY KO 13 families	ANTICLINAL CAMPAMENTO + BARDITA ZAPALA	Ongoing and constructive dialogue with community authorities. The mechanism to record communications, claims, requests and suggestions agreed on with the community is still in force. Role of due diligence in operating projects. During 2018, both the families and the company jointly decided by consensus to focus their efforts on outlining and implementing a training program to raise the level of awareness of the management project for restoring degraded sites with indigenous plants and plant nurseries, with the participation of young community members.
ANTIPAN 9 families	CERRO GRANITO	Ongoing and constructive dialogue with community authorities. Due diligence in operating projects.
LUCERO PICHINAU 13 families	VOLCÁN AUCA MAHUIDA	Ongoing and participatory dialogue with authorities. The educational project that granted six university scholarships to young community members was completed in 2018. Additionally, the company donated a pickup truck to improve the mobility of authorities in providing field services to the members of Lucero Pichinau.

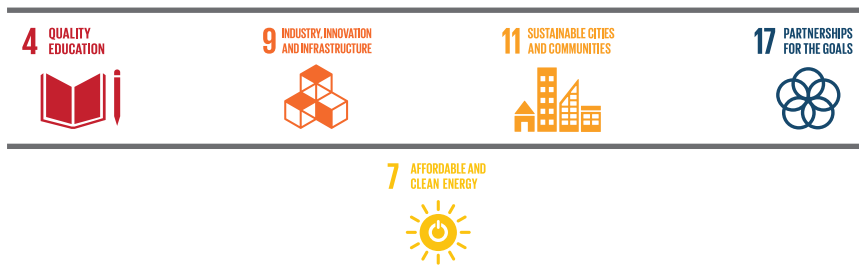
YPF FOUNDATION

Its goal is to lead transformation today to achieve a sustainable future. This is mainly done by encouraging quality energy-focused education and the sustainable development of the cities where YPF operates.

Its efforts are based on strategic alliances with different public, private and social players within each region or community.

In 2018 the Foundation started implementing a new strategic plan whose primary goal is to achieve nationwide implementation, with a view of technology and innovation as fundamental tools for involvement in education and community life. This plan is rooted in the Sustainable Development Goals (SDG) set by the United Nations and based on SDG 7 on Affordable and Sustainable Energy, which drives the Foundation’s cross-cutting activities, in addition to SDG 4 on Quality Education, SDG 9 on Innovation, SDG 11 on Sustainable Cities and 17 on Strategic Partnerships.

In line with this vision, goals were reorganized in an attempt to prioritize the search for innovative, participatory solutions with an exponential impact. The Foundation strengthened its programs, generated content and introduced new initiatives for each focal line of action.



Goals	Lines of action	Cross-cutting goals	
Quality Education	Steam education	YPF Foundation LAB	Exponential Impact
	Technical and professional education		
Sustainable Communities	Renewable energies		
	Local development		

STEAM EDUCATION

This line of action seeks to promote quality education through initiatives aligned with a STEAM (science, technology, engineering, art and mathematics) approach integrating science, experimentation and research. As such, during 2018 the Foundation elaborated all the content and activities targeted to children, adolescents, young adults and teachers by means of Project-based Learning (PBL).

The ‘You and Energy for Primary Schools’ program continued in 2018. It features a book, an interactive web portal as well as games and experiments with a view to bringing

children closer to science and energy. In 2017, children workshops saw a 47% increase in the number of participants and 23% more days compared to 2017 figures. The 175 workshops were attended by 15,495 children and over 11,000 books were handed out.

In 2018 the Foundation incorporated the ‘You and Energy for Secondary Schools’ program. This new initiative—which encourages both teachers and students to engage in an energy project based on the PBL method—was declared of Educational Interest by the Secretariat of Innovation and Educational Quality of the Argentine Ministry of Education, Culture, Science and Technology. The designed content consisted of three

guides based on the Core Learning Priorities (CLP) for secondary education addressing curricular topics.

With the incorporation of the secondary level, all activities carried out to encourage education in science and scientific vocations currently pervade the entire spectrum of the educational system.

The Foundation also added a project specifically targeted to adolescents: Technology Clubs. Their goal is to motivate them to engage in science and awaken their vocation for energy-related careers by bridging the gender gap in this field of study.

A major milestone during the year was the granting of 200 new scholarships to freshmen and advanced students pursuing energy and technology-related degrees, who are assisted by 200 YPF's professional mentors. In addition to high academic performance, the selection criteria for awarding scholarships took into consideration gender equality, regional balance and the areas of study chosen. In this way, all the provinces are represented by the new scholarship students, 48% of whom are women, thus significantly exceeding the average proportion of women in these careers (24%).

In 2018 the 5th Meeting of Scholarship Students and Mentors and "YPF Foundation Ideaton" also took place, with joint creation of projects to solve energy challenges.

15,495
children participated in 179 'You and Energy' workshops

521
teachers trained in 'You and Energy for Primary Schools' workshops

330
teachers trained in five 'You and Energy for Secondary Schools' workshops

200
scholarship students pursuing energy degrees, with 200 YPF's professional mentors

135
girls between 13 and 17 years old participating in ten technology clubs

41
leading education representatives attended an Energy and Environmental Education Seminar

TECHNICAL AND PROFESSIONAL TRAINING

YPF Foundation aims to contribute to technical training of professionals in cities intersecting with the energy industry through its Technical and Professional Training network present in eighteen Argentine cities. Courses are open to community members over 18 years old and a project-based training proposal was incorporated targeted to technical secondary school students that encourages learning by seeking solutions.

In 2018 over 1,800 people received training in 75 courses in energy-related fields, regional production activity and green jobs as a means to improve employability. According to participants, the level of satisfaction with the courses exceeded 90%; and 98% of them expressed their intention to take further training.

In 2018 Añelo's Institute of Technical and Professional Education was opened, following a joint management agreement between the Ministry of Education of Neuquén, the Municipality of Añelo and YPF Foundation.

The purpose of this new jointly managed Institute is to orchestrate the contributions and efforts of the public and private sectors in order to guarantee quality training that addresses regional and local needs and caters for the different areas involved in energy production, particularly the ones associated with the development of Vaca Muerta, which presents a huge development opportunity for the region and the community of Añelo.

Apart from a formal management structure, the Institute has an advisory board where representatives from the companies operating in the region contribute their ideas to the curricula in anticipation of future labor demand.

The Institute's facilities feature eight classrooms for theory lessons and five full-fledged IT, welding, electricity, renewable energies and cooling workrooms. Added to the administrative offices, faculty room, warehouse and storeroom, it aggregates 1,200 roofed square meters.

1,830
people trained in technical professions and core competency modules in 18 towns in six provinces

300
students from technical schools in sustainable mobility and game assembly workshops

23
schools with renewable equipment projects (tax credit)

1,000
people in outreach activities

24
scholarships granted to educational projects developed by technical schools across the country within the YPF ECO Challenge in association with INET (Instituto Nacional de Educación Tecnológica - National Institute of Technological Education)

2
Sustainability Award and Educational Innovation Award

RENEWABLE ENERGIES

In an attempt to become part of the current energy transformation process by enabling access to affordable, reliable and sustainable energy and investing in the promotion of new energies, in 2018 the company reformulated its renewable energy program through training, access and outreach activities.

To achieve this goal, 300 technical and professional education teachers and instructors received training in solar, thermal, photovoltaic and wind energy and energy efficiency and, for the first time, 650 technical experts and installers were given training. Students installed renewable energy kits in schools and community centers to consolidate practical knowledge and secure the installed capacity, as well as to give them access to the new energies.

Outreach actions involved activities open to the community, talks, trivia and contests to help raise renewable energy awareness.

Strengthening the program allowed to achieve nationwide implementation extending to the majority of the provinces, in addition to a 41% increase in the number of people trained in renewable energies compared to 2017 figures.

950

people trained in renewable energy-related technical and professional education courses: 300 teacher trainers and 650 technical experts

11

towns with renewable energy kits installed (photovoltaic solar panels and wind systems)

2

Award-winning projects in INNOVAR national competition

4

Award-winning energy-related innovation projects in Comprometidos Challenge (promoted by Ashoka)

LOCAL DEVELOPMENT

During 2018 the company redefined YPF Foundation's Sustainable Cities program. It partnered with the Urban and Regional Studies Center of the National Council of Scientific and Technical Research (CEUR-CONICET) to develop a new action plan for the territorial development of cities intersecting with the energy industry. The goal was to ascertain scales, timelines and maturity levels of cities to maximize the impact of sustainable development actions by laying down short, medium and long-term criteria.

Three potentially independent work modules were established: challenge identification, project implementation and action plan with long-term objectives.

This new methodology is being pilot-tested in the city of Comodoro Rivadavia, where priority projects are expected to be quickly identified for sustainable development, including self-diagnosis and citizen engagement to identify and provide innovative solutions to challenges.

In 2018 the company concluded the plan for Malargüe based on the ESCI methodology that was declared of local interest by the City's Legislature.

Technical assistance was also given to the municipalities of eight cities to support them in formulating innovative public policies and orchestrating public and private efforts in relation to projects contributing to local sustainability. The goal is to move forward in prioritizing and defining critical projects so that they may carry out short and medium-term actions with their own resources and in coordination with other players. Assistance was provided to Catriel, Pico Truncado, Cañadón Seco, Luján de Cuyo, Lules, Malargüe, Rincón de los Sauces and Comodoro Rivadavia.





AWARDS AND ACKNOWLEDGEMENTS

- The 'Scholarships' program was declared of Educational Interest by Argentina's Honorable House of Representatives.
- 'You and Energy for Secondary Schools' was declared of Educational Interest by the Secretariat of Innovation and Educational Quality of the Argentine Ministry of Education, Culture, Science and Technology.
- 'Sustainable Malargüe' was declared of Local Interest by the City's Legislature.
- YPF ECO Challenge Scholarships' was commended by Argentina's Honorable House of Representatives for the 2018 YPF ECO Challenge Scholarships awarded to 24 technical secondary schools participating in the contest.
- 'Conciencia' Award given for the Renewable Energy Training Program.
- Green Latin America Award. The Renewable Energy Training Program of YPF Foundation was chosen as one of the major initiatives in Latin America in the Energy and Human Development categories.

For more information on YPF Foundation's activities, visit:
<https://fundacionypf.org/Paginas/home.aspx>

06.

APPENDICES

RELEVANT INFORMATION
AND PERFORMANCE INDICATORS

COMPANY PROFILE

OG1, 102-7

	Unidad de medida	2018	2017	2016
Total hydrocarbon production	KBOE/d (thousand barrels of oil equivalent per day)	530	555	577
Natural gas production	Mm ³ /d (million cubic meters per day)	42.0	44.1	44.6
Crude oil production	Thousand BBL (barrels) per day	227	228	245
LNG production	Thousand BOE per day	38.8	50.4	52.5
Refinery processing levels	Percentage	88.8%	91.7%	92.0%
Share of Argentina's gasoline supply	Percentage	56.0%	55.1%	54.8%
Diesel production	Million BBL per year	41.5	41.0	40.6
Gasoline production	Million BBL per year	26	25.2	24.6
Fuel oil production	Thousand tons per year	234	935	1,554
Total proved reserves*	Thousand BOE	1,080	929	1,113
Sales**	Million pesos	435,820	252,813	210,100
EBITDA**	Million pesos	121,549	66,791	58,216
Net profit / (loss) for fiscal year **	Million pesos	38,606	12,672	-28,379
Total liabilities**	Million pesos	631,659	353,185	302,478
Total shareholders' equity**	Million pesos	362,357	152,533	118,661
Gas stations	Number	1,591	1,563	1,547
Direct employees (YPF Group)	Number	20,702	19,072	19,257
Female employees	Percentage	21%	22%	19%

* Estimates of reserves were prepared using standard geological and engineering methods generally accepted by the petroleum industry and in accordance with the Securities and Exchange Commission (SEC) and the Argentine Securities and Exchange Commission (Comisión Nacional de Valores – CNV) rules. The method or combination of methods used in the analysis of each reservoir was tempered by experience with similar reservoirs, stage of development, quality and completeness of basic data, and production history. The value of total proved reserves refers to developed and undeveloped reserves and is the sum of crude oil, gas and LNG reserves stated in equivalent barrels. For more information, please see page 40 of Form 20-F: <https://www.ypf.com/english/investors/Paginas/Financial-information.aspx>

**The information above is expressed in millions of Argentine pesos and has been extracted from YPF S.A.'s Consolidated Financial Statements as of December 31, 2018, as approved by the Board of Directors and audited by Deloitte. For further financial information, please visit: <https://www.ypf.com/english/investors/Paginas/Financial-information.aspx>

The reported EBITDA reflects the recurring EBITDA. It does not include the result from the revaluation of YPF S.A.'s investment in YPF LUZ (YPF Energía Eléctrica S.A.) for AR\$ 11,980 million.

CORPORATE GOVERNANCE

102-22, 405-1

COMPOSITION OF THE BOARD



12

REGULAR MEMBERS,
11 INDEPENDENT,
ONE WOMAN



75%

IS OVER 50 YEARS OLD



25%

IS BETWEEN 30
AND 50 YEARS OL

BOARD COMMITTEES

- **Nomination and Remuneration Committee.** In charge of assessing and setting guidelines for the remuneration paid to the company's CEO, senior management, and Board members with executive duties, whenever applicable. It is tasked with reviewing and approving policies on Remuneration, Benefits and Talent Management.
- **Legal and Institutional Affairs Committee.** The Compliance Committee has been formed to (1) advance compliance with laws, regulations, rules, policies and/or organizational codes, as well as with principles of good corporate management and ethical standards applicable to the Company; and (2) ensure proper understanding thereof, supervise management, and analyze the litigation strategy for pre-court, arbitration and court disputes involving YPF and its affiliates.
- **Risk and Sustainability Committee.** Formed to carry out the following duties, among others (1) establish and supervise proper implementation of policies for comprehensive management of business risks; (2) identify and assess major risk factors specific to the Company and/or its activity; (3) monitor risks and take appropriate mitigation actions; and (4) encourage best sustainability practices, establishing goals, plans, targets and measurement tools across the organization such as regular performance reviews and continuous improvement mechanisms.
- **Strategy and Transformation Committee.** Focused on the Company's medium- and long-term strategy, this committee acts as a liaison between the Board and the Executive Management Committee.

COMMITTEES CREATED BY THE BOARD AND FORMED BY THE COMPANY'S SENIOR MANAGEMENT.

- **"Transparency Committee" or Disclosure Committee, advised by the SEC within the framework of the U.S. Sarbanes-Oxley Act.** It ensures that the information disclosed to investors, the markets where YPF shares are listed, and the regulatory entities of said markets is true and complete, reported on a timely basis, and in accordance with applicable standards and general principles of market operation and good governance to which the Company adheres.
- **Ethics Committee.** In charge of administering the Code of Ethics and Conduct, evaluating and determining appropriate steps to address reported situations.

PEOPLE

102-8, 102-38, 102-39, 202-2, 401-1,
401-3, 404-1, 405-1, 405-2

Staff breakdown by type of employment contract, region and gender(2018)	Permanent employment contract			Temporary employment contract			Total
	Women	Men	Total	Women	Men	Total	
Buenos Aires	1,618	4,397	6,015	18	774	792	6,807
City of Buenos Aires	1,125	1,998	3,123	4	7	11	3,134
Chubut	183	796	979	0	30	30	1,009
Córdoba	134	296	430	4	69	73	503
Mendoza	189	2,219	2,408	1	215	216	2,624
Neuquén	396	2,392	2,788	7	231	238	3,026
Santa Cruz	118	1,079	1,197	0	46	46	1,243
Tierra del Fuego	18	167	185	1	169	170	355
Rest of the country	526	1,392	1,918	0	0	0	1,918
Sao Paulo – Brazil	20	61	81	0	2	2	83
Total	4,327	14,797	19,124	35	1,543	1,578	20,702

YPF Group: YPF S.A. and controlled companies. Details for MetroGAS not included. All full-time employees. No seasonal variations.

Employee breakdown by gender	2014		2015		2016		2017		2018	
Women	3,979	19%	4,067	20%	3,863	22%	3,897	22%	4,362	21%
Men	16,404	81%	16,367	80%	13,993	78%	13,775	78%	16,340	79%

YPF S.A. and controlled companies. Details for MetroGAS not included.

Employee breakdown by category, gender and age group (2018)	Women		Men		Under 30 years old		30-50 years old		Over 50 years old	
Executive officers	9	9%	87	91%	0	0%	55	57%	41	43%
Managers	87	13%	578	87%	0	0%	377	57%	288	43%
Supervisors	339	19%	1,454	81%	2	0%	1,327	74%	464	26%
Analysts and coordinators	1,413	30%	3,248	70%	637	14%	3,479	75%	545	12%
Higher staff covered by bargaining agreement	366	10%	3,153	90%	263	7%	2,516	72%	740	21%
Ground-level staff covered by bargaining agreement	2,148	22%	7,821	78%	3,019	30%	6,086	61%	864	9%

YPF Group; Details for MetroGAS not included.

Employee breakdown by age group	2016	2017	2018
Under 30 years old	26%	19%	19%
30-50 years old	59%	65%	65%
Over 50 years old	15%	16%	16%

YPF S.A. and controlled companies. Details for MetroGAS not included.

Employee breakdown by category	2015	2016	2017	2018
Executive officers	86	87	87	95
Managers	614	595	627	665
Supervisors	1,599	1,536	1,483	1,793
Analysts and coordinators	4,321	3,929	3,993	4,661
Higher staff covered by bargaining agreement	3,812	3,542	3,350	3,519
Ground-level staff covered by bargaining agreement	10,259	8,321	8,132	9,969

YPF S.A. and controlled companies. Details for MetroGAS not included.

People employed by geographical location	2016	2017	2018
Córdoba	1.98%	2.00%	2.6%
Mendoza	15.24%	15.59%	14.2%
Neuquén	24.51%	23.54%	23.3%
Santa Cruz	12.23%	10.85%	9.0%
Santa Fe	1.76%	1.76%	2.2%
City of Buenos Aires	7.93%	7.86%	8.6%
Buenos Aires	22.48%	21.76%	25.7%
Río Negro	1.92%	2.74%	2.7%
Chubut	7.53%	7.53%	6.4%
Tucumán	0.58%	0.00%	0.9%
Rest of the country	3.66%	6.13%	4.1%
Other countries	0.00%	2.33%	0.2%

Staff at YPF Group: YPF S.A., controlled companies and contractors. Details for MetroGAS not included.

Annual Total Compensation Ratio	2016	2017	2018
YPF S.A.	21%	21%	21%
YPF Group	27%	27%	27%

YPF S.A.'s and controlled companies' staff not covered by bargaining agreement. Details for MetroGAS not included.

Percentage increase in annual total compensation ratio	2016	2017	2018
Percentage increase in annual total compensation for the organization's highest-paid individual	26.4%	26.7%	32.4%
Median percentage increase in annual total compensation for all employees	25.9%	25.7%	31.5%
Ratio of percentage increase in annual total compensation	1.02	1.04	1.03

YPF S.A.'s and controlled companies' staff not covered by bargaining agreement. Details for MetroGAS not included. The calculation criterion was updated taking into account the relationship between the total amount of remuneration paid in 2018 as compared to 2017.

Executive Officers by Province	2017	2018
San Juan	0	0
Río Negro	0	0
Buenos Aires	9	6
City of Buenos Aires	66	76
Neuquén	5	6
Mendoza	4	3
Santa Fe	0	0
Chubut	1	2
Córdoba	0	1
Tucumán	0	0
Corrientes	0	0
Entre Ríos	0	0
Foreigners	2	0

YPF S.A. and controlled companies. Details for MetroGAS not included. All the executives are Argentine.

Registration of new employees in 2018	Under 30 years old		30-50 years old		Over 50 years old		Women	Men	TOTAL
	Women	Men	Women	Hombres	Women	Men			
Buenos Aires	199	529	84	729	3	124	286	1,382	1,668
City of Buenos Aires	92	128	56	104	0	15	148	247	395
Chubut	9	48	6	64	0	2	15	114	129
Córdoba	9	25	8	65	0	10	17	100	117
Mendoza	10	98	6	246	0	32	16	376	392
Neuquén	60	167	34	331	1	37	95	535	630
Santa Cruz	7	77	8	294	0	27	15	398	413
Santa Fe	30	46	11	32	0	10	41	88	129
Tierra del Fuego	0	0	0	0	0	0	0	0	0
Brazil	0	0	0	0	0	0	0	0	0
Rest of the country	23	104	6	209	0	44	29	357	386
TOTAL	439	1,222	219	2,074	4	301	662	3,597	4,259
Total by age group	1,661		2,293		305				

YPF S.A. and controlled companies. Details for MetroGAS not included.

Registration of new employees by gender	2016		2017		2018	
Women	211	11%	318	14%	662	16%
Men	1,706	89%	1,948	86%	3,597	84%

YPF S.A. and controlled companies. Details for MetroGAS not included.

Aggregate registration of new employees by age group	2016	2017	2018
Under 30 years old	878	1,012	1,661
30-50 years old	893	1,095	2,293
Over 50 years old	146	159	305

YPF S.A. and controlled companies. Details for MetroGAS not included.

Employee deregistration by gender	2016		2017		2018	
Women	435	10%	298	12%	282	15%
Men	4,129	90%	2,143	88%	1,552	85%

YPF S.A. and controlled companies. Details for MetroGAS not included.

Employment registration rate – 2018	Under 30 years old		30-50 years old		Over 50 years old		Women	Men	TOTAL
	Women	Men	Women	Men	Women	Men			
Buenos Aires	1.1%	2.7%	0.5%	3.6%	0.0%	0.6%	1.6%	6.9%	8.5%
City of Buenos Aires	0.5%	0.6%	0.3%	0.6%	0.0%	0.2%	0.8%	1.4%	2.2%
Chubut	0.0%	0.2%	0.0%	0.3%	0.0%	0.0%	0%	0.5%	0.5%
Córdoba	0.0%	0.1%	0.0%	0.3%	0.0%	0.1%	0%	0.5%	0.5%
Mendoza	0.0%	0.5%	0.0%	1.2%	0.0%	0.2%	0%	1.9%	1.9%
Neuquén	0.3%	0.8%	0.2%	1.6%	0.0%	0.2%	0.5%	2.6%	3.1%
Santa Cruz	0.0%	0.4%	0.0%	1.5%	0.0%	0.1%	0%	2.0%	2.0%
Santa Fe	0.1%	0.2%	0.1%	0.2%	0.0%	0.1%	0.2%	0.5%	0.7%
Tierra del Fuego	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0%	0.0%	0.0%
Brazil	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0%	0.0%	0.0%
Rest of the country	0.1%	0.5%	0.0%	1.0%	0.0%	0.2%	0.1%	1.7%	1.8%
TOTAL	2.1%	6.0%	1.1%	10.3%	0.0%	1.7%	3.2%	18%	21.2%
Total by age group	8.1%		11.4%		1.7%				

New hire and employee turnover rates are calculated on the total number of employees as of 12/31/2018 – which was 20,702 for YPF S.A. and controlled companies. Details for MetroGAS not included.

Employment deregistration 2018 -	Under 30 years old		30-50 years old		Over 50 years old		Women	Men	TOTAL
	Women	Men	Women	Men	Women	Men			
Buenos Aires	68	131	60	158	3	100	131	389	520
City of Buenos Aires	8	26	26	61	14	37	48	124	172
Chubut	1	12	4	43	2	11	7	66	73
Córdoba	3	5	2	10	0	3	5	18	23
Mendoza	3	28	5	153	2	53	10	234	244
Neuquén	5	46	12	152	2	54	19	252	271
Santa Cruz	2	27	7	105	0	27	9	159	168
Santa Fe	17	18	12	11	2	0	31	29	60
Tierra del Fuego	0	0	0	0	0	0	0	0	0
Brazil	0	0	0	0	0	0	0	0	0
Rest of the country	5	67	17	160	0	54	22	281	303
TOTAL	112	360	145	853	25	339	282	1,552	1,834
Total by age group	472		998		364				

YPF S.A. and controlled companies. Details for MetroGAS not included.

Turnover rate 2018	Under 30 years old		30-50 years old		Over 50 years old		Women	Men	TOTAL
	Women	Men	Women	Men	Women	Men			
Buenos Aires	0.4%	0.7%	0.3%	0.8%	0%	0.5%	0.7%	2.0%	2.7%
City of Buenos Aires	0.1%	0.2%	0.1%	0.3%	0.1%	0.2%	0.3%	0.7%	1.0%
Chubut	0%	0.1%	0%	0.2%	0%	0.1%	0%	0.4%	0.4%
Córdoba	0%	0%	0%	0%	0%	0%	0%	0%	0%
Mendoza	0%	0.1%	0%	0.7%	0%	0.3%	0%	1.1%	1.1%
Neuquén	0%	0.2%	0.1%	0.7%	0%	0.3%	0.1%	1.2%	1.3%
Santa Cruz	0%	0.1%	0%	0.5%	0%	0.1%	0%	0.7%	0.7%
Santa Fe	0.1%	0.1%	0.1%	0.1%	0%	0%	0.2%	0.2%	0.4%
Tierra del Fuego	0%	0%	0%	0.0%	0%	0%	0%	0%	0%
Brazil	0%	0%	0%	0.0%	0%	0%	0%	0%	0%
Rest of the country	0%	0.3%	0.1%	0.8%	0%	0.3%	0.1%	1.4%	1.5%
TOTAL	0.6%	1.8%	0.7%	4.1%	0.1%	1.8%	1.4%	7.7%	9.1%
Total by age group	2.3%		4.8%		1.9%				

YPF S.A. and controlled companies. Details for MetroGAS not included.

Return to work after maternity leave	2015	2016	2017	2018
Female employees entitled to parental leave (pregnancies)	277	308	428	345
Female employees who took parental leave	277	308	428	345
Return to work	217	276	406	241
Return-to-work-rate	78%	90%	95%	99%
Female employees active one year after return to work	204	249	387	373
Retention rate	71%	81%	90%	87%

YPF S.A. and controlled companies. Details for MetroGAS not included. As regards men, 484 employees took paternity leave. Return-to-work rate = Return to work / female employees who took parental leave.

Retention rate = Female employees active one year after return to work / female employees who took parental leave.

Training hour load	2015	2016	2017	2018
YPF Group*	553,824	516,049	553,208	606,418
YPF S.A.	391,287	381,932	424,548	398,213
Controlled companies	162,537	134,117	128,660	208,206

* YPF S.A. and controlled companies. Details for MetroGAS not included.

Training hour load by gender (2018)	YPF S.A.	Controlled companies	YPF Group*	YPF Group -average
Total	398,213	208,206	606,418	29.3
Women	88,074	45,272	133,344	30.6
Men	310,140	160,506	473,074	29.0

* YPF S.A. and controlled companies. Details for MetroGAS not included.

Training hour load by professional category (2018)	YPF S.A.	Controlled companies	YPF Group*	YPF Group -average
Total	398,213	208,205	606,418	29.3
Executive officers	2,645	67	2,712	28.6
Managers	33,158	3,896	37,054	56.6
Supervisors	74,283	10,280	84,563	48.1
Analysts and coordinators	162,779	47,018	209,797	47.6
Higher staff covered by bargaining agreement	68,398	4,916	73,314	20.9
Ground-level staff covered by bargaining agreement	56,950	142,028	198,978	20.8

* YPF S.A. and controlled companies. Details for MetroGAS not included.

Average training hour load per employee	2015	2016	2017	2018
YPF S.A.	40.21	41.63	45.59	40.3
Controlled companies	13.22	13.3	13.18	19.2

YPF S.A. and controlled companies. Details for MetroGAS not included.

	2014	2015	2016	2017	2018
Women's wages compared to Men's wages	93.6%	95.9%	96.7%	96.2%	95.9%

YPF S.A.'s and controlled companies' staff not covered by bargaining agreement. Details for MetroGAS not included.

Women's wages compared to Men's wages, by professional category	2018
Executive officers	96.2%
Managers	96.2%
Supervisors	96.2%
Analysts and coordinators	98.4%
Higher staff covered by bargaining agreement	90.3%
Ground-level staff covered by bargaining agreement	99.0%

Calculation based on average remuneration weighted by professional category.

OCCUPATIONAL HEALTH AND SAFETY

403-9, 403-10

Absentee rate calculation by region and gender (2018)	Women		Men	
	Days lost	Absentee rate %	Days lost	Absentee rate %
Total	40,237	3.79	58,660	2.00
City of Buenos Aires	6,591	0.62	7,060	0.24
Chaco	154	0.01	191	0.01
Chubut	390	0.04	12	0.00
Córdoba	2,170	0.20	1,237	0.04
Corrientes	616	0.06	31	0.00
Entre Ríos	1,155	0.11	960	0.03
Formosa	182	0.02	56	0.00
Greater Buenos Aires	15,282	1.44	5,925	0.20
Mendoza	1,182	0.11	25,915	0.88
Neuquén	3,251	0.31	2,812	0.10
Province of Buenos Aires	4,336	0.41	1	0.00
Río Negro	368	0.03	160	0.01
Santa Fe	2,863	0.27	1,269	0.04
Jujuy	28	0.00	2,074	0.07
La Rioja	100	0.01	9,821	0.33
Misiones	680	0.06	390	0.01
Salta	73	0.01	129	0.00
San Juan	0	0.00	398	0.01
San Luis	386	0.04	0	0.00
Santa Cruz	81	0.01	155	0.01
Tierra del Fuego	0	0.00	0	0.00
Tucumán	317	0.03	64	0.00
La Pampa	32	0.00	0	0.00

Absentee rate = Days lost/(work days x population) x100. Absenteeism due to work-related and in-transit accidents and non-work related diseases.

Based on an average of 22 work days pr month. YPF S.A.'s own and controlled companies' staff.

Details for MetroGAS not included.

Absences due to work-related and in-transit accidents	2016	2017	2018
Days lost	20,269	7,674	8,993
Absentee rate - Women	0.40%	0.32%	0.24%
Absentee rate - Women	0.42%	0.15%	0.22%

YPF S.A.'s own and controlled companies' staff. Details for MetroGAS not included.

Absences due to non-work related diseases	2016	2017	2018
Days lost	87,563	84,826	98,897
Absentee rate - Women	3.84%	4.28%	3.79%
Absentee rate - Women	1.25%	1.41%	2.00%

YPF S.A.'s own and controlled companies' staff. Details for MetroGAS not included.

Health exams	2015	2016	2017	2018
Yearly health exam (ICEP)	91%	90%	93%	95%
Health exam for at-risk workers (ICER)	100%	98%	100%	100%

Includes YPF S.A.'s own and controlled companies' staff. Details for MetroGAS not included.

	2015	2016	2017	2018
Emotional health - Missed days due to psychopathologies.	18,783	16,559	8,750	10,736

Includes YPF S.A.'s own and controlled companies' staff. Details for MetroGAS not included.

	2015	2016	2017	2018
Occupational disease frequency rate (own staff)*	0.20	0.33	0.00	0.16

Includes YPF S.A.'s own and controlled companies' staff (excludes MetroGAS staff). (Number of events in the accounting period) / (Total of hours worked in the accounting period) x .1'000'000.

	2015			2016			2017			2018		
	OS	CS	Total	OS	CS	Total	OS	CS	Total	OS	CS	Total
Days lost due to computable accident				916	8,778	9,694	269	6,163	6,432	1,012	4,304	5,316
Accidents with days lost (computable)	21	123	144	14	98	112	7	69	76	10	51	61
Fatality Rate (FR)	0	1.75	1.25	0	0	0	0	0	0	0.00	3.66	2.41

OS: Own staff; CS: Contractors' staff. **Computable accidents:** accidents subject to YPF safety management procedures. Includes YPF S.A.'s and controlled companies staff (excludes MetroGAS staff).

FR: Number of computable fatalities x 100,000,000/Number of man-hours worked.

	2015	2016	2017	2018
Reported incidents (environmental and safety)	4,729	3,196	2,792	2,181

Includes YPF S.A. and controlled companies. Details for MetroGAS not included.

Total recordable injury frequency rate (TRIFR)	2018
Own staff	7.57
Contractors' staff	6.84

Includes YPF S.A.'s and controlled companies' staff (excludes MetroGAS staff).

Process Safety Events – Tier 1	2018
Process Safety events – Tier 1	22
Number of Tier 1 Process Safety events per million hours worked	0.913

Includes YPF S.A.'s Downstream business.

RESPONSIBLE SUPPLY CHAIN MANAGEMENT

102-9, 204-1, 308-1
408-1, 409-1, 412-3, 414-1

Procurement breakdown by region

	Upstream	Downstream
	2018	2018
Domestic	64%	63%
Chubut	11%	0%
Mendoza	6%	7%
Neuquén and Rio Negro	19%	1%
Santa Cruz	0%	0%
La Plata	0%	29%

96% of qualified suppliers are Argentine.

100% of contracts for regular labor services at YPF's facilities are subject to assessment on labor and social security aspects.

100% of contracts include adherence to YPF's Code of Ethics and Conduct.

Suppliers with updated qualification information

2016	2017	2018
5,137	5,853	6,546

Includes YPF S.A. and Y-TEC.

Geographical breakdown of suppliers by service provision capability

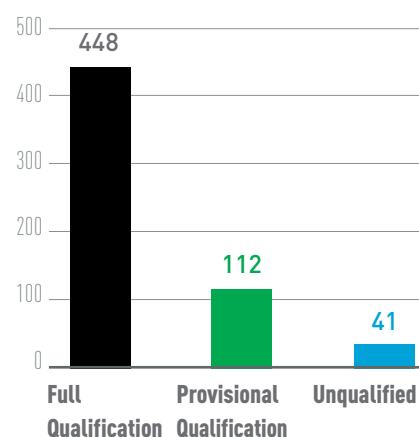
	2016	2017	2018
Argentina	4,325	5,334	7,995
City of Buenos Aires	37	77	1,180
Central area	23	38	162
Greater La Plata area	134	176	231
Coastal area	41	56	55
Northwestern area	4	8	13
Western area	355	559	990
Pampas area	18	42	92
Southern area	200	248	900

Includes YPF S.A. and Y-TEC.

Supplier Qualification

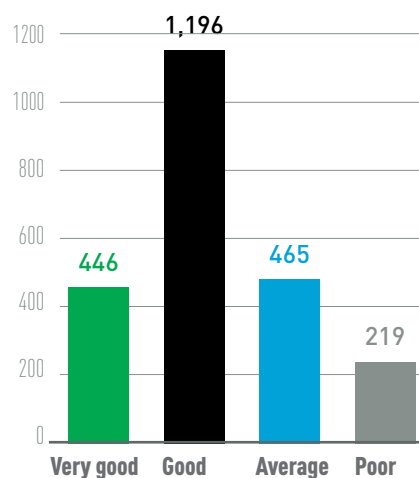
100% of critical suppliers are assessed as per our quality management system, and safety and environmental criteria in line with the activity developed.

In 2018 the company performed 601 qualification processes on 550 companies, 40 of which were new.



Performance Assessment

A total of 2,326 performance assessments were made for 1,380 contracts. The number of assessments by outcome is as follows:



16 companies were sanctioned and prevented from taking part in new procurement processes.

CLIMATE ACTION AND ENVIRONMENTAL MANAGEMENT

302-1, 302-3, 302-4, 303-1, 303-3, 303-4, 305-1, 305-2,
305-5, 305-7, OG5, 306-1, OG6, 306-2, OG7, OG8

Environmental management indicators apply to YPF S.A. and controlled companies. Details for MetroGAS not included.

Sources of energy consumption	Unit	2015	2016	2017	2018
Fuel consumption	10 ⁶ t	3.58	3.56	3.69	3.87
Purchased electricity	10 ⁶ MWh	2.84	2.48	2.13	2.15
Purchased steam	10 ⁶ GJ	7.22	8.28	7.84	7.65

Electricity	Unit	2015	2016	2017	2018
Purchased	10 ⁶ MWh	2.84	2.48	2.13	2.15
Produced	10 ⁶ MWh	7.46	7.88	7.78	9.71
Sold	10 ⁶ MWh	5.83	6.12	5.87	7.75

Energy intensity by business unit	Unit	2015	2016	2017	2018
Energy intensity in Upstream	GJ/t of Oil&Gas produced	3.22	3.50	3.42	3.31
Energy intensity in Downstream	GJ/t of crude oil processed	5.18	5.00	5.13	5.31
Energy intensity in G&E	GJ/MWh of energy produced	7.43	7.19	6.62	6.32

	MWh
Renewable energy production (2018)	148,646

Includes energy supplied to the Argentine Power Grid by Manantiales Behr Wind Farm's production.

Total direct GHG emissions	Unit	2015	2016	2017	2018
Total direct GHG emissions(tCO ₂ e)	tCO ₂ e	15,488,916	15,715,958	17,012,559	17,951,758
Carbon Dioxide (CO ₂) emissions	tCO ₂	12,150,187	12,416,186	13,007,777	13,557,352
Methane (CCH ₄) emissions	tCH ₄	127,276	125,442	152,868	167,426
Nitrous Oxide (N ₂ O) emissions	tN ₂ O	526	549	614	701

These emissions include CO₂, N₂O and CH₄.

Direct emissions (tCO ₂ equivalent) by business unit	Unidad	2016	2017	2018
Upstream	tCO ₂ eq	9,186,890	10,570,443	10,565,160
Refining	tCO ₂ eq	3,329,917	3,554,540	3,511,116
Chemicals	tCO ₂ eq	649,102	614,360	638,610
Logistics	tCO ₂ eq	175,136	171,561	190,044
Gas and Energy	tCO ₂ eq	2,243,430	2,087,814	3,033,476

Indirect GHG emissions from energy generation	Unit	2016	2017	2018
Upstream – Purchased electricity	MWh	1,142,114	992,258	981,704
Upstream – Indirect emissions	tCO ₂ eq	611,031	530,858	498,706
Downstream – Purchased electricity	MWh	1,177,411	1,123,842	1,146,793
Downstream – Indirect emissions	tCO ₂ eq	629,915	601,255	582,571

Emission factor for 2017 available at: <http://datos.minem.gob.ar/dataset/calculo-del-factor-de-emision-de-co2-de-la-red-argentina-de-energia-electrica> Updated 03/28/2019 by the Argentine Secretariat of Energy. Operating margin value.

Indirect emissions are calculated for each business unit. They should not be added to YPF's (and YPF Luz's) total direct GHG emissions. The reason for this is that emissions from the generation of electricity exported to the Argentine Power Grid are included in the calculation of YPF Group's total emissions as direct emissions. These indirect emissions result from the purchase of electricity for the business.

Air emissions	Unit	2015	2016	2017	2018
Total air emissions	t	142,169	143,400	160,251	165,331
SO ₂	t	10,002	6,307	6,281	6,390
NO _x	t	57,313	61,653	76,284	77,134
COVNM	t	55,796	56,534	57,508	61,129
CO	t	15,184	14,929	16,312	16,640
Particulates	t	3,873	3,977	3,866	4,038

Emission-reduction projects under the CDM	Unit	2015	2016	2017	2018
La Plata Industrial Complex (CILP)	tCO ₂	111,115	129,940	119,161	152,697
Luján de Cuyo Industrial Complex (CILC)	tCO ₂	24,521	26,321	24,724	20,212

Flared and vented gas	Unit	2015	2016	2017	2018
Flared gas	t	388,653	336,974	334,820	369,911
Vented gas	t	127,048	116,894	111,832	114,435

Volume of flared and vented hydrocarbon for production (Upstream)	Unit	2015	2016	2017	2018
Flared gas for production	t/t	0.010	0.009	0.007	0.009
Vented gas for production	t/t	0.005	0.005	0.004	0.004

Volume of flared and vented hydrocarbon for production (Downstream)	Unit	2015	2016	2017	2018
Flared gas for production	t/t	0.010	0.009	0.011	0.010
Vented gas for production	t/t	0.0004	0.0003	0.0003	0.0002

Intensity of water withdrawn for operations	Unit	2015	2016	2017	2018
Upstream	kt of water withdrawn/ kt of crude oil and gas produced	0.38	0.40	0.55	0.65
Downstream	kt of water withdrawn/kt of crude oil processed	3.27	3.28	3.20	3.25
Gas and Energy	Kt of water withdrawn /MWh of electricity produced	0.0009	0.001	0.0009	0.0008

* AESA, Asset Management, and Y-TEC.

In 2018 the increase in the intensity of water withdrawn in the Upstream was due to an increase in the number of withdrawal points for data reporting purposes, resulting, in turn, in an increase in the volume of water withdrawn. On the other hand, the increase in the Downstream is due to less crude processing as a result of power outages and scheduled shutdowns at La Plata Industrial Complex.

Water withdrawal by business unit	Unit	2015	2016	2017	2018
Upstream	Kt	8,669	9,115	14,122	16,378
Downstream	Kt	49,437	48,873	47,725	46,595
Gas and Energy	Kt	4,927	5,597	4,930	5,614
Other Businesses*	Kt	41	57	55	92

* AESA, Asset Management, and Y-TEC.

Water withdrawal by source	Unit	2015	2016	2017	2018
Total	Kt	63,074	63,642	66,832	68,679
Public water supplies	Kt	1,496	1,440	1,026	2,290
Surface water	Kt	54,138	54,001	57,648	49,927
Groundwater	Kt	7,440	8,201	7,994	16,245
Other sources of water withdrawal	Kt	-	-	163	217

Guide to Environmental Parameters.

Discharged water by business unit	Unit	2015	2016	2017	2018
Upstream	Kt	0.22	0.20	1,859	2,051
Downstream	Kt	27,132	27,110	25,523	22,049
Gas and Energy	Kt	949	807	764	734

Discharged water by destination	Unit	2017	2018
Surface waterway	Kt	24,707	21,151
Body of groundwater / Formation water	Kt	2,650	2,841
Soil	Kt	790	843

YPF's Guide to Environmental Parameters defines a series of factors that require monitoring, such as contents of hydrocarbons, chlorides, BOD5, OCD, phenols, phosphates, metals and suspended solids, among others. It does not include dissolved solids. Concentration limits are established in accordance with applicable law. Discharged water volumes are measured by means of flow meters or by estimating water flow per hour of pump operation.

Hydrocarbons in spilled volumes	Unit	2016	2017	2018
Production water	%	91	85	95
Hydrocarbon	%	9	15	5

Hydrocarbon Spills	2018
Number of barrels	4,493

Includes hydrocarbon spills with volumes greater than a barrel that have affected the environment, and excludes incidents where the hydrocarbon was contained in an enclosure or on a well site.

Hydrocarbons in discharged water	Unit	2015	2016	2017	2018
Downstream	t	40.8	39.82	40.33	27.61
Refining and Chemicals	t	40.32	37.31	32.32	27.53

Soils with hydrocarbons in Upstream	Unit	2015	2016	2017	2018
Stock	Kt	1,382	1,221	973	806
Treated	Kt	1,046	672	616	349

Hazardous and non-hazardous waste by disposal method	Unit	2016		2017		2018	
		HW	NHW	HW	NHW	HW	NHW
Total HW and NHW	Kt	2,472		2,441		2,140	
Total	Kt	2,143	329	2,050	392	1,590	550
Reused	Kt	364	78	476	14	345	29
Recycled	Kt	51	5	72	11	0	26
Stored	Kt	808	229	708	339	635	294
Undergoing treatment	Kt	476	0	452	0	397	124
Disposed of	Kt	443	16	341	26	213	77

Treated hazardous and non-hazardous waste by type of activity	Unit	2016		2017		2018	
		HW	NHW	HW	NHW	HW	NHW
Total RP y RNP	Kt	958.70		941.85		690.05	
Total	Kt	858.79	99.91	889.58	52.27	558.43	131.83
Upstream	Kt	802.23	88.83	826.50	42.59	495.04	122.52
Refining	Kt	33.60	3.92	34.26	4.10	43.87	4.74
Chemicals	Kt	2.17	0.44	3.07	0.56	4.53	0.86
Gas and Energy	Kt	0.09	0.18	0.12	0.19	0.22	0.24
Business	Kt	10.98	5.09	24.19	3.08	11.71	2.32
Logistics	Kt	9.71	0.33	1.37	0.66	3.04	0.32
Otros	Kt	0.01	1.12	0.07	1.09	0.07	1.02

	Unit	2016	2017	2018
Drill mud and cuttings generated	Kt	309.13	215.05	252.45

Fuels	INFINIA	SUPER	INFINIA DIESEL	ULTRADIESEL	DIESEL 500
Grade	3	2	3	2	2
Statutory limits					
Sulfur	Max 50 mg/kg	Max 150 mg/kg	Max 10 mg/kg	Max 1,500 mg/kg	Max 500 mg/kg
Benzene	Max 1.0 % v/v	Max 1.0 % v/v	-	-	-
Lead	Max 5 mg/L	Max 5 mg/L	-	-	-
Average/maximum values in 2018					
Sulfur	24 / 49.0 mg/kg	67 / 137 mg/kg	7.9 / 10 mg/kg	460.3 / 1,088 mg/kg	416.5 / 499 mg/kg
Benzene	0.68 / 0.93 % v/v	0.72 / 1.00 % v/v	-	-	-
Lead	Nil	Nil	-	-	-



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Limited Assurance Report of the Independent Public Accountants (on the Sustainability Report)

To

YPF S.A.

515 Macacha Güemes
Buenos Aires Autonomous City
Federal Tax Identification Number: 30-54668997-9

1. Identification of the information object of the work.

We have been engaged by YPF S.A. to provide a limited assurance report on the information contained in the 2018 Sustainability Report of YPF Group, for the period January 1st. to December 31st, 2018.

2. YPF responsibility regarding the information object of the work.

YPF S.A. is responsible for the following:

- The contents of the enclosed Sustainability Report, which implies determining the coverage and performance indicators to be included, and that are relevant for the stakeholder groups to which it is addressed;
- The definition of the criteria applicable in the making of said Report. The criteria adopted by the Entity are defined in the GRI Standards (Global Reporting Initiative) "in accordance" core, in RobecoSAM indicators for the industry and in the guidelines to comply with the 10 (ten) Global Compact principles;
- The maintenance of adequate records to support the management of the information relevant for the purposes mentioned herein and the execution of performance measurements based on the established criteria;
- The design, implementation and execution of adequate internal controls to prepare the information object of the study;
- The preparation and presentation of the enclosed Report.

3. Public accountants' responsibilities.

Our responsibility is to carry out the task of issuing an independent limited assurance report, in accordance with the rules established in Technical Resolution No. 35 of the Argentine Federation of Professional Councils in Economic Sciences. Said rules demand us to comply with the ethical requirements, as well as to plan and execute the work with the aim of issuing an independent limited assurance report on the Sustainability Report, with the scope described herein.

We consider the external verification as a Limited Review, based on the International Standard on Assurance Engagement 3000 (ISAE-3000) of the International Auditing and Assurance Standard Board (IAASB), which establishes a series of procedures to auditors so as to deliver their opinion on aspects other than financial information, together with the Accountability 1000 Assurance Standard (AA1000AS).

In a limited assurance engagement, evidence is gathered, subject to proof on a selective basis, of the evidence related to the sustainability information included in said Report. In addition, an assessment of the estimations and inquiries to those responsible of preparing the information submitted is included, as well as other similar procedures, with a narrower scope as compared to an audit, and that will consequently not allow us to be certain that we have become aware about all the significant issues that would be identified during a reasonable audit or security work.

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In order to obtain a limited assurance on the information listed in Annex 1, we performed the following tasks:

- interview the Management and personnel of the entity responsible of gathering the information and of designing the selected performance indicators with the aim of gaining an understanding of the Entity's policy regarding sustainability, the implemented control activities and the information-gathering systems used;
- perform tests on a selective basis, to verify the accuracy of the information submitted regarding the selected indicators;
- analyse, when applicable, the information systems and the methodology used to gather the quantitative data related to the performance indicators of the Entity;
- inspect, on a selective basis, the existing documentation to corroborate the statements made by Management during the interviews.

We consider that the proof and elements of judgement obtained provide a sufficient and adequate basis for the conclusion of our limited assurance. Non-financial information is subject to limitations of its own, due to its nature and the methods used to calculate, make samples or estimate values, which are subject to individual assumptions and criteria.

We have not carried out any tasks beyond the agreed scope and, consequently our conclusion is limited only to the sustainability information reviewed.

4. Conclusion

Based on the work described in this report, nothing drew our attention that would make us believe that the Sustainability Report of YPF Group for the period January 1st to December 31st, 2019, was not prepared, in all its significant aspects, in accordance with the guidelines laid down by the GRI Standards (2016 and 2018); or that the information and performance indicators described in Annex 1 may contain significant incorrect elements in the records and files used as a base for its preparation.

Buenos Aires Autonomous City, October 21st, 2019.

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ANNEX 1

Indicator	Description
202-2 (2016)	Proportion of senior management hired from the local community
204-1 (2016)	Proportion of spending in local suppliers
205-2 (2016)	Communication and training about anti-corruption policies and procedures
302-1 (2016)	Energy consumption within the organization
303-3 (2018)	Water withdrawal
303-4 (2018)	Water discharge
305-1 (2016)	Direct (Scope 1) GHG emissions
305-2 (2016)	Energy indirect (Scope 2) GHG emissions
305-7 (2016)	Nitrogen oxides (NOx), sulphur oxides (SOx) and other significant air emissions (COVs)
306-2 (2016)	Waste by type and disposal method
403-9 (2018)	Work-related injuries
405-1 (2016)	Diversity of governance bodies and employees
405-2 (2016)	Ration of basic salary and remuneration of women to men
410-1 (2016)	Security personnel trained in human rights policies or procedures
415-1 (2016)	Political contributions
G4-OG3	Total amount of renewable energy generated by source
G4-OG7	Amount of drilling waste (drill mud and cuttings)
Own	Significant hydrocarbons spills
Own	Total Recordable Injury Frequency Rate (TRIFR) - Employees and Contractors
Own	Frequency rate of professional illnesses
Own	Process Safety Events - Tier 1
Own	Total amount of investments in renewable energies
Own	R&D initiatives for the energy industry

This Annex is an integral part of our report dated October 21st, 2019.

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THE COMPANY

YPF. <http://www.ypf.com/Paginas/home.aspx>

OUR REPORTS

To access the Annual Financial Report, Quarterly Earnings Reports, and Sustainability Report, visit the following links:

Investor Center

<http://www.ypf.com/english/investors/paginas/home.aspx>

Sustainability

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