

Sustainability Plan

2015

Colombia



Year End Report

Contents

Legal notice	1
Year End Report on actions of the Plan on December 31th, 2015	2
● Program 1 : Governance	2
● Program 2 : Human rights	5
● Program 3 : Labor practices	11
● Program 4 : Safety	14
● Program 5 : The Environment	15
● Program 6 : Fair Operating Practices: Anticorruption and Ethics	17
● Program 7 : Fair Operating Practices: Value chain	18
● Program 8 : Community involvement and development	20
Actions Index	23

This Sustainability Plan includes a set of actions which, in whole or in part, go beyond what is required by law and are aimed to contribute to sustainable development. Participating companies of Repsol Group have the firm intention to undertake and fulfill them. However, they reserve the right to modify, postpone or cancel their implementation without incurring liability, but undertake to publicly justify these possible cases.

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Year End Report on actions of the Plan on December 31th, 2015.

Program 1

Governance

ACTION	Design a compliance matrix for contractual obligations relating to Offshore Exploration so that technical information can be sent to regulatory bodies and partners.
DESCRIPTION	We intend to construct a matrix to monitor compliance with commitments to furnish technical information. The aim is to ensure that these contractual obligations are honored in relation to the offshore exploration blocks. This best practice will make Repsol's management more transparent in the eyes of regulatory bodies and partners.
INDICATOR	Ratio: transmittals/commitments. Completion of the compliance matrix.
EXECUTION YEAR	2015
CLOSING TO THE ACTION AS OF 31/12/2015	
STATUS	Fulfilled
CLOSING TEXT	We built, completed, and closed a contractual obligation compliance matrix for delivery of technical information to regulatory bodies and partners, meeting all contractual obligations with regulatory bodies and partners. This information comes from the operations carried out during the 2014-2015 period.

ACTION	Develop the communication and grievance system at operational level for Repsol Colombia.
DESCRIPTION	We will establish the communication and grievance procedure for the Colombia Business Unit and raise awareness of the system both internally and externally so as to be able to monitor and track communications and claims brought by stakeholders and respond accordingly, while also minimizing the risk of failing to respond or providing an unsatisfactory response.
INDICATOR	Communication and grievance procedure to be established before March 30, 2015. Four internal documents on the new mechanism to be published for Repsol employees in Colombia. Two presentations to communities.
EXECUTION YEAR	2015
CLOSING TO THE ACTION AS OF 31/12/2015	
STATUS	Fulfilled
CLOSING TEXT	As established in the United Nations Framework on Businesses and Human Rights, we created an effective communication and grievance claim mechanism to be used while carrying out operations in the eastern RC-12 block. We presented this mechanism to the communities at meetings with community leaders, and to the Repsol employees through statements posted on the digital notice board, as well as through meetings with the department leaders.

ACTION	Present the Strategic Plan of the Colombia Business Unit to employees.
DESCRIPTION	We will introduce employees to the Colombia BU's strategic courses of action looking ahead to 2015 and the coming years.
INDICATOR	All personnel to have information on the general lines of action under the Business Unit's Strategic Plan in 2015.
EXECUTION YEAR	2015
CLOSING TO THE ACTION AS OF 31/12/2015	
STATUS	Fulfilled
CLOSING TEXT	We communicated the general guidelines of the 2015 Strategic Plan to the Colombia Business Unit in three presentations. The first, after the objectives presentation. The second, during the launch of "We Are Repsol", following the acquisition of Talisman. And the third, during the presentation of the new structure, after the incorporation of Talisman.

Program 2**Human rights****Business Relations**

ACTION	Work further to monitor inclusion of the corporate responsibility clause on human rights in the contracts signed by the Colombia Business Unit.
DESCRIPTION	Legal Services and the Purchasing and Contracts Department will seek to ensure that the updated clause on human rights is duly included in all contracts signed by the Colombia Business Unit.
INDICATOR	Percentage of contracts including the clause.
EXECUTION YEAR	2015
CLOSING TO THE ACTION AS OF 31/12/2015	
STATUS	Fulfilled
CLOSING TEXT	We included the Human Rights Responsibility clause in all framework agreements signed during 2015.

Conflict and post conflict areas

ACTION	Actively take part in the forums and working groups arranged by the Ministry of Defense and other government bodies so as to obtain official information on the scope of the peace and post-conflict process and therefore minimize reputational risks.
DESCRIPTION	We will assist and actively take part in official events staged by the central government, the Colombian Oil Association (ACP), the Ministry of Defense and other groups and associations so as to obtain official information on the agenda of the peace process and the agreements reached by the Colombian government. This will enable us to weigh up and present analyses to minimize reputational risk within the Company when taking operational decisions in Colombia.
INDICATOR	Present to the organization bimonthly security analysis reports on the progress made in relation to the peace and post-conflict management processes within the country. Send a news bulletin to Repsol Colombia employees on the agreements reached as part of the process and the impact of these across the country.
EXECUTION YEAR	2015
CLOSING TO THE ACTION AS OF 31/12/2015	
STATUS	Fulfilled
CLOSING TEXT	In order to obtain information on the progress of the peace process and on its level of progress in the different areas of the country, we participated in forums and work groups with the Business Security Association of the National Police, the National Army and the Colombian Petroleum Association. We sent four announcements to the employees of the Colombia business unit about the agreements reached and their effects on the country.

Due diligence

ACTION	Inform stakeholders of the results of the study into human rights conducted in Block RC-12 Eastern Sector.
DESCRIPTION	We will disseminate the results of the human rights study to the 18 Wayuu communities, as well as other stakeholders and including the Colombian National Hydrocarbons Agency and the Interior Ministry.
INDICATOR	Number of communities informed/Number of communities analyzed in the study. Minutes of meeting with the National Hydrocarbons Agency. Minutes of meeting with the Interior Ministry.
EXECUTION YEAR	2015
CLOSING TO THE ACTION AS OF 31/12/2015	
STATUS	Fulfilled
CLOSING TEXT	We presented the results of the human rights study to the 18 Wayuu communities, as well as to the National Hydrocarbons Agency (with the participation of 10 employees from the agency and from the Ministry of Mines and Energy) and to the Ministry of the Interior (with the participation of 53 employees). We also met with the United Nations (UNDP) and with our partner, Occidental.

Indigenous communities

ACTION	Close the free, prior and informed consultation process ahead of the offshore 3D seismic survey to be conducted in Block RC-12.
DESCRIPTION	We will arrange all the compensation and/or actions required to close the free, prior and informed consultation process carried out within 18 ethnic Wayuu communities living in the northern reaches of the Guajira Peninsula. This will allow us to close the 18 consultation processes held in advance of the 3D seismic surveys to be carried out in the RC-12 block, Eastern Sector.
INDICATOR	Official document issued by the Colombian Interior Ministry bringing an end to the consultation process for the 18 communities concerned.
EXECUTION YEAR	2015
CLOSING TO THE ACTION AS OF 31/12/2015	
STATUS	Fulfilled
CLOSING TEXT	The Interior Ministry concluded the 18 preliminary consultations with the 18 Wayuu communities in the area of influence of the RC-12 block, Eastern Sector.

Security

ACTION	Prepare a matrix to track compliance with the Voluntary Principles on Security and Human Rights for Repsol Colombia.
DESCRIPTION	We will devise a matrix to assess existing risk for Repsol Colombia on the subject of the Voluntary Principles on Security and Human Rights.
INDICATOR	Matrix prepared and developed.
EXECUTION YEAR	2015
CLOSING TO THE ACTION AS OF 31/12/2015	
STATUS	Fulfilled
CLOSING TEXT	We used the matrix of the Mining and Energy Committee for the Voluntary Principles on Security and Human Rights in Colombia. This tool provides guidance to companies on how to maintain their operations within the framework of respect for human rights, as a basis for assessing Repsol activity in Colombia. By comparing them to the matrix, we found that our activity is fully aligned with these Voluntary Principles.

ACTION	Seek to ensure that the principles and lines of action envisaged under the Voluntary Principles on Security and Human Rights in relation to operations are included in the Ministry of Defense document titled "Methodology for Strengthening Security".
DESCRIPTION	The Infrastructure Security Department attached to the Colombian Ministry of Defense and the companies operating within the hydrocarbons sector intend to prepare a document titled "Methodology for Strengthening Security in the Hydrocarbons Sector". We at Repsol will be lobbying for the inclusion of a chapter on Human Rights and Voluntary Principles in the document.
INDICATOR	Sending of relevant information on Human Rights and Voluntary Principles to be taken into account. Preliminary draft of the document titled "Methodology for Strengthening Security in the Hydrocarbons Sector", including the chapter on Human Rights and Voluntary Principles.
EXECUTION YEAR	2015
CLOSING TO THE ACTION AS OF 31/12/2015	
STATUS	Fulfilled
CLOSING TEXT	We sent all information on the Voluntary Principles to the Infrastructure Security Department of the Ministry of Defense, and we were able to include the topic of human rights in the draft of the document "Methodology for Strengthening Security in the Hydrocarbons Sector". Its publication is still pending.

Program 3**Labor practices****Culture, Development and Management systems**

ACTION	Improve the internal communication of corporate responsibility issues to all employees; not only committee members.
DESCRIPTION	We will hold two meetings a year with Repsol Colombia employees. The first will be held in the second quarter of the year to present the action plans in place for 2015. The results of these plans will then be presented in the fourth quarter.
INDICATOR	Number of meetings. Number of people in attendance.
EXECUTION YEAR	2015
CLOSING TO THE ACTION AS OF 31/12/2015	
STATUS	Fulfilled
CLOSING TEXT	We created an e-book called "Nuestro Valores" (Our Values) with information on our mission, vision, values, policies, and public commitments. We distributed it in a USB flash drive to all employees in the Colombia business unit. We also held five meetings on September 7th, 8th, and 9th, and November 7th and 10th. At these meetings, we trained 87 people from the business unit on topics on corporate responsibility at Repsol.

ACTION	Set up a permanent program for exchanging knowledge with OXYCOL.
DESCRIPTION	We will foster the training of new professionals and Repsol employees at the facilities of Oxy Colombia (OXYCOL), thus generating synergies by having Repsol employees trained by OXYCOL.
INDICATOR	New professionals trained at OXYCOL (number of hours). Repsol employees trained at OXYCOL (number of hours). Number of training sessions held jointly with OXYCOL.
EXECUTION YEAR	2015
CLOSING TO THE ACTION AS OF 31/12/2015	
STATUS	Fulfilled
CLOSING TEXT	We created an exchange program along three lines: 1. All new hires by Repsol Colombia were required to complete two 15-day rotations at the Caño Limón Field. They had 1344 hours of training. 2. All Safety and Environment employees participated in a knowledge exchange, on topics relevant to their area, with a 15-day rotation at Caño Limón and a week at the Bogotá offices. They had 1.368 hours of training. 3. Two joint training courses were held, one on human rights and the other on preliminary consultation.

Working conditions

ACTION	Carry out an action plan as a result of the Climate Assessment.
DESCRIPTION	We will draw up an action plan aimed at improving the social and employment climate based on the findings of the Climate Assessment. We will focus on aspects relating to recognition, climate project and intention to remain at the Company.
INDICATOR	Number of actions implemented. Percentage of compliance with the actions under the Climate Plan.
EXECUTION YEAR	2015
CLOSING TO THE ACTION AS OF 31/12/2015	
STATUS	Fulfilled
CLOSING TEXT	We implemented all of the initiatives scheduled for 2015 which were outlined in the Work Environment Plan. It is important to highlight the actions related to the recognition of the "We Are Repsol platform" and of the "Communication Plan."

Program 4

Safety

Business Relations

ACTION	Help indigenous suppliers develop in terms of safety and the environment.
DESCRIPTION	We intend to devise and implement a safety and environmental protection program to help develop potential contractors falling within our sphere of influence. We will start the program with suppliers located on the Guajira Peninsula that provide special transport services for Repsol personnel.
INDICATOR	By 2Q 2015 we will have a database listing all vehicles and drivers present on the Guajira Peninsula. By 3Q 2015 we will have a list of vehicles authorized to work with Repsol. By 4Q 2015 we will have all drivers trained in defensive driving.
EXECUTION YEAR	2015
CLOSING TO THE ACTION AS OF 31/12/2015	
STATUS	Fulfilled
CLOSING TEXT	We created a database with all the drivers with potential to provide personnel transportation services in La Guajira. We formed a database with the data of authorized vehicles, which can be used to track essential documents. And, lastly, we provided defensive driving training to all the drivers, with the help of the labor risk insurance company.

Program 5

The Environment

Environmental risks and impact Management

ACTION	Develop environmental sensitivity maps for the COL-4 Block.
DESCRIPTION	We will draw up maps to flag priority areas of interest within the country and to make the process of planning in the region more efficient. These will provide the basis for further action and activities within the block. We will then deliver these maps to the stakeholders (Invemar).
INDICATOR	By 3Q 2015 the aim is to have used secondary information to identify all sensitive areas within the COL-04 Block. To complete the COL-04 ESHIA, we will obtain the sensitivity maps mapped and in Shape format (using ArcGis or other). For 4Q 2015, the maps will be presented to the stakeholders.
EXECUTION YEAR	2015
CLOSING TO THE ACTION AS OF 31/12/2015	
STATUS	Fulfilled
CLOSING TEXT	We identified the sensitive areas from secondary information provided by INVEMAR and primary information provided by the same institute in partnership with the National Hydrocarbons Agency. We created sensitivity maps in GIS format and we presented those maps and the ESHIA document of the 3D seismic study for COL-04 to the stakeholders (port authorities, Dimar and Damcra) and received positive feedback. This initiative contributes to the country's progress in terms of environmental knowledge.

ACTION	Incorporate the working lines proposed by the International Association of Oil & Gas Producers (IOGP) in its 510 Guidance into the Colombia Business Unit's integrated safety and environmental management system.
DESCRIPTION	We will include into the process of planning, documenting, implementing and certifying the Colombia Business IOGP elements and supplier management. This will underpin the system.
INDICATOR	<p>For 2Q 2015, Repsol will ensure that four individuals from the Colombia Business Unit are trained and certified as internal auditors under ISO 14001.</p> <p>For 2Q 2015, Repsol will have one individual from the Colombia Business Unit certified as a lead auditor under ISO 14001.</p> <p>For 4Q 2015, we will have environmental certification for the Colombia Business Unit under ISO 14001.</p>
EXECUTION YEAR	2015
CLOSING TO THE ACTION AS OF 31/12/2015	
STATUS	Fulfilled
CLOSING TEXT	We trained eight people as internal auditors on the ISO 14001 norm, and certified a lead auditor on the three norms: ISO 14001, OHSAS 18000, and ISO 9001. In November 2015, the auditing firm Applus awarded us the certification of our environmental management system.

Program 6

Fair Operating Practices: Anticorruption and Ethics

Business Relations

ACTION	Disseminate Repsol Code of Ethics and Conduct among our business partners.
DESCRIPTION	We will use the Repsol Code of Ethics and Conduct to disseminate the kind of conduct the Company expects to see in all activities and operations that involve shareholders, partners, suppliers and the authorities in general. This will allow us to promote responsible conduct across the value chain while helping to forge sturdy, trust-based relationships with stakeholders.
INDICATOR	Code of Ethics and Conduct to be communicated formally to the Company's three partners working at Repsol-operated sites.
EXECUTION YEAR	2015
CLOSING TO THE ACTION AS OF 31/12/2015	
STATUS	Fulfilled
CLOSING TEXT	We sent Repsol's Code of Ethics and Conduct to our partners Cenit, Petrobras, Equion, ExxonMobil, Pacific Rubiales, Cepsa, Total, Oxy, Petroamerica, Amerisur, and Hocol, through a written message with a USB flash drive enclosed. This way, we shared our commitments and positions in how we carry out operations across the world.

Program 7

Fair Operating Practices: Value chain

Suppliers and contractors

ACTION	Help local suppliers develop and boosting competitiveness in offshore air transport services.
DESCRIPTION	We will work with the local companies audited in 2014 to help them incorporate the associated findings so that they can reach, or even surpass, Repsol's aviation standard.
INDICATOR	Resolution of P1 and P2 priority findings. Number of communications sent to companies.
EXECUTION YEAR	2015
CLOSING TO THE ACTION AS OF 31/12/2015	
STATUS	Fulfilled
CLOSING TEXT	We added three companies to the suppliers list used by Repsol. Although all three were certified to participate, only one of them participated in the last tender of the helicopter service. We also closed all the P1 audit findings and 46% of the findings from the P2 audit. Lastly, we maintained constant communication with the companies. Until October 31st, 2015, we had a total of 97 communications (38 outgoing and 59 incoming).

ACTION	Stage exploration project start-up meetings with contractors, communities, government bodies and partners.
DESCRIPTION	Before commencing any given exploration project, we will work together with all parties involved to define the responsibilities of each of us in complying with the environmental, social, regulatory and ethical commitments arising out of the project.
INDICATOR	Ratio: meeting attendance registers/exploration projects.
EXECUTION YEAR	2015
CLOSING TO THE ACTION AS OF 31/12/2015	
STATUS	Fulfilled
CLOSING TEXT	We held the launch meeting of the "Soil Boring" project for the Siluro-1 offshore well (RC-11 block), the only exploration activity carried out in 2015.

Program 8

Community involvement and development

Local content

ACTION	Help local suppliers develop in the remote regions where we operate.
DESCRIPTION	We will train local suppliers present in the remote regions in which we operate, with the training to include safety and the environment, tax issues and Repsol's procurement rules.
INDICATOR	Number of suppliers trained.
EXECUTION YEAR	2015
CLOSING TO THE ACTION AS OF 31/12/2015	
STATUS	Fulfilled
CLOSING TEXT	We offered capacity-building sessions to three suppliers with whom we are working on a development plan for La Guajira, two indigenous and one from La Guajira. Out of the three suppliers, one works in transportation, another in the material supply, and the third provides multiple services. We trained them in safety and environment, finance, contracting, and administration.

ACTION	Strengthen ties with universities through scholarships and grants.
DESCRIPTION	We will seek to ensure that students from different universities come to Repsol Exploración Colombia for their on-the-job training and internships.
INDICATOR	Number of interns working at the Company. Number of universities from which the interns originate.
EXECUTION YEAR	2015
CLOSING TO THE ACTION AS OF 31/12/2015	
STATUS	Fulfilled
CLOSING TEXT	We continued to strengthen our relationship with universities as part of Repsol's process of knowledge sharing, by hiring three scholarship holders from various professional backgrounds and by signing agreements with two universities.

Social Investment

ACTION	Devise a Community Benefit Scheme for the COL-4 Block by maximizing the positive impacts.
DESCRIPTION	We will prepare a Community Benefit Scheme (CBS) for the COL-4 Block in relation to the area of influence approved by the National Hydrocarbons Agency. The aim will be to maximize the positive impacts and help develop the communities through sustainable projects.
INDICATOR	CBS prepared and put before the National Hydrocarbons Agency for its approval.
EXECUTION YEAR	2015
CLOSING TO THE ACTION AS OF 31/12/2015	
STATUS	In progress
CLOSING TEXT	We signed a cooperation agreement with the United Nations (UNDP) to develop the Community Benefit Scheme in two neighborhoods in the city of Cartagena which were built by the National Government and given to families who were displaced and/or affected by natural disasters. We will work on four aspects: Citizenship building, Entrepreneurship, Work-oriented training and Production projects. These agreements will only be filed with the National Hydrocarbons Agency in March.

Actions Index

Legal notice	1
Year End Report on actions of the Plan on December 31th, 2015	2
Program 1: Governance	2
Others	2
Design a compliance matrix for contractual obligations relating to Offshore Exploration so that technical information can be sent to regulatory bodies and partners.	2
Develop the communication and grievance system at operational level for Repsol Colombia.	3
Present the Strategic Plan of the Colombia Business Unit to employees.	4
Program 2: Human rights	5
Business Relations	5
Work further to monitor inclusion of the corporate responsibility clause on human rights in the contracts signed by the Colombia Business Unit.	5
Conflict and post conflict areas	6
Actively take part in the forums and working groups arranged by the Ministry of Defense and other government bodies so as to obtain official information on the scope of the peace and post-conflict process and therefore minimize reputational risks.	6
Due diligence	7
Inform stakeholders of the results of the study into human rights conducted in Block RC-12 Eastern Sector.	7
Indigenous communities	8
Close the free, prior and informed consultation process ahead of the offshore 3D seismic survey to be conducted in Block RC-12.	8

Security	9
Prepare a matrix to track compliance with the Voluntary Principles on Security and Human Rights for Repsol Colombia.	9
Seek to ensure that the principles and lines of action envisaged under the Voluntary Principles on Security and Human Rights in relation to operations are included in the Ministry of Defense document titled "Methodology for Strengthening Security".	10
Program 3: Labor practices	11
Culture, Development and Management systems	11
Improve the internal communication of corporate responsibility issues to all employees; not only committee members.	11
Set up a permanent program for exchanging knowledge with OXYCOL.	12
Working conditions	13
Carry out an action plan as a result of the Climate Assessment.	13
Program 4: Safety	14
Business Relations	14
Help indigenous suppliers develop in terms of safety and the environment.	14
Program 5: The Environment	15
Environmental risks and impact Management	15
Develop environmental sensitivity maps for the COL-4 Block.	15
Incorporate the working lines proposed by the International Association of Oil & Gas Producers (IOGP) in its 510 Guidance into the Colombia Business Unit's integrated safety and environmental management system.	16
Program 6: Fair Operating Practices: Anticorruption and Ethics	17
Business Relations	17
Disseminate Repsol Code of Ethics and Conduct among our business partners.	17

Program 7: Fair Operating Practices: Value chain	18
Suppliers and contractors	18
Help local suppliers develop and boosting competitiveness in offshore air transport services.	18
Stage exploration project start-up meetings with contractors, communities, government bodies and partners.	19
Program 8: Community involvement and development	20
Local content	20
Help local suppliers develop in the remote regions where we operate.	20
Strengthen ties with universities through scholarships and grants.	21
Social Investment	22
Devise a Community Benefit Scheme for the COL-4 Block by maximizing the positive impacts.	22
Actions Index	23

