



2013-2014

# Sustainability Plan for Venezuela

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## LEGAL NOTICE

The Sustainability Plan for Venezuela 2013-2014 includes a number of actions conceived by Repsol and intended to contribute to sustainable development. Repsol is committed to carrying out in their entirety those actions in the sustainability plan that must be carried out by law, reserving the right to modify, postpone or cancel other actions that are carried out voluntarily, without this entailing any responsibility on the part of Repsol.

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## Corporate Responsibility Vision and the development of this Plan

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

In Repsol, we understand Corporate Responsibility as the contribution of major companies to the sustainable development. We consider that the essence of Corporate Responsibility is the incorporation of environmental and social aspects into the decision making processes of organisations.

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

Furthermore, we aspire to contribute to this sustainable development through our Corporate Responsibility vision that is the responsibility that we voluntarily assume, beyond what is demanded by law due to the impact that our activities might have on society and the environment and that, in response to the expectations of our stakeholders with regards to our activity, developing practices that maximize the positive impacts and prevent, mitigate, repair or compensate the negative ones.

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

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

- United Nations Guiding Principles on Business and Human Rights.
- The International Standard ISO 26000: Guidance on Social Responsibility.
- OECD Guidelines for Multinational Enterprises.
- The International Finance Corporation (IFC) Sustainability Framework Performance Standards.

In addition, we have developed a materiality study or relevant issues study, for the company's stakeholders at corporate level, based on the following sources:

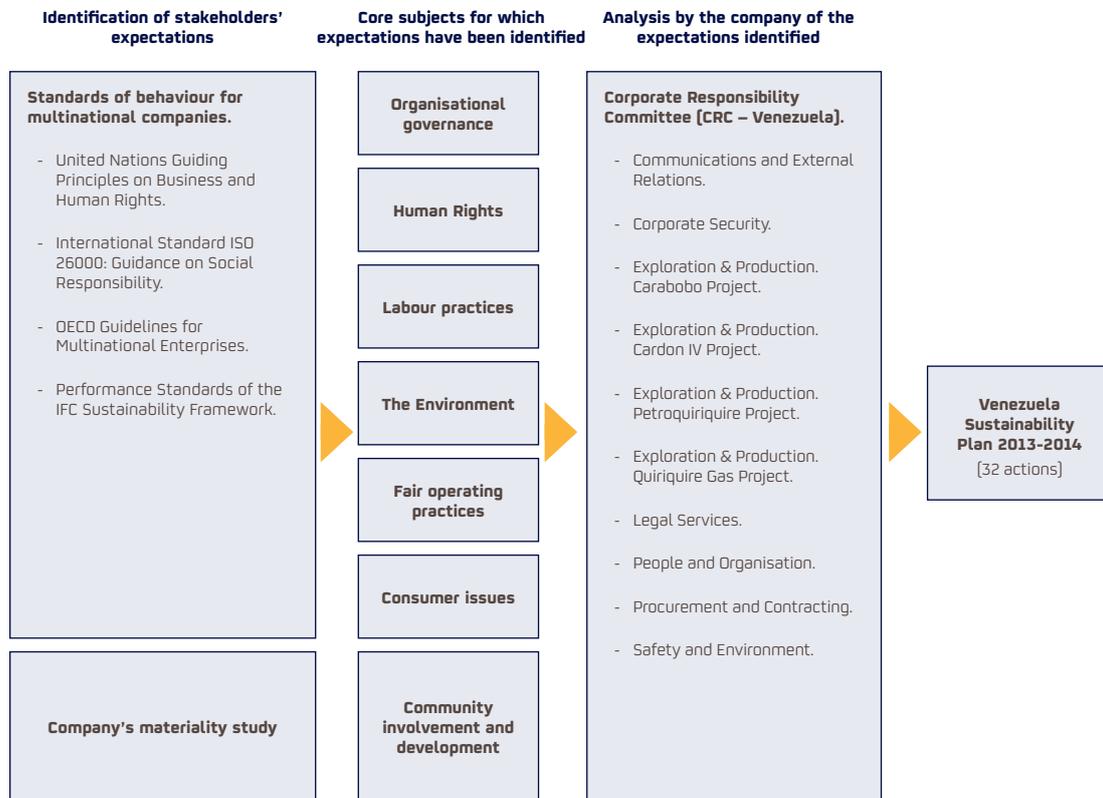
- Criteria related to organisational governance and environmental and social management (ESG) used on a formal basis by institutional investors and asset managers, that are relevant for Repsol, when selecting their investment portfolios.
- ESG proposals presented to the general shareholders' meetings of the principal companies in the energy sector.
- Most recent publications of the most influential international organisations in the ESG field.
- Expectations of the leaders of opinion associated with ESG issues who have appeared in a selection of international media.
- Expectations formulated by other leaders of opinion and experts during in-depth interviews held for this study.

The set of expectations obtained from the four international standards and the expectations identification study amounted to more than five hundred. After an analysis and consolidation process, the results have been studied by Venezuela's Corporate Responsibility Committee, chaired by Repsol's Business Unit Director in Venezuela and formed by director and manager representatives from the following businesses and units in the country:

- Communications and Community Relations.
- Corporate Security.
- Exploration & Production. Carabobo Project – Non Operated Joint Venture.
- Exploration & Production. Cardon IV Project – Non Operated Joint Venture.
- Exploration & Production. Petroquiriquire Project – Non Operated Joint Venture.
- Exploration & Production. Quiriquire Gas Project.
- Legal Services.
- People and Organisation.
- Procurement and Contracting.
- Safety and Environment.

With this exercise, we have been able to formally and systematically introduce the expectations of stakeholders in Venezuela into the company's decision making processes, which is the key aspect of Corporate Responsibility.

-Introduction of stakeholders' expectations into the company's decision making processes-



The result of this analysis is the current 2013-2014 Sustainability Plan for Venezuela, which is a public document. The degree to which its commitments are fulfilled will be assessed annually and communicated to society in the form of an annual monitoring report.

This plan consists of 32 specific short-term actions (2013-2014) with the corresponding indicators to measure their implementation, grouped into six programmes that correspond with six of the seven Social Responsibility core subjects described by the international standard ISO 26000 - Guidance on Social Responsibility - and which are the seven areas in which any company is more likely to generate an ethical, environmental and social impact.

With respect to the programmes, those concerning the Fair operating practices and Community involvement and development have been the ones that involve the greatest number of actions.

-Distribution of the actions of the Sustainability Plan for Venezuela  
by action programmes-

PROGRAMMES	Number of actions
Organisational governance	4
Human Rights	2
Labour practices	4
The Environment	3
Fair operating practices	14
Community involvement and development	5

The 2013-2014 Sustainability Plan for Venezuela is not Repsol's only contribution to sustainable development but is complemented with actions considered in the Corporate Sustainability Plan, as well as those concerning countries or specific operating centers that are included in our respective Sustainability Plans.

69% of the actions included in this plan are linked to the variable remuneration system for Repsol's employees, which constitutes an unequivocal commitment on the part of the company with the effective maximisation of its contribution to sustainable development.



## Stakeholders' expectations and the corresponding actions of the Plan

### Programme 1

## Organisational Governance

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

In order to respond to stakeholders' expectations in the field of Governance, Repsol has specific management systems in place which are available at the corporate website **repsol.com**.

Furthermore, the company has added four actions to the current Sustainability Plan in an attempt to strengthen its response to the principal expectations, such as those indicated below.

-Actions included in the Governance programme and a summary of the principal expectations that contribute to respond to them-

#### Governance programme

**Expectation:** Find a balance in the decision taking process between the needs of the organisation and the needs of its stakeholders, including immediate needs and those of future generations.

**Expectation:** Inform on the environmental and social impacts of the company's activities and the measures taken to mitigate these.

**Expectation:** Involve stakeholders in the evaluation of the company's policies.

**Expectation:** Promote transparency.

#### Actions included in the programme:

1. Develop processes and frameworks related with decision making in the management of the Quiriquire Gas project.
2. Promote transparency in Repsol's external communications in Venezuela through the training of General Managers for communication in crisis situations.
3. Strengthen and facilitate communication between Repsol and its stakeholders in Venezuela.
4. Establish a proactive relationship with the media as part of a transparency framework, through a yearly plan that guarantees the closing of ties with local and national media and correspondents in the country.

- **Expectation: Find a balance in the decision taking process between the needs of the organisation and the needs of its stakeholders, including immediate needs and those of future generations.**

During 2013, Repsol will launch an action to *develop processes and frameworks related with decision making in the management of the Quiriquire Gas project*. With this, different criteria will be included in these processes, being related both with the company's good performance and with the consideration of stakeholders' needs and expectations.

In this way, the decision making process will be designed in such a way as to guarantee aspects such as operational confidence, the achievement of improvements in environmental performance, the adoption of social and community development actions and the safety of operations.

- **Expectation: Inform on the environmental and social impacts of the company's activities and the measures taken to mitigate these.**

Communication with transparency on the social and environmental repercussions of the company's activities is one of the company's priorities with respect to its stakeholders.

In this regard, as well as the initiatives already carried out and that allow for the regular transmission of this information, Repsol has included a specific action in the Sustainability Plan aimed at improving the communication processes in the event of crisis situations that could have repercussions in the areas mentioned earlier.

This action will be to *promote transparency in Repsol's external communications in Venezuela through the training of General Managers for communication in crisis situations* and will entail the development of a specific workshop based on the practices included in the Corporate Crisis Manual. This will help those employees who act as spokesmen when these events occur, to articulate messages of the company with transparency and clarity through televised or radio media.

- **Expectation: Involve stakeholders in the evaluation of the company's policies.**

Within the framework of this expectation, during the 2013-2014 period, Repsol will work on an action to *strengthen and facilitate communication between Repsol and its stakeholders in Venezuela* with which it will seek to improve the level of dialogue with them.

Firstly, the action will be based on the creation of an electronic mailbox for receiving suggestions and complaints from Venezuelan society, whose launch will be communicated in digital and printed media. Additionally, the company will work to coordinate this by establishing a mechanism that permits the measuring of the perceptions of the company as well as the areas for improvement with regards to its reputation in the country.

- **Expectation: Promote transparency.**

Finally, and also within the framework of Repsol's commitment with transparency, the company has included an action in the Plan to *establish a proactive relationship with the media as part of a transparency framework, through a yearly plan that guarantees the closing of ties with local and national media and correspondents in the country.*

Through this initiative, meetings will be encouraged with journalists that cover the issues of energy sources, crude oil and social development in the country, with the aim of improving the transparent communication of our activities and our presence in Venezuela.

Specific information on each of the actions included in the Governance programme of the current Plan is included in the tables below. These tables are sorted in chronological order according to the expected calendar for the implementation of the actions. The order, therefore, may not coincide with that indicated in this introduction:

<b>ACTION</b>	<b>Develop processes and frameworks related with decision making in the management of the Quiriquire Gas project.</b>
<b>DESCRIPTION</b>	We will develop a decision making methodology for the integrated management of the asset, ensuring operational reliability, beginning with the monitoring and measuring of growth and development plans, improvements in environmental performance, social and community development actions, and the guarantee of safe and reliable operations.
<b>INDICATOR</b>	Completion of implementation phase.
<b>YEAR IMPLEMENTED</b>	2013

<b>ACTION</b>	<b>Promote transparency in Repsol's external communications in Venezuela through the training of General Managers for communication in crisis situations.</b>
<b>DESCRIPTION</b>	We will impart a workshop on the communication practices set out in the Corporate Crisis Manual, aimed at employees that serve as spokesmen in situations that warrant communications, with the aim of articulating messages of the company with transparency and clarity through televised and radio media.
<b>INDICATOR</b>	<ul style="list-style-type: none"> <li>- Training presentation and material used.</li> <li>- List of participants in the workshop.</li> <li>- Surveys on the satisfaction of participants.</li> </ul>
<b>YEAR IMPLEMENTED</b>	2013-2014
<b>ACTION</b>	<b>Strengthen and facilitate communication between Repsol and its stakeholders in Venezuela.</b>
<b>DESCRIPTION</b>	<p>We will coordinate the creation of an electronic mailbox in the BU for receiving suggestions and complaints from Venezuelan society.</p> <p>We will disseminate information on the launch of the new mailbox and its coming into use, through digital and printed media.</p> <p>We will manage the emails received, for further analysis and reply.</p> <p>We will coordinate the establishing of a mechanism that permits the measuring of the perceptions of the company and areas for improvement with regards to its reputation in the country.</p>
<b>INDICATOR</b>	<ul style="list-style-type: none"> <li>- Creation of mailbox.</li> <li>- Internal and external publications on the coming into use of the mailbox.</li> <li>- Emails received vs. responses given.</li> <li>- Register of incidents and analysis of improvement areas.</li> </ul>
<b>YEAR IMPLEMENTED</b>	2013-2014

ACTION	<b>Establish a proactive relationship with the media as part of a transparency framework, through a yearly plan that guarantees the closing of ties with local and national media and correspondents in the country.</b>
DESCRIPTION	We will maintain meetings to close ties with journalists that cover the issues of energy sources, crude oil and social development, with the aim of communicating information on our activities and our presence in Venezuela in a transparent manner.
INDICATOR	<ul style="list-style-type: none"> <li>- Media mapping updated.</li> <li>- Yearly Media Plan document.</li> <li>- Timetable for publications and inserts in media.</li> <li>- Activities carried out to close ties with the media.</li> </ul>
YEAR IMPLEMENTED	2013-2014

## Programme 2

### Human Rights

Among Human Rights, there are some that are well known, such as the right to life and liberty, to equality and non-discrimination, to education, to freedom of belief, expression and movement, to proper living and working conditions; and there are others that are less well known, such as the right to rest, to privacy and to form a family.

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

In order to respond to stakeholders' expectations in the area of Human Rights, Repsol has specific management systems in place which are available at the corporate website [repsol.com](http://repsol.com).

Furthermore, two actions have been assigned to this subject in the current Sustainability Plan, which are aimed at responding to the principal expectations of the company's stakeholders.

-Actions included in the Human Rights programme and a summary of the principal expectations that contribute to respond to them-

Humans Right Programme	
<p><b>Expectation:</b> Adequately train security personnel (employees, contractors or sub-contractors) on adhering to human rights standards.</p>	<p><b>Expectation:</b> Work to ensure that none of the company's employees, business partners, customers, stakeholders or members are discriminated against, nor anyone who has some kind of contact with the company or could have an impact on it.</p>
<p><b>Actions included in the programme:</b></p> <ol style="list-style-type: none"> <li>1. Encourage the hiring of people with different abilities in Repsol's Business Unit in Venezuela.</li> <li>2. Train security personnel contracted by Repsol in Venezuela on human rights.</li> </ol>	

- **Expectation: Work to ensure that none of the company's employees, business partners, customers, stakeholders or members are discriminated against, nor anyone who has some kind of contact with the company or could have an impact on it.**

Within the framework of this expectation, the company will launch an action to *encourage the hiring of people with different abilities in Repsol's Business Unit in Venezuela* through which it will develop various practices with this aim.

- **Expectation: Adequately train security personnel (employees, contractors or sub-contractors) on adhering to human rights standards.**

The conduct of our security personnel that operate in the name of the company is an activity that represents a high level of sensitivity from the point of view of preventing possible Human Rights impacts.

For this, in parallel with the other systems that already operate in the company in this regard, Repsol has launched an action in the present Plan to *train security personnel contracted by Repsol in Venezuela on human rights*.

Through this action, the annual training programme for these personnel, that addresses themes related with Human Rights, will be updated, establishing a control system for the carrying out of this programme.

Specific information on each of the actions included in the Human Rights programme of the current Plan is included in the tables below. These tables are sorted in chronological order according to the expected calendar for the implementation of the actions. The order, therefore, may not coincide with that indicated in this introduction:

<b>ACTION</b>	<b>Encourage the hiring of people with different abilities in Repsol's Business Unit in Venezuela.</b>
<b>DESCRIPTION</b>	We will develop practices that guarantee the insertion of people with different abilities into the workforce.
<b>INDICATOR</b>	Number of people with different abilities hired vs. active workforce personnel.
<b>YEAR IMPLEMENTED</b>	2013 - 2014
<b>ACTION</b>	<b>Train security personnel contracted by Repsol in Venezuela on human rights.</b>
<b>DESCRIPTION</b>	We will update the annual training programme for contracted security personnel, to address themes related with Human Rights and we will establish a control system for the carrying out of this programme.
<b>INDICATOR</b>	<ul style="list-style-type: none"> <li>- List and number of courses given.</li> <li>- Percentage of security personnel trained or revalidated.</li> </ul>
<b>YEAR IMPLEMENTED</b>	2013

## Programme 3

### Labour practices

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

Labour practices also include the representation and participation in collective bargaining, social dialogue and tripartite consultations to address social issues related to employment.

In order to respond to stakeholders' expectations in the subject of labour practices, Repsol has specific management systems in place which are available at the corporate website **repsol.com**.

Furthermore, four actions have been assigned to this subject in Sustainability Plan, which are aimed at responding to the principal expectations of the company's stakeholders as indicated below.

-Actions included in the Labour practices programme and a summary of the principal expectations that contribute to respond to them-

Labour practices programme	
<p><b>Expectation:</b> Ensure that working conditions comply with national laws and regulations and that they are coherent with international labour standards.</p>	<p><b>Expectation:</b> Implement specific programmes for professional development.</p>
<p><b>Expectation:</b> Provide adequate training on all relevant issues for all personnel.</p>	<p><b>Expectation:</b> Analyse and control risks generated by the company's activities concerning the health and safety of employees.</p>
<p><b>Actions included in the programme:</b></p> <ol style="list-style-type: none"> <li>1. Adapt the organisational structure of the Quiriquire Gas company (QQ GAS) to the new labour requirements of the Labour and Workers Law (LOTTT).</li> <li>2. Develop and implement development plans for Repsol's personnel in Venezuela.</li> <li>3. Foster the culture of safety among Repsol's personnel in Venezuela.</li> <li>4. Improve the management of safety and environmental risks in the operating activities.</li> </ol>	

- **Expectation: Ensure that working conditions comply with national laws and regulations and that they are coherent with international labour standards.**

Within the framework of this expectation, Repsol will launch an action to *adapt the organisational structure of the Quiriquire Gas Company (QQ GAS) to the new labour requirements of the Labour and Workers Law (LOTTT)*.

This initiative will serve to comply in advance with the requirements of the Law, meeting them a year and a half early with respect to that set out in its articles. Among other results, this will entail the anticipated elimination of the hiring of personnel under the legal concept of outsourcing.

- **Expectation: Analyse and control risks generated by the company's activities concerning the health and safety of employees.**

As well as the other initiatives and systems that already operate in the company to achieve this aim, Repsol has included an additional action in the current Plan to *improve the management of safety and environmental risks*.

With this, the company will carry out an analysis of the risks of facilities and other activities planned for 2013, in accordance with Repsol's internal regulations on the Management of Safety and Environmental Risks in Industrial Assets.

- **Expectation: Provide adequate training on all relevant issues for all personnel.**

The promotion of best practices regarding occupational health and safety is one of the priority aspects in the training activities the company provides for its employees.

In this context, Repsol will continue working during 2013 to *foster the culture of safety among Repsol's personnel in Venezuela*. For this, it will continue imparting training on preventative observations to the personnel of the Central Headquarters and Quiriquire Gas. Also this training will be extended to the personnel assigned to the unoperated assets and administrative offices of Caracas, Maturin and Maracaibo.

In the same way, within the context of this action, the company will provide training on the analysis of risks (Hazard and Bow Tie) for personnel with operational responsibilities in the Central Headquarters, Maracaibo, Maturin and Quiriquire Gas. Both training processes will be carried out using the company's own resources.

- **Expectation: Implement specific programmes for professional development.**

Repsol will continue working for the professional development of its workforce through the execution of an action to *develop and implement development plans for Repsol's personnel in Venezuela*. These plans will be launched in line with the profile of each collaborator as well as the specific needs of the business at any given time.

Specific information on each of the actions included in the Labour practices programme of the current Plan is included in the tables below. These tables are sorted in chronological order according to the expected calendar for the implementation of the actions. The order, therefore, may not coincide with that indicated in this introduction:

<b>ACTION</b>	<b>Adapt the organisational structure of the Quiriquire Gas company (QQ GAS) to the new labour requirements of the Labour and Workers Law (LOTTT).</b>
<b>DESCRIPTION</b>	We will anticipate the law by eliminating the hiring of personnel under the legal concept of outsourcing, beginning by aligning the organisational structure of QQ GAS to the new labour standards of the LOTTT. The period of time stipulated in the LOTTT to apply the new dispositions is up to three years and QQ GAS will implement them a year and a half before that planned.
<b>INDICATOR</b>	Percentage of workers notified of the substitution of the employer.
<b>YEAR IMPLEMENTED</b>	2013 – 2014
<b>ACTION</b>	<b>Develop and implement development plans for Repsol's personnel in Venezuela</b>
<b>DESCRIPTION</b>	We will develop and implement, together with the Supervisory Line, the Training and Personal Development Programmes aligned with the professional profile of the collaborator and the needs of the business.
<b>INDICATOR</b>	<ul style="list-style-type: none"> <li>- Percentage of accomplishment of training events vs. planning of these events (Training Plan).</li> <li>- Percentage of accomplishment of Mobility Plan (local/international) vs. planning and personnel workforce.</li> </ul>
<b>YEAR IMPLEMENTED</b>	2013-2014

<b>ACTION</b>	<b>Foster the culture of safety among Repsol's personnel in Venezuela.</b>
<b>DESCRIPTION</b>	<p>We will continue with the training of personnel of the Central Headquarters and Quiriquire Gas on preventative observations, and we will extend this training to the personnel of Repsol that is assigned to the Non Operated Assets and administrative offices of Caracas, Maturin and Maracaibo. We will initiate this training programme with the operational personnel of the Joint Ventures. This training will be given using Repsol's own resources.</p> <p>We will provide training on the analysis of risks (Hazid and Bow Tie) for the personnel with operational responsibilities in the Central Headquarters, Maracaibo, Maturin and Quiriquire Gas. This training will be given using Repsol's own resources.</p>
<b>INDICATOR</b>	<ul style="list-style-type: none"> <li>- Number of own employees trained on preventative observations.</li> <li>- Number of employees of Joint Ventures trained on preventative observations.</li> <li>- Number of own employees trained on the analysis of risks.</li> </ul>
<b>YEAR IMPLEMENTED</b>	2013
<b>ACTION</b>	<b>Improve the management of safety and environmental risks in the operating activities.</b>
<b>DESCRIPTION</b>	<p>We will carry out a risk analysis of facilities and activities planned for the year 2013, in accordance with Repsol's internal regulations on the Management of Safety and Environmental Risks in Industrial Assets.</p>
<b>INDICATOR</b>	Number of risk analyses carried out according to plan.
<b>YEAR IMPLEMENTED</b>	2013

## Programme 4

# The Environment

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

The activity of companies invariably contributes to some of these impacts. And these issues have special relevance in sectors such as oil and gas that are characterised by the carrying out of extractive or industrial activities in large installations.

Therefore, it is necessary that companies identify options that enable them to prevent these impacts, minimise them when unavoidable and correct them.

In order to respond to stakeholders' expectations in the subject of the Environment, Repsol has specific management systems in which are available at the corporate website **repsol.com**.

Additionally, Repsol has included another three actions in the Plan to respond to these expectations.

-Actions included in the Environmental programme and a summary of the principal expectations that contribute to respond to them-

Environmental Programme		
<p><b>Expectation:</b> Apply technologies and practices for the prevention of pollution, and the mitigation or prevention of greenhouse gas emissions.</p>	<p><b>Expectation:</b> Have specific waste management plans and identification, separation, elimination, reuse and recycling protocols.</p>	<p><b>Expectation:</b> Provide employees with adequate instruction and training on the Environment and health and safety.</p>
<p><b>Actions included in the programme:</b></p> <ol style="list-style-type: none"> <li>1. Improve the management of the structural integrity of the pipelines in the Quiriquire Gas operation (QQ GAS).</li> <li>2. Implement a non-hazardous and hazardous waste management programme in Repsol's offices in Venezuela.</li> <li>3. Foster a culture of saving, regarding the use of natural resources, among our employees in Repsol's administrative offices in Venezuela.</li> </ol>		

- **Expectation: Have specific waste management plans and identification, separation, elimination, reuse and recycling protocols.**

As well as the other systems already put in place by the company in the area of waste management, Repsol will launch another initiative with the framework of the Sustainability Plan.

This will consist in *implementing a non-hazardous and hazardous waste management programme in Repsol's offices in Venezuela*, with which various activities will be carried out such as the provision of training to personnel, the separation of waste, the promotion of reusing and recycling and, in the same way, the management of hazardous waste, delivering this to an authorized handler.

- **Expectation: Apply technologies and practices for the prevention of pollution, and the mitigation or prevention of greenhouse gas emissions.**

Repsol will carry out an action in the context of the current Plan to *improve the management of the structural integrity of the pipelines in the Quiriquire Gas operation [QQ GAS]*.

Through this action the company will repair the mechanical anomalies and gullies that may exist in the gas pipeline of 52 km between the QE-2 plant and Jusepin. Additionally, the action will entail the carrying out of remediation measures to the natural areas adjacent to the corridor as well as the dissemination of information among the surrounding communities on preventative risks and controls.

- **Expectation: Provide employees with adequate instruction and training on the Environment and health and safety.**

Finally, and with the aim of strengthening environmental awareness in the workforce, Repsol will launch an action to *foster a culture of saving, regarding the use of natural resources, among our employees in Repsol's administrative offices in Venezuela*.

For this, the company will carry out a motivational campaign to promote a reduction in the consumption of water at the administrative offices of the Venezuelan Business Unit [Puerto La Cruz, Caracas, Maturin and Maracaibo] that includes both awareness raising talks and the hanging of stickers in bathrooms and cafeterias.

Specific information on each of the actions included in the Environmental programme of the current Plan is included in the tables below. These tables are sorted in chronological order according to the expected calendar for the implementation of the actions. The order, therefore, may not coincide with that indicated in this introduction:

ACTION	<b>Improve the management of the structural integrity of the pipelines in the Quiriquire Gas operation [QQ GAS].</b>
DESCRIPTION	<p>We will carry out the repair and protection plan of the pipelines in QQ GAS, through the protection of the structural integrity of the pipeline [repair of mechanical anomalies and gullies in the pipeline of 52 km between the QE-2 plant and Jusepin].</p> <p>In the same way, we will proceed with the remediation of the natural areas adjacent to the corridor of the pipelines and we will provide information to the surrounding communities on preventative risks and controls, as a way of guaranteeing the protection of the Environment, biodiversity and the safety of people and property.</p>
INDICATOR	<ul style="list-style-type: none"> <li>- Km of pipelines repaired and protected.</li> <li>- Training days for fire prevention and control brigades.</li> </ul>
YEAR IMPLEMENTED	2013 – 2014

ACTION	<b>Implement a non-hazardous and hazardous waste management programme in Repsol's offices in Venezuela.</b>
DESCRIPTION	<p>The Management of Non-hazardous and Hazardous Waste in Administrative Offices contemplates the:</p> <ul style="list-style-type: none"> <li>- Training of personnel on the management of non-hazardous and hazardous waste.</li> <li>- Separation of waste: entails the separation of organic waste (domestic) and unorganic waste (plastic cups, napkins, bond paper, etc.).</li> <li>- Reuse: this practice permits the management of used bond paper and printing cartridges.</li> <li>- Recycling: Part of the separated unorganic waste (paper), are sent to be recycled by the external waste manager.</li> <li>- Disposal of hazardous waste (batteries): Through its delivery to an authorised handler for its final and safe disposal.</li> </ul>
INDICATOR	<ul style="list-style-type: none"> <li>- Number of persons trained.</li> <li>- Kilogrammes of waste separated.</li> <li>- Number of cartridges sent for reuse and kilogrammes of papel reused.</li> <li>- Kilogrammes of paper sent to be recycled.</li> <li>- Kilogrammes of batteries sent for their final disposal.</li> </ul>
YEAR IMPLEMENTED	2013

ACTION	<b>Foster a culture of saving, regarding the use of natural resources, among our employees in Repsol's administrative offices in Venezuela.</b>
DESCRIPTION	<p>We will carry out a motivational campaign to reduce water consumption in the administrative offices of the Venezuelan Business Unit (Puerto La Cruz, Caracas, Maturin and Maracaibo), through awareness raising talks and the hanging of stickers in bathrooms and cafeterias.</p>
INDICATOR	Number of persons trained.
YEAR IMPLEMENTED	2013

## Programme 5

### Fair operating practices

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

When ensuring that these relations are carried out in a fair manner, companies have to adapt their practices to criteria such as the prevention of corruption, responsible participation in the public sphere, the defence of fair competition, maintaining responsible behaviour, the respect of the right to property and, in general, the establishing of fair and transparent relationships with other organisations.

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

Additionally, as part of the Sustainability Plan for Venezuela, the company has included another fourteen actions in this subject to respond to some of the expectations mentioned, such as those indicated below.

-Actions included in the Fair operating practices programme and a summary of the principal expectations that contribute to respond to them-

Fair operating practices programme	
<b>Expectation:</b> Integrate ethical, social, environmental, gender equality and health and safety criteria into purchasing policies and practices.	<b>Expectation:</b> Prevent corruption and show no tolerance of cases that may take place.
<b>Expectation:</b> Promote the application of anti-corruption measures in the supply chain.	<b>Expectation:</b> Actively participate in raising the awareness of CSR issues in the organisations with which the company operates.
<b>Expectation:</b> Carry out an adequate due diligence and monitoring process of the organisations with which the company operates in order to avoid that the company's CSR commitments are affected.	

**Actions included in the programme:**

1. Contribute to increase the adopted social and environmental standards of Repsol's suppliers and contractors in Venezuela.
2. Be transparent in relations with Repsol's suppliers and contractors in Venezuela.
3. Incorporate ethical, social and environmental aspects related with Repsol's Corporate Responsibility standard in our relations with our business partners in the Non operated joint venture (Cardon IV).
4. Develop mechanisms that enable the prevention, identification and reporting of cases of bribery in the Cardon IV Non operated joint venture.
5. Participate in the Technical Revision processes together with our business partners in the Cardon IV gas exploration Non operated joint venture, in order to ensure compliance with safety standards, both international and local, when designing and operating gas pipelines.
6. Promote the development of our suppliers and contractors, -in the Quiriquire gas operation-, in the technical field and on social and environmental issues.
7. Develop the model of clause that will incorporate ethical and Human Rights aspects and be applicable to all of Repsol's contracts in Venezuela.
8. Implement the physical safety plan, promoting the carrying out of due diligence among our business partners in order to identify, prevent and address real and potential Human Rights impacts.
9. Raise the awareness of and commit Repsol's contractor companies in Venezuela to the respect of Human Rights.
10. Promote rigorous compliance, among our business partners in the Joint Venture Petrocarabobo, with social and environmental standards that are applicable to the area of operations that arises from the Environmental Impact Assessment.
11. Develop an accident/environmental incident investigation and information procedure in the Cardon IV gas exploration Non operated joint venture, in which representatives of all the business partners participate.
12. Carry out the complete implementation and divulgation of the waste management plan of the Joint Venture (JV) Petroquiriquire S.A.
13. Recommend to our business partners who are operators in the Joint Venture Petrocarabobo the need of establishing a formal and continuous dialogue process with the communities affected by joint operations.
14. Request the communication of progress made in the Social Investment activities of the Cardon IV gas exploration Non operated joint venture, in order to know the developments made in the projects contemplated and the effects generated on the communities.

- **Expectation: Integrate ethical, social, environmental, gender equality and health and safety criteria into purchasing policies and practices.**

During the 2013-2014 period, Repsol will work to *develop the model of clause that will incorporate ethical and Human Rights aspects and be applicable to all of Repsol's contracts in Venezuela.*

For this, an internal roundtable will be carried out with the aim of agreeing on a model of clause applicable to Venezuela, taking into consideration the particularities of the country. Once consensus is reached, the model will incorporate the Works and Service contracts signed by the Venezuelan Business Unit.

- **Expectation: Prevent corruption and show no tolerance of cases that may take place.**

The prevention of corruption is a priority for Repsol. For this, and in conformity with the other systems already functioning in our operations, the company will launch a new action during the period covered by the current Plan to *develop mechanisms that enable the prevention, identification and reporting of cases of bribery in the Cardon IV Non operated joint venture.*

The action will entail agreeing with the other business partners in the Cardon IV project on the inclusion in the internal standard of this partnership (fundamentally in its policies and procedures) of a specific anti-corruption and bribery policy to prevent this type of occurrence, and to establish guidelines in the event that they are detected.

- **Expectation: Promote the application of anti-corruption measures in the supply chain.**

The improvement in transparency in relations with suppliers, as well as being positive for the functioning of operations, acts as a mechanism of great importance for the prevention of cases of corruption.

For this, Repsol will implement an action during 2013 with the aim of *being transparent in relations with Repsol's suppliers and contractors in Venezuela*. Among other initiatives, this will entail the improvement of the procedure for the selection of the panel of suppliers, promoting the application of equality, impartiality and objective criteria in adjudications. In the same way, the development of this action will involve the strengthening of communication with suppliers and contractors, in order to highlight the insitutional values of the company.

- **Expectation: Actively participate in raising the awareness of CSR issues in the organisations with which the company operates.**

Through four actions included in the current Plan, Repsol will work to foster the awareness of CSR, of organisations with which it operates.

The first of these actions will consist in *incorporating ethical, social and environmental aspects related with Repsol's Corporate Responsibility standard in our relations with our business partners in the Non Operated Joint (Cardon IV)*.

For this, Repsol will analyse, together with its business partners, the most important content of the company's ethical, social and environmental courses of action, with the aim of proposing that they adapt their internal norms to the principal aspects and standards established in them.

In the same way, the company will launch another action to *promote the development of our suppliers and contractors, -in the Quiriquire gas operation-, in the technical field and on social and environmental issues*.

Through this, the company will work to strengthen the management of supply and relations with suppliers and contractors, providing them with information on good practices with respect to Corporate Responsibility. Likewise, within the framework of the action, various alliances will be established (Technical Assistance Contracts – TACs) with PDVSA GAS as a supplier of compression services.

Meanwhile, the last two actions included in the framework of this expectation will be aimed, specifically, to promote good practices among our business partners in the area of relations with communities affected by their activities, as well as to improve the evaluation of social investment projects carried out in them.

In this regard, Repsol will work during the period covered by the current plan to *emphasise to our business partners who are operators in the Joint Venture Petrocarabobo the need of establishing a formal and continuous dialogue process with the communities affected by joint operations*.

Through this initiative, Repsol will collaborate with the operating company in the evaluation of the studies for the identification of the communities located in the area of operations, as well as in specific dialogues with them that result in specific action plans in the areas most at need.

Repsol will also collaborate in analysing what needs of the communities could be covered by the actions of project contractors, as well as the possibilities of assistance that exist in accordance with the plans approved by the joint venture.

In the field of social investment, Repsol will *request the communication of progress made in the Social Investment activities of the Cardon IV gas exploration Non operated joint venture, in order to know the developments made in the projects contemplated and the effects generated on the communities.*

With this action, Cardon IV will be required to include, in its communication procedures for the Monthly Managerial Meetings, the progress made in the social investment projects contemplated in the budget. Additionally, it will be requested that they make quarterly communications on the direct and indirect employment that has been generated in the construction phase.

- **Expectation: Carry out an adequate due diligence and monitoring process of the organisations with which the company operates in order to avoid that the company's CSR commitments are affected.**

With the aim of advancing in complying with this expectation, Repsol has included seven actions in its Sustainability Plan.

The first of these, to *contribute to increase the adopted social and environmental standards of Repsol's suppliers and contractors in Venezuela*, will entail an analysis by the company of their general procurement and contracting conditions, to then request that they modify them to include ethical and conduct principles when necessary. Within the framework of this action, Repsol will also carry out the dissemination of these principles among its suppliers and contractors.

Secondly, the company will implement another action to *participate in the Technical Revision processes together with our business partners in the Cardon IV gas exploration Non operated joint venture, in order to ensure compliance with safety standards, both international and local, when designing and operating gas pipelines.*

This initiative will involve the carrying out of technical revisions on the design of the pipeline, with the aim of coming to an agreement with the project team on the requirements that need to be implemented in order to comply with international safety standards. In the same way, Repsol will collaborate with its business partners in the review of the Maintenance Programme for the pipeline to Tierra Firme, with the objective of ensuring that it takes into account the required operational criteria.

Within the framework of this expectation, the company has included two other actions focused, in this case, on the area of human rights.

The first of these, to *implement the physical security plan, promoting the carrying out of due diligence among our business partners in order to identify, prevent and address real and potential Human Rights impacts*, will entail a triple initiative.

On the one hand, Repsol will work in coordination with the joint venture created for the Carabobo project, to develop its physical security plan, as well as to ensure its correct implementation.

Equally, the company will seek to guarantee that CICSA (services company constituted to provide services to the joint venture) also ensures physical security according to the criteria indicated in the plan mentioned earlier.

The second of the actions included in the area of Human Rights will meanwhile aim to *raise the awareness of and commit Repsol's contractor companies in Venezuela to the respect of Human Rights*. For this, a specific leaflet will be compiled for them, an initiative that will be accompanied by the development of a commitment document in this area. This will have to be formalised by all the contracting companies when entering into the company's facilities to provide services.

Lastly, Repsol has incorporated three actions in the Plan aimed specifically at including due diligence in the process for monitoring other organisations with which it collaborates, to guarantee that the company's environmental standards are not compromised.

The first of these will consist in *developing an accident/environmental incident investigation and information procedure in the Cardon IV gas exploration Non Operated Joint Venture, in which representatives of all the business partners participate*. The action will involve a revision of the procedures currently in operation in Cardon IV, as well as agreeing with the other participating business partners on how the flow of information related with environmental accidents that might occur must be managed. Also, in the context of the measure, Repsol will require Cardon IV to perform biannual accident reporting simulations.

The company will also work with its business partners to *carry out the complete implementation and divulgation of the waste management plan of the Non operated Joint Venture [JV] Petroquiriquire S.A.*

The action will involve, as well as the correction of breaches detected in compliance with the plan, an extension and adaptation of the areas destined for the temporary storage of hazardous waste, as well as the carrying out of specific training actions aimed at raising awareness of timely and appropriate management of spills that may occur.

Thirdly, Repsol will work during the period covered by the current Plan to *promote rigorous compliance, among our business partners in the Joint Venture Petrocarabobo, with social and environmental standards that are applicable to the area of operations that arises from the Environmental Impact Assessment*.

This will mean that, after carrying out the environmental impact assessment in each case, a mitigation plan will be established that puts into practice the environmental recommendations that have been arrived at through the evaluation.

Specific information on each of the actions included in the Fair operating practices programme of the current Plan is included in the tables below. These tables are sorted in chronological order according to the expected calendar for the implementation of the actions. The order, therefore, may not coincide with that indicated in this introduction:

<b>ACTION</b>	<b>Contribute to increase the adopted social and environmental standards of Repsol's suppliers and contractors in Venezuela.</b>
<b>DESCRIPTION</b>	<p>We will develop and disseminate the ethical and conduct principles for suppliers and contractors.</p> <p>We will analyse and/or revise the General Conditions of Procurement and Contracting in order to request their modification to include the ethical and conduct principles, if necessary.</p>
<b>INDICATOR</b>	<ul style="list-style-type: none"> <li>- Evidence of the dissemination of the principles.</li> <li>- Evidence of the new clauses in the General Conditions.</li> </ul>
<b>YEAR IMPLEMENTED</b>	2013
<b>ACTION</b>	<b>Develop an accident/environmental incident investigation and information procedure in the Cardon IV gas exploration Non Operated Joint Venture, in which representatives of all the business partners participate.</b>
<b>DESCRIPTION</b>	<p>We will revise the procedures of Cardon IV and will come to an agreement with our business partners on the flow of information regarding environmental accidents.</p> <p>We will request that the Cardon IV Non Operated Joint Venture carries out biannual drills for the communication of accidents.</p>
<b>INDICATOR</b>	Norm and/or procedure published/updated in Cardon IV.
<b>YEAR IMPLEMENTED</b>	2013

<b>ACTION</b>	<b>Be transparent in relations with Repsol's suppliers and contractors in Venezuela</b>
<b>DESCRIPTION</b>	<p>We will carry out appropriate selections of the panel of suppliers, applying equality, impartiality and objectivity criteria in the adjudications.</p> <p>We will maintain a communication or dialogue with suppliers and contractors, in which the company's institutional values are highlighted/reinforced.</p>
<b>INDICATOR</b>	<ul style="list-style-type: none"> <li>- Tenders vs. adjudications involving at least three bidders, being greater than 50%.</li> <li>- Number of meetings held with suppliers and contractors.</li> </ul>
<b>YEAR IMPLEMENTED</b>	2013
<b>ACTION</b>	<b>Incorporate ethical, social and environmental aspects related with Repsol's Corporate Responsibility standard in our relations with our business partners in the Non Operated Joint Venture (Cardon IV).</b>
<b>DESCRIPTION</b>	<p>With our business partners, we will analyse the most important content of our ethical, social and environmental courses of action.</p> <p>We will propose that Cardon IV includes ethical, environmental, and Human Rights aspects in its internal regulations (policies and procedures), in line with Repsol's standards.</p> <p>We will put forward these policies and procedures for approval by Cardon IV's relevant internal bodies (Board of Directors/Shareholders' Meeting), to ensure its immediate implementation.</p> <p>We will request the divulgation of the results to Cardon IV's personnel.</p>
<b>INDICATOR</b>	Action Plan presented to the Management of Repsol Venezuela.
<b>YEAR IMPLEMENTED</b>	2013

<b>ACTION</b>	<b>Develop the model of clause that will incorporate ethical and Human Rights aspects and be applicable to all of Repsol's contracts in Venezuela.</b>
<b>DESCRIPTION</b>	<p>We will hold a roundtable with the managers of Procurement and Contracting and External Relations to agree on a model applicable to Venezuela, taking into consideration the particularities of the country.</p> <p>We will incorporate the clauses into the Works and Services Contracts of the Venezuelan BU.</p>
<b>INDICATOR</b>	Action plan presented to the Management of Repsol Venezuela.
<b>YEAR IMPLEMENTED</b>	2013
<b>ACTION</b>	<b>Raise the awareness of and commit Repsol's contractor companies in Venezuela to the respect of Human Rights.</b>
<b>DESCRIPTION</b>	<p>We will compile an institutional leaflet for our contracting companies, with the aim of raising their awareness of the need to respect Human Rights.</p> <p>Likewise, we will develop a commitment document on the responsibility of respecting Human Rights that will have to be formalised by all of Repsol's contracting companies in Venezuela when entering into its facilities to provide their services.</p>
<b>INDICATOR</b>	List of companies notified.
<b>YEAR IMPLEMENTED</b>	2013

<b>ACTION</b>	<b>Participate in the Technical Revision processes together with our business partners in the Cardon IV gas exploration Non Operated Joint Venture, in order to ensure compliance with safety standards, both international and local, when designing and operating gas pipelines.</b>
<b>DESCRIPTION</b>	<p>We will carry out technical revisions together with our Cardon IV business partners on the design of the gas pipeline and come to an agreement with the project team on the requirements to comply with international standards.</p> <p>We will revise the Maintenance Programme for the gas pipeline to Tierra Firme, ensuring that it takes into account the required operational criteria.</p>
<b>INDICATOR</b>	Technical Revisions of the Designs and the Maintenance Programme.
<b>YEAR IMPLEMENTED</b>	2013-2014
<b>ACTION</b>	<b>Carry out the complete implementation and divulgation of the waste management plan of the Joint Venture (JV) Petroquiriquire S.A.</b>
<b>DESCRIPTION</b>	<p>We will carry out the action in line with the environmental measures established in the Natural Resource Allocation Authorisations (NRAA), taking advantage of the opportunities for improvement and covering the breaches detected.</p> <p>Civil works will be carried out to extend and adapt the areas destined by the joint venture Petroquiriquire S.A. for the temporary storage and classification of hazardous waste.</p> <p>The goals of the action consist in correcting the deviations identified, guaranteeing the correct implementation of the waste management plan and carrying out specific training actions to raise awareness of the classification and disposal of hazardous waste generated by the operations of the joint venture Petroquiriquire S.A.</p>
<b>INDICATOR</b>	<ul style="list-style-type: none"> <li>- Number of dissemination actions of the waste management plan carried out in the 2013-2014 period.</li> <li>- Number of infrastructure works and improvements in the waste classification areas located in the fields operated by the joint venture in the 2013-2014 period.</li> </ul>
<b>YEAR IMPLEMENTED</b>	2013 – 2014

<b>ACTION</b>	<b>Promote rigorous compliance, among our business partners in the Joint Venture Petrocarabobo, with social and environmental standards that are applicable to the area of operations that arises from the Environmental Impact Assessment.</b>
<b>DESCRIPTION</b>	<p>We will carry out the Environmental Impact Assessment to identify the risks and carry out the recommendations that arise, to establish the plan of mitigation actions applicable to the environmental recommendations.</p> <p>Together with the relevant managers, we will determine the action plan of the environmental aspects that come to light in the plan of mitigation actions.</p>
<b>INDICATOR</b>	Reports on the progress made with the action plan.
<b>YEAR IMPLEMENTED</b>	2013-2014
<b>ACTION</b>	<b>Promote the development of our suppliers and contractors, -in the Quiriquire gas operation-, in the technical field and on social and environmental issues.</b>
<b>DESCRIPTION</b>	<p>We will strengthen the management of supply and relations with suppliers and contractors, providing information on good practices.</p> <p>We will establish alliances (Technical Assistance Contracts – TACs) with PDVSA GAS as a supplier of compression services.</p>
<b>INDICATOR</b>	<ul style="list-style-type: none"> <li>- Number of roundtables.</li> <li>- Number of TACs.</li> </ul>
<b>YEAR IMPLEMENTED</b>	2013- 2014
<b>ACTION</b>	<b>Develop mechanisms that enable the prevention, identification and reporting of cases of bribery in the Cardon IV Non Operated Joint Venture.</b>
<b>DESCRIPTION</b>	We will come to an agreement with our Cardon IV business partners on the inclusion of a specific anti-corruption and bribery policy in the partnerships internal standards (Policies and Procedures).
<b>INDICATOR</b>	Norm and/or procedure published/updated in Cardon IV.
<b>YEAR IMPLEMENTED</b>	2013-2014

<b>ACTION</b>	<b>Implement the physical security plan, promoting the carrying out of due diligence among our business partners in order to identify, prevent and address real and potential Human Rights impacts.</b>
<b>DESCRIPTION</b>	<p>We will interact with the Loss Prevention and Control Department (PCP) to ensure that the physical security plan is developed in operational areas, acting with due diligence with regards to Human Rights.</p> <p>We will follow up with the PCP to ensure that the physical security plan is implemented in operations.</p> <p>We will make certain that the operations of CICSA [services company formed of minority business partners, Repsol, ONGC, Petronas and Indoil to provide services to the joint venture] ensures its own physical security, aligned and in accordance with the joint venture's plan.</p>
<b>INDICATOR</b>	Monthly reports of the joint venture's Sustainable Development Department.
<b>YEAR IMPLEMENTED</b>	2013-2014
<b>ACTION</b>	<b>Request the communication of progress made in the Social Investment activities of the Cardon IV gas exploration Non Operated Joint Venture, in order to know the developments made in the projects contemplated and the effects generated on the communities.</b>
<b>DESCRIPTION</b>	<p>We will request that Cardon IV includes in its procedures, the communication in the Monthly Managerial Meetings of progress made in the social investment projects contemplated in the budget.</p> <p>We will request that Cardon IV makes quarterly communications of the direct and indirect employment generated in the construction phase.</p>
<b>INDICATOR</b>	<ul style="list-style-type: none"> <li>- Progress curves of the Social Investment Projects.</li> <li>- Monthly and quarterly reports on the progress made in the projects.</li> </ul>
<b>YEAR IMPLEMENTED</b>	2013-2014

<b>ACTION</b>	<b>Recommend to our business partners who are operators in the Joint Venture Petrocarabobo the need of establishing a formal and continuous dialogue process with the communities affected by joint operations.</b>
<b>DESCRIPTION</b>	<p>Together with the Sustainable Development Department of the operating company, we wil evaluate the studies for the identification of communities in the area of development.</p> <p>We will hold dialogues with the communities to establish specific plans in certain areas most in need, inserted in the joint venture's sustainable development plan.</p> <p>We will evaluate, with the Sustainable Development Department, the needs of the communities that could be covered by the actions of the contractors of the projects in the joint venture.</p> <p>We will evaluate the possibility of providing assistance for nearby communities in accordance with the plans of the joint venture.</p>
<b>INDICATOR</b>	Monthly reports of the joint venture's Sustainability Development Department.
<b>YEAR IMPLEMENTED</b>	2013-2015

## Programme 6

# Community involvement and development

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

Repsol's community involvement aims to maximize the benefit of our local presence seeking local sustainable development; however, the company often has to take varying, and at times conflicting, community interests into account as it develops its community investment strategy.

In order to meet the expectations of its stakeholders in the subject of community involvement and development, Repsol has specific management systems in place which are available at the corporate website **repsol.com**.

Additionally, as part of the Sustainability Plan for Venezuela, in its current edition, five actions have been included in the subject of community involvement and development to respond to some of the principal expectations identified by stakeholders, such as those shown below.

-Actions included in the Community involvement and development programme and a summary of the principal expectations that contribute to respond to them-

### Community involvement and development programme

**Expectation:** Carry out initiatives to strengthen the capacities and opportunities of suppliers established in the local area.

**Expectation:** Promote and support education at all levels and get involved in actions that improve the quality of education and access to it.

**Expectation:** Consider supporting the long-lasting and universal access to essential services regarding health, drinking water and adequate health services.

#### Actions included in the programme:

1. Encourage the development of national companies.
2. Promote research and development in academic centres of the area of influence of our Quiriquire Gas operations.
3. Contribute to the creation of local jobs through the participation of micro-businesses, cooperatives and associations in the execution of social investment projects in the area of our Quiriquire Gas operation.
4. Contribute to the education and culture of the communities present in the area of influence of our operations, through the improvement of school infrastructure, the incorporation of cutting edge technology and activities that foster art and culture in the area of our Quiriquire Gas operation.
5. Improve the health of the inhabitants of the communities present in the area of influence of our operations, through the development of medical activity days and the renovation of clinics and hospitals in the area of our Quiriquire Gas operation.

- **Expectation: Carry out initiatives to strengthen the capacities and opportunities of suppliers established in the local area.**

The strengthening of local suppliers and the socioeconomic fabric of the area of operations constitutes one of the main positive impacts associated with the company's activity. With the aim of bolstering this, Repsol will launch two new actions within the framework of the Sustainability Plan.

The first of these, to *encourage the development of national companies*, will seek to maximise the incorporation of national and/or regional suppliers and contractors to the panel of suppliers in bidding processes.

Additionally, and specifically with regards to social investment projects carried out by the company, Repsol will work on a second action to *contribute to the creation of local jobs through the participation of micro-businesses, cooperatives and associations in the execution of social investment projects in the area of our Quiriquire Gas operation*. Through this initiative, the company will guarantee the participation of local organisations in the bidding and contracting processes for the services that are necessary to complete these projects.

- **Expectation: Promote and support education at all levels and get involved in actions that improve the quality of education and access to it.**

The strengthening of educational systems in the localities of the areas of operations is one of the company's principal courses of action in its efforts to build relations with these.

For this, as well as the measures already implemented in recent years, during the 2013-2014 period, Repsol will work on two other actions aimed specifically for this purpose.

The first of these, to *-Contribute to the education and culture of the communities present in the area of influence of our operations, through the improvement of school infrastructure, the incorporation of cutting edge technology and activities that foster art and culture in the area of our Quiriquire Gas operation-*, will be articulated through various social investment projects that improve educational infrastructures, incorporate new technologies that promote learning, and foster the enjoyment of art and culture.

Additionally, Repsol will also collaborate with educational organisations of the community in order to *promote research and development in academic centres of the area of influence of our operations*. With this action, the company will disseminate good practices and foster the building up of knowledge in local universities, through talks, guided visits to operations for students from oil and gas courses, and the divulgation of experiences in the gas industry.

- **Expectation: Consider supporting the long-lasting and universal access to essential services regarding health, drinking water and adequate health services.**

Finally, in the area of promoting improvements in health, Repsol will collaborate through a specific action to *improve the health of the inhabitants of the communities present in the area of influence of our operations, through the development of medical activity days and the renovation of clinics and hospitals in the area of our Quiriquire Gas operation.*

These projects will permit the making of direct improvements of existing infrastructures as well as their equipment in the communities. In the same way, through medical activity days, Repsol will promote improvements in dental health in alliance with other entities of the community.

Specific information on each of the actions included in this programme is included in the tables below. These tables are sorted in chronological order according to the expected calendar for the implementation of the actions. The order, therefore, may not coincide with that indicated in this introduction:

<b>ACTION</b>	<b>Encourage the development of national companies.</b>
<b>DESCRIPTION</b>	<p>We will analyse the situation of the country in the context of services and the supply of materials.</p> <p>We will maximise the incorporation of national and/or regional suppliers and contractors to the panel of suppliers in bidding processes.</p> <p>We will prepare the Plan on the basis of the Annual Adjudications Plan.</p>
<b>INDICATOR</b>	Evidence of incorporation through KPIs.
<b>YEAR IMPLEMENTED</b>	2013

<b>ACTION</b>	<b>Promote research and development in academic centres of the area of influence of our Quiriquire Gas operations</b>
<b>DESCRIPTION</b>	We will disseminate practices and foster the building up of knowledge in local universities, through talks, guided visits to operations for students of courses in oil and gas, and the divulgation of experiences and good practices in the gas industry.
<b>INDICATOR</b>	<ul style="list-style-type: none"> <li>- Nº of talks.</li> <li>- Nº of participants.</li> <li>- Nº of guided visits to operations.</li> </ul>
<b>YEAR IMPLEMENTED</b>	2013- 2014

<b>ACTION</b>	<b>Contribute to the creation of local jobs through the participation of micro-businesses, cooperatives and associations in the execution of social investment projects in the area of our Quiriquire gas operation.</b>
<b>DESCRIPTION</b>	We will guarantee the participation of local organisations in the bidding and contracting processes for the services that are necessary to complete the plans for social investment in communities.
<b>INDICATOR</b>	<ul style="list-style-type: none"> <li>- Survey of cooperatives, micro-businesses and associations of the communities surrounding operations.</li> <li>- Procedure that regulates the participation of local organisations in carrying out community infrastructure building projects.</li> <li>- Presentation and list of participants in the bidding processes.</li> <li>- Contracts of adjudicated projects.</li> <li>- Number of jobs created.</li> </ul>
<b>YEAR IMPLEMENTED</b>	2013-2014

<b>ACTION</b>	<b>Contribute to the education and culture of the communities present in the area of influence of our operations, through the improvement of school infrastructure, the incorporation of cutting edge technology and activities that foster art and culture in the area of our Quirquire Gas operation.</b>
<b>DESCRIPTION</b>	We will develop projects for social investment in communities that improve educational infrastructure, incorporate new technologies that promote learning, and foster the enjoyment of art and culture.
<b>INDICATOR</b>	<ul style="list-style-type: none"> <li>- Project formulated.</li> <li>- Adjudication contract of the building project or service, or agreement signed.</li> <li>- Project executed.</li> <li>- Number of direct and indirect beneficiaries.</li> <li>- Training activities imparted.</li> </ul>
<b>YEAR IMPLEMENTED</b>	2013 – 2014
<b>ACTION</b>	<b>Improve the health of the inhabitants of the communities present in the area of influence of our operations, through the development of medical activity days and the renovation of clinics and hospitals in the area of our Quirquire Gas operation.</b>
<b>DESCRIPTION</b>	We will develop projects that directly improve health infrastructures and their equipment in communities, as well as medical-dental activity days in alliance with public, private, NGO and/or community entities.
<b>INDICATOR</b>	<ul style="list-style-type: none"> <li>- Project formulated.</li> <li>- Projects executed.</li> <li>- Projects executed as part of an inter-institutional alliance.</li> <li>- Adjudication contract of the building project or service signed.</li> <li>- Workshops carried out.</li> <li>- Number of direct and indirect beneficiaries.</li> </ul>
<b>YEAR IMPLEMENTED</b>	2013 – 2014



## Process of updating the Plan

This Sustainability Plan is a dynamic document.

Each year we will give an account of the extent to which the actions that make up this Plan have been carried out by publishing a monitoring report.

Moreover, given that the expectations of our stakeholders and the issues that concern them are changeable and subject to the evolution of events during the course of the year, this Plan will be updated annually with new actions or the reformulation of existing ones to adapt them to the new situation.

The successive updates of the plan will leave behind them a trail of completed actions that, collectively, are a contribution of our company to sustainable development.

