

Sustainability
Plan
2015

Bolivia



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Disclaimer

The 2015 Sustainability Plan for Bolivia includes a set of actions designed by the Company and aimed at contributing to sustainable development. Repsol undertakes to fully implement those actions specified in the Sustainability Plan that are required by law, reserving the right to modify, postpone or cancel the rest of the voluntary actions, which does not imply the assumption of any liability whatsoever by Repsol.

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Corporate Responsibility

Vision and preparation of this Plan

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

At Repsol we understand Corporate Responsibility to be the contribution made by large companies to sustainable development. We consider that the essence of Corporate Responsibility is the incorporation of environmental and social aspects into the decision-making processes of organizations.

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

Additionally, we aspire to contribute to this sustainable development through our vision of Corporate Responsibility, the responsibility we voluntarily assume. This goes beyond the legal requirements regarding the impact that our activities may have on society and the environment. We thus respond to our stakeholders' expectations regarding our activities by implementing practices that maximize positive impacts and prevent, mitigate, repair or offset negative ones.

We have identified the expectations that our stakeholders have on issues related to governance, respect for Human Rights, labor practices, environmental impacts and 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.

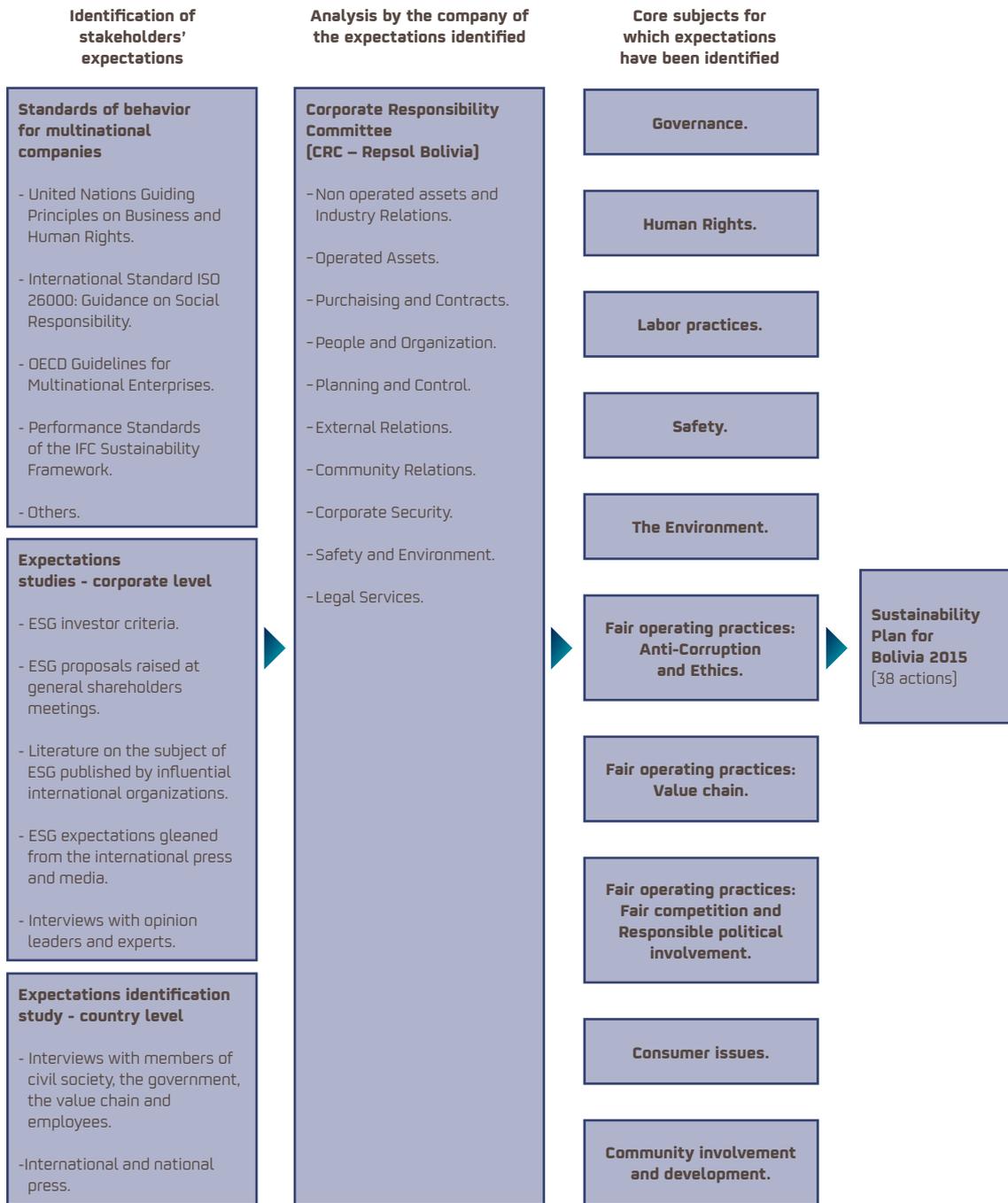
The identification of these expectations at a global level has been carried out through an analysis of four international standards that currently make up the broadest international consensus on acceptable behavior for a multinational company:

In addition, we have developed an *expectations study*, or relevant issues study, for the Company's corporate-level stakeholders, both at corporate and country-level. The studies focus on aspects concerning the way the Company is managed and also on environmental, social and governance [ESG].

After an analysis and consolidation process, the results were studied by the Corporate Responsibility Committee of Bolivia, presided by the Director of the Repsol Business Unit in Bolivia, which is made up of executive-level representatives of the different business and corporate units in the country.

This exercise has enabled us to formally and systematically introduce the expectations of Repsol's stakeholders in the Company's decision-making processes, which is essential to Corporate Responsibility.

-INTRODUCTION OF STAKEHOLDERS' EXPECTATIONS INTO THE COMPANY'S DECISION-MAKING PROCESSES-



The result of this analysis is the current Sustainability Plan for Bolivia 2015, which is a public document, the degree of compliance of which will be assessed annually and reported to the Company through an annual follow-up report.

This Plan consists of 38 specific short-term actions (2015) with its corresponding implementation indicators, grouped in seven of the 10 programs described in the above table, inspired in the core areas of corporate responsibility described in the ISO 26000 International Standard: Guidance on Social Responsibility. These are the areas in which companies have the greatest ability to generate ethical, environmental and social impact.

With respect to the programs, the largest number of actions has been concentrated in the Community involvement and development, Fair operating practices: Value chain, Human Rights, Environment and Safety programs.

-DISTRIBUTION OF THE ACTIONS OF THE SUSTAINABILITY PLAN FOR BOLIVIA BY ACTION PROGRAMS-

Program	Number of actions
Governance	2
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Safety	6
The Environment	6
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The 2015 Sustainability Plan for Repsol Bolivia 2015 is not the Repsol Group's only contribution to sustainable development, but is complemented with the actions considered in the Corporate Sustainability Plan and those confined to certain countries or operating sites included in our respective sustainability plans.

82% of the actions included in this Plan are linked to the variable remuneration system applied to Repsol's employees, which constitutes the Company's unequivocal commitment to the effective maximization of its contribution to sustainable development.

Stakeholders' expectations and the corresponding actions of the Plan

Program 1

Governance

Organizational 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.

It addresses issues related to the highest governing body of the Company; the efficient use of financial, human and natural resources; transparency and accountability; the legal and internal compliance rules of the Company, all with the maximum involvement and commitment of the leaders of the organization.

In order to fulfill its stakeholders' Governance-related expectations, the Repsol Group has specific management systems in place, which can be consulted on its corporate website repsol.com

Furthermore, the Company has added two actions to this Sustainability Plan with which it aims to reinforce its response to the main expectations, as indicated below.

-ACTIONS INCLUDED IN THE GOVERNANCE PROGRAM AND A SUMMARY OF THE PRINCIPAL EXPECTATIONS THAT CONTRIBUTE TO RESPONDING TO THEM-

GOVERNANCE PROGRAM

Expectation:

Improve transparency of information on the Company's operations for governments.

Expectation:

Make the Company's good the Company's good social and environmental performance in the country known.

Expectation:

Continue to perform well in environmental and social aspects, as this is a strong internal cohesion factor and helps create ties between the Company and employees.

Expectation:

Publish reports about the Company's activity, indicating its impact in the country, both negative and positive.

Expectation:

Be transparent when disclosing information on accounts, resources and environmental performance.

Actions included in the program:

1. Identify and quantify the actions carried out and/or promoted by the Company in Bolivia, geared toward avoiding social and/or environmental impacts.
2. Be accountable for our ethical, social and environmental performance in Bolivia.

Specific information on each action included in the Governance Program for this plan is shown in the tables below:

ACTION	Identify and quantify the actions carried out and/or promoted by the Company in Bolivia, geared toward avoiding social and/or environmental impacts.
DESCRIPTION	<p>We will identify the responsible parties in each area involved and will provide them with training so they can fulfil their mandate in the established targets.</p> <p>We will inform both Company personnel and contractors of our objective, so that they can in turn notify all their area managers. On a quarterly basis, we will quantify and report to the chief manager, through the area managers, on every action carried out that included efforts to avoid a social and/or environmental impact.</p> <p>We will validate actions and we will quantify them in terms of resources and/or monetary terms in order to record them, through the chief manager.</p>
INDICATOR	<ul style="list-style-type: none"> - Record of identified actions. - Amount and/or resources committed to avoid social and environmental impacts.
ACTION	Be accountable for our ethical, social and environmental performance in Bolivia.
DESCRIPTION	<p>We will prepare and publish a report on Repsol's Corporate Social Responsibility in Bolivia in 2014-2015, thereby responding to the expectations of our stakeholders. This report will be verified by an independent expert.</p>
INDICATOR	Report published.

Program 2

Human Rights

States and companies play different roles in the common effort in favor 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.

The program envisions a host of actions geared towards internal training, internal and external awareness and regulatory compliance on the subject of human rights, ensuring due diligence is taken at all times and directing efforts to avoid any impact on human rights, respecting the rights of indigenous people and any other vulnerable group, addressing claims and complaints and repairing any possible impact.

In order to fulfill the expectations of its stakeholders in relation to human rights, the Repsol Group has specific management systems in place, which can be consulted on the Company's website repsol.com

Said systems are reinforced by six actions included in this Sustainability Plan for Repsol Bolivia, which are aimed at fulfilling the expectations of the Company's stakeholders in relation to human rights.

-ACTIONS INCLUDED IN THE HUMAN RIGHTS PROGRAM AND A SUMMARY OF THE PRINCIPAL EXPECTATIONS THAT THEY RESPOND TO-

HUMAN RIGHTS PROGRAM

Expectation:

Share our human rights policy with suppliers, contractors and partners.

Expectation:

Provide communication channels in several languages so as to allow local communities and vulnerable groups to communicate their grievances to the company.

Expectation:

Conduct an ongoing evaluation of potential impacts [at the beginning of a new activity, at the beginning of a new business relationship, when important decisions are taken or important changes are made with regard to the operation, and when changes are made to the operating environment].

Expectation:

Regularly review the complaints received through the mechanisms for gathering grievances in local communities, in order to improve internal education on indigenous rights and the company's own processes.

Expectation:

Companies should be aligned with the Voluntary Principles on Security and Human Right initiative and with the United Nations Guiding Principles on Business and Human Rights.

Actions included in the program:

1. Update the human rights impact identification study carried out in the Caipipendi and Mamoré blocks.
2. Update Repsol Bolivia's grievances management procedure.
3. Collaborate in training Bolivian professional soldiers in human rights and international humanitarian law.
4. Disseminate the institution's human rights commitments and programs to organizations and business guilds.
5. Prepare a model clause promoting respect for, protection of and compliance with human rights.
6. Raise awareness of human rights issues among contractors and local suppliers, communities and authorities Disseminate our internal regulations.

Specific information on the actions set out in the Human Rights Program for this plan is shown in the tables below, alphabetically arranged by issue.

Commercial relations

ACTION	Prepare a model clause promoting respect for, protection of and compliance with human rights.
DESCRIPTION	<p>We will prepare a model clause promoting respect for, protection of and compliance with human rights and fundamental freedoms, in order to bring our contractors into line with the principals and initiatives to which Repsol has adhered, through contractual stipulations.</p> <p>We will implement this clause in the contractual models applicable to the Repsol Bolivia business unit. We will adjust the model as necessary, in order to mainstream the interpretation throughout the contractual document.</p>
INDICATOR	<ul style="list-style-type: none"> - Drafting of the human rights protection clause. - Inclusion in contractual models applicable to the Bolivia business unit.
ACTION	Raise awareness of human rights issues among contractors and local suppliers, communities and authorities. Disseminate our internal regulations.
DESCRIPTION	<p>We will hold human rights awareness-raising sessions with contractors and local suppliers, communities and authorities and will disseminate our internal regulations in that respect.</p>
INDICATOR	Number of persons trained in the different segments.

Culture and management

ACTION	Disseminate the institution's human rights commitments and programs to organizations and business guilds.
DESCRIPTION	We will distribute information to the target groups identified in the Repsol Bolivia business unit communication plan.
INDICATOR	Target groups identified / sessions held.

Due diligence

ACTION	Update the human rights impact identification study carried out in the Caipipendi and Mamoré blocks.
DESCRIPTION	We will update the impacts identified in the human rights impact identification study.
INDICATOR	Risk matrix updated at December 31, 2015.

Reparation

ACTION	Update Repsol Bolivia's grievances management procedure.
DESCRIPTION	We will update the procedure in accordance with the guidelines set out in the United Nations Guiding Principles on Business and Human Rights and the corporate guide and best practices issued by IPIECA, the global oil and gas industry association for environmental and social issues.
INDICATOR	Procedure has been submitted for approval at December 31, 2015.

Security forces

ACTION	Collaborate in training Bolivian professional soldiers in human rights and international humanitarian law.
DESCRIPTION	<p>We will organize in-person courses for professionals with the Bolivian army. The courses will be approximately 30 hours and will include the resolution of practical cases.</p> <p>We will award scholarships to the highest-scoring officers in the course so they can complete a university degree in International Humanitarian Law at the Instituto Internacional de Derecho Humanitario de San Remo (Italy).</p>
INDICATOR	<ul style="list-style-type: none"> - In-person course carried out. - IIHL scholarship awarded.

Program 3

Labor practices

The term labor practices encompass all policies and practices related to the work performed within, by or on behalf of the company, such as the working hours, 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.

Labor practices also include representation and participation in collective bargaining, social dialog and tripartite consultations to address social issues related to employment.

In order to fulfill the expectations of its stakeholders in relation to labor practices, the Repsol Group has specific management systems in place, which can be consulted on the corporate website **repsol.com**

Said systems are reinforced by the three individual actions that Repsol Bolivia has included in the context of this Plan. These are aimed at responding to the principal expectations of the Company's stakeholders, as indicated below.

-ACTIONS INCLUDED IN THE LABOR PRACTICES PROGRAM AND A SUMMARY OF THE PRINCIPAL EXPECTATIONS THAT CONTRIBUTE TO RESPONDING TO THEM-

LABOR PRACTICES PROGRAM	
<p>Expectation: Provide information on actions to improve the workplace climate.</p>	<p>Expectation: Provide information on opportunities for global career placements.</p>
<p>Expectation: Provide working conditions for all employees that allow them to can enjoy, to the greatest extent possible, a work/life balance and that are in line with conditions offered by peer employers in the subject location. Possible measures include the establishment of reasonable working hours, maternity/ paternity leave and, where possible, the creation of workplace child care centers and other facilities.</p>	<p>Expectation: Establish feedback mechanisms to allow employees to contribute ideas or solutions with regard to management.</p>
<p>Actions included in the program:</p> <ol style="list-style-type: none"> 1. Provide open and timely information to personnel regarding actions to improve the workplace climate. 2. Implement the telecommuting program, supporting a work/life balance in the Bolivia business unit. 3. Regularly inform personnel about the Repsol Bolivia business unit's activity, plans and results 	

Specific information on each action set out in the Labor Practices Program for this plan is shown in the tables below, alphabetically arranged.

ACTION	Provide open and timely information to personnel regarding actions to improve the workplace climate.
DESCRIPTION	We will consolidate the action plans for each of the four dimensions (recognition, development, innovation and workplace environment), led by managers and multidisciplinary teams. We will keep employees informed about the progress and implementation of the initiatives suggested by each team. We will name communications contact persons in order to compile information and involve employees and managers. We will raise awareness about the Company's efforts and responses to employees.
INDICATOR	Distribution of the first draft General Plan, up to June 30, 2015 and each semester during 2015-2016.

<p>ACTION</p>	<p>Implement the telecommuting program, supporting a work/life balance in the Bolivia business unit.</p>
<p>DESCRIPTION</p>	<p>We will analyze which job positions are appropriate for telecommuting. Once the program has been implemented, we will build upon actual experience. We will coordinate with each Repsol Bolivia business unit manager in order to verify the job positions that could participate in the program. We will determine the technological, resource and licensing needs required in order to apply the program. We will present the project to the different internal areas for approval. We will prepare procedures/rules for telecommuting in the business unit. We will design a communication and information campaign for business unit employees. This will be implemented during 2015-2016.</p>
<p>INDICATOR</p>	<ul style="list-style-type: none"> - Analysis report carried out at December 31, 2015. - Number of people participating in the telecommuting program at December 31, 2016.
<p>ACTION</p>	<p>Regularly inform personnel about the Repsol Bolivia business unit's activity, plans and results.</p>
<p>DESCRIPTION</p>	<p>We will organize quarterly sessions allowing senior management to inform personnel about the business's results, plans and projects as well as the Company's overall situation, its main issues, management and information to be shared with employees.</p>
<p>INDICATOR</p>	<p>Four information sessions per year.</p>

Program 4

Safety

Safety is a critical concern in industrial operations, meaning prevention, control and maintenance are of huge importance to the business, as is the need to champion a specific culture and conduct aimed towards safety.

The program seeks to prevent and mitigate safety risks and to ensure that emergencies are controlled and managed accordingly; that incidents are reported and investigated and lessons duly learned; and that applicable law and safety management systems are properly adhered to.

It also envisages a safety-oriented culture and conduct promoted through leadership, training, communication and awareness; incorporating safety-related concerns into our commercial relationships, such as due diligence, rating processes for partners, audits and controls, safety training, and communication and awareness campaigns aimed at our commercial partners.

In order to fulfill the expectations of its stakeholders in relation to safety, the Repsol Group has specific management systems in place, which can be consulted on the corporate website **repsol.com**

Said systems are reinforced by six individual actions that Repsol Bolivia has included in the context of this Plan. These are aimed at responding to the principal expectations of the company's stakeholders, as indicated below.

-ACTIONS INCLUDED IN THE SAFETY PROGRAM AND A SUMMARY OF THE PRINCIPAL EXPECTATIONS THAT CONTRIBUTE TO RESPONDING TO THEM-

SAFETY PROGRAM

Expectation:

Ensure that security systems are configured for exceptional situations that may occur and are in place and active at all times.

Expectation:

Have adequate systems for managing potential risks in company installations, especially those located in the most critical areas.

Expectation:

Increase control over supervision of contractors, to ensure they comply with safety standards.

Expectation:

Work toward implementing procedures and regulations that maximize labor security of employees in the company's installations and operations.

Actions included in the program:

1. Update studies on safety at assets operated by Repsol in Bolivia.
2. Update emergency response plans for assets operated by Repsol in Bolivia.
3. Analyze and contribute to improving safety and environmental performance of service providers at assets operated by Repsol.
4. Develop road safety awareness among persons driving and walking near the operations area.
5. Design and implement a hazardous materials management plan for Repsol Bolivia operations.
6. Perform safety and environmental audits.

Specific information on each of the actions included in the Safety Program of the current Plan is included in the tables below, alphabetically arranged by issue:

Commercial Relations

ACTION	Analyze and contribute to improving safety and environmental performance of service providers at assets operated by Repsol.
DESCRIPTION	<p>We will hold monthly meetings with service providers in order to strengthen our joint management of social, environmental, health and safety aspects in connection with activities carried out at Repsol-operated assets, analyzing performance and exchanging best practices.</p> <p>We will routinely evaluate the safety and environmental performance of service providers in order to verify compliance with applicable legal and company requirements, as well as to identify and report areas for improvement, so corrective actions aimed at enhancing performance can be defined.</p>
INDICATOR	<ul style="list-style-type: none"> - Number of meetings held. - Percentage of service companies evaluated.

Culture and management

ACTION	Develop road safety awareness among persons driving and walking near the operations area.
DESCRIPTION	We will implement a road safety campaign for drivers and pedestrians present in the areas in which Repsol operates.
INDICATOR	Campaign designed and implemented at December 31, 2015.

Incident management

ACTION	Update emergency response plans for assets operated by Repsol in Bolivia.
DESCRIPTION	The action responds to the specific expectations of Repsol stakeholders that the Company should plan how to control potential accidental events in its operations.
INDICATOR	Number of emergency response plans updated.

Risk management

ACTION	Update studies on safety at assets operated by Repsol in Bolivia.
DESCRIPTION	We will update the risk identification and minimization measures that could affect the security and safety of people, installations and the environment, in connection with assets operated by Repsol in Bolivia. We will apply corporate regulations on managing safety and environmental risk in industrial assets. These studies will be carried out between 2015 and 2016.
INDICATOR	Percentage of studies carried out.

ACTION	Design and implement a hazardous materials management plan for Repsol Bolivia operations.
DESCRIPTION	We will identify the environmental and safety aspects, initial successes and potential threats/dangers. We will evaluate these potential dangers and define control and recovery measures. To that end, an annual hazardous materials management plan will be issued and implemented.
INDICATOR	Percentage of activities carried out.

ACTION	Perform safety and environmental audits.
DESCRIPTION	We will systematically verify and document the implementation of Company regulations, as well as the Repsol Bolivia integrated management system requirements, in order to objectively verify compliance. To that end, we will design and implement an appropriate safety and environmental audit plan.
INDICATOR	Number of audits carried out.

Program 5

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 characterized by the performance of extractive or industrial activities in large installations. Therefore, it is necessary that companies identify options that enable them to prevent these impacts, minimize them when unavoidable and correct them.

These options include preventing and mitigating environmental risks and impacts through suitable control mechanisms, proper emergency management, operational efficiency, suitable management of water resources and waste, efficient use of materials, regulatory compliance and environmental management systems.

The program also addresses climate change, environmental and biodiversity protection, and the need to champion an environment-oriented culture and conduct through leadership, training, environmental communication and awareness, ensuring due diligence in our commercial relationships, including partner rating processes, audits and controls, training on the subject of environmental protection, and environmental communication and awareness campaigns, among others.

In order to respond to stakeholders' expectations on the Environment, the Repsol group has specific management systems which can be consulted on the corporate website **repsol.com**

Additionally, Repsol Bolivia has included six actions in the Plan to respond to some of these expectations.

-ACTIONS INCLUDED IN THE ENVIRONMENT PROGRAM AND A SUMMARY OF THE PRINCIPAL EXPECTATIONS THAT THEY RESPOND TO-

ENVIRONMENTAL PROGRAM	
<p>Expectation: Protect land as a basic resource for agricultural use.</p>	<p>Expectation: Develop projects aimed at safeguarding watersheds.</p>
<p>Expectation: Maximize impact prevention and mitigation measures in respect of water resources.</p>	<p>Expectation: Ensure compliance with technical and environmental regulations.</p>
<p>Expectation: Apply efficient biodiversity management measures.</p>	<p>Expectation: Create environmental damage prevention measures and measures to prevent impacts of climate change.</p>
<p>Expectation: Apply measures to recover the natural conditions that existed in the operations area before operations were launched, using all available technological resources.</p>	
<p>Actions included in the program:</p> <ol style="list-style-type: none"> 1. Complete the gap analysis of Repsol Bolivia's new seismic and drilling projects with respect to the Company's environmental requirements. 2. Complete the environmental, social and biodiversity baseline study and the biodiversity action plan for the Caipipendi area. 3. Implement Repsol Bolivia's Water Action Plan. 4. Begin the environmental, social and biodiversity baseline study and the biodiversity action plan for the Mamoré area. 5. Perform environmental audits on Repsol Bolivia assets. 6. Reduce emissions in well testing. 	

Specific information on each of the actions included in the Environment program of the current Plan is included in the tables below, alphabetically arranged by issue:

Biodiversity

ACTION	Complete the environmental, social and biodiversity baseline study and the biodiversity action plan for the Caipipendi area.
DESCRIPTION	We will complete the environmental, social and biodiversity baseline study begun in 2014 for the Caipipendi area (Margarita and Huacaya), applying the corporate regulations on managing biodiversity and evaluating environmental, social and health impacts. This will allow us to generate specific technical recommendations for improving socio-environmental management and to document biodiversity conservation needs.
INDICATOR	Study delivered at March 31, 2015.
ACTION	Begin the environmental, social and biodiversity baseline study and the biodiversity action plan for the Mamoré area.
DESCRIPTION	We will carry out the environmental, social and biodiversity baseline study for the Mamoré area (Surubí and Paloma), applying corporate regulations on managing biodiversity and evaluating environmental, social and health impacts. This will allow us to generate specific technical recommendations for improving the socio-environmental management and to document biodiversity conservation needs. The study will be carried out between 2015 and 2016.
INDICATOR	Progress according to the project time line.

Climate Change

ACTION	Reduce emissions in well testing.
DESCRIPTION	Our strategy encourages initiatives that reduce energy use over the entire life cycle of our activities and therefore lower greenhouse gas (GHG) emissions. Before a well enters production stage, it must be tested (production tests). During the test, a significant amount of gas is burned, with the resulting GHG emissions. We will implement a project to reduce such emissions during tests, whereby we recover the gas that in normal operating conditions would be burned and emitted in the atmosphere.
INDICATOR	External verification of reduced emissions.

Culture and management

ACTION	Complete the gap analysis of Repsol Bolivia's new seismic and drilling projects, with respect to the Company's environmental requirements.
DESCRIPTION	We will complete the gap analysis with respect to the minimum environmental requirements set by the Company, for all new seismic and drilling projects in 2015. The aim is to verify performance of projects with respect to these requirements.
INDICATOR	Number of gap analyses presented compared to the total number of seismic and drilling projects completed at December 31, 2015.

Operating efficiency

ACTION	Implement Repsol Bolivia's Water Action Plan.
DESCRIPTION	We will carry out the actions foreseen in the five-year Water Action Plan, corresponding to the first year of implementation. These actions are aimed at improving management of this resource within our activity.
INDICATOR	Stage of completion of the Water Action Plan.
ACTION	Perform environmental audits on Repsol Bolivia assets.
DESCRIPTION	We will perform environmental audits on assets in Surubí, Monteagudo, Cambeiti and Caipipendi. The purpose of the audits is to reassess the impacts of past projects and characterize environmental liabilities. Audits to be completed between 2015 and 2016.
INDICATOR	Progress according to the project time line.

Program 6

Fair operating practices: Value chain

Fair operating practices refer to how companies conduct their business with other parties, including partners, suppliers, contractors, clients, competitors, associations to which they belong, and government agencies and departments. They are essentially a measure of how ethical a Company is in its business with other companies.

The Company must attempt to ensure that these relationships are fair, integrating ethical, social and environmental concerns into its purchasing, distribution and recruitment policies; properly monitoring companies with which it has dealings, providing possible support to small and medium-sized enterprises to reach socially responsible objectives, and having proper procurement practices, fair prices, suitable delivery timeframes and stable contracts.

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

Additionally, as part of the Sustainability Plan for Repsol Bolivia, the Company has included another six actions in this subject to respond to some of the expectations mentioned, as indicated below.

-ACTIONS INCLUDED IN THE FAIR OPERATING PRACTICES: VALUE CHAIN PROGRAM AND A SUMMARY OF THE PRINCIPAL EXPECTATIONS THAT CONTRIBUTE TO RESPONDING TO THEM-

FAIR OPERATING PRACTICES PROGRAM: VALUE CHAIN

Expectation:

Actively participate in raising awareness in partner organizations regarding CSR issues.

Expectation:

Ensure that third parties contracted are legitimate, reliable and respected companies, and that they have appropriate environmental and social management systems.

Expectation:

Ensure compliance with the highest social, environmental and ethical standards throughout the supply chain, through ongoing monitoring.

Actions included in the program:

1. Continue with the evaluations of contractor service quality, as a formal mechanism for encouraging ongoing improvement in service provision and the development of suppliers.
2. Maintain two-way communication with suppliers in order to agree on contractual service provision models with specific corporate social responsibility clauses.
3. Identify the differences between YPFB Andina's corporate social responsibility practices and those of Repsol Bolivia, in order to bring them into alignment.
4. Promote corporate social responsibility among Repsol Bolivia business unit contractors.
5. Propose coordination and control actions in Repsol Bolivia, in order to ensure that contracting or subcontracting is only done with legally-recognized organizations that meet statutory employment responsibilities.
6. Carry out a contract holders' training program regarding second-tier contract obligations.

Specific information on each of the actions included in the Fair Operating Practices: Value Chain program of this plan is included in the tables below, alphabetically arranged by issue:

Partners

ACTION	Identify the differences between YPFB Andina's corporate social responsibility practices and those of Repsol Bolivia, in order to bring them into alignment.
DESCRIPTION	We will perform a diagnostic assessment of the corporate social responsibility situation at YPFB Andina. We will identify any differences between YPFB Andina's corporate social responsibility practices and those of Repsol Bolivia.
INDICATOR	Diagnostic report.

Suppliers and contractors

ACTION	Continue with the evaluations of contractor service quality, as a formal mechanism for encouraging ongoing improvement in service provision and the development of suppliers.
DESCRIPTION	We will identify the relevant services for which we will hold quality meetings. At these meetings, we will suggest to contractors areas for improvement in respect of the services received, allowing them to identify potential problems and implement specific action plans.
INDICATOR	Number of meetings held.

ACTION **Maintain two-way communication with suppliers in order to agree on contractual service provision models with specific corporate social responsibility clauses.**

DESCRIPTION As actions pending from the 2013-2014 Sustainability Plan, once the new contractual models with specific corporate social responsibility clauses are approved, we will clarify any doubts or questions thereon. In certain cases, we will adjust the contractual stipulations to reflect particular aspects of the service to be contracted.

INDICATOR Number of contractors with observations.

ACTION **Promote corporate social responsibility among Repsol Bolivia business unit contractors.**

DESCRIPTION We will distribute Repsol's corporate social responsibility policies, thereby instilling this type of knowledge in our suppliers.

INDICATOR Celebration of the event.

ACTION	Propose coordination and control actions in Repsol Bolivia, in order to ensure that contracting or subcontracting is only done with legally-recognized organizations that meet statutory employment responsibilities.
DESCRIPTION	We will shore up our verification of compliance with labor requirements among suppliers and contractors, through the internal Contract Compliance function. We will incorporate clauses that require and/or reinforce the mandatory nature of labor compliance into our personnel service contracts. The internal areas involved will liaise with the Contract Compliance area to shore up verification and authorization of legally-recognized companies that meet statutory employment requirements.
INDICATOR	80% of contacts reviewed and compliance verified by December 31, 2015.
ACTION	Carry out a contract holders' training program regarding second-tier contract obligations.
DESCRIPTION	We will hold training sessions for Repsol Bolivia business unit contract holders regarding the second-tier aspects of contracts for which they are responsible, where these aspects impact labor issues such as compliance with contractor obligations as employers.
INDICATOR	Number of sessions held.

Program 7

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 organization's activities might generate.

Similarly, by actively involving and developing the local community the Company can become an asset serving society and the community, although in this process the community frequently raises different and sometimes opposing interests, which the Company must weigh up together. Shared responsibility is needed to promote the community's well-being as a common goal. The Company must liaise with the different groups representing the community to establish priorities for its social investment, with particular attention paid to vulnerable groups.

Companies can help boost local development by creating jobs, improving relations with public authorities, enhancing the capacities and opportunities of local suppliers, and rolling out cultural, healthcare, social and environmental initiatives and programs.

In order to meet the expectations of its stakeholders on the subject of community involvement and development, the Repsol group has specific management systems in place which can be consulted on the corporate website **repsol.com**

Additionally, this edition of the Sustainability Plan includes nine actions in the area of Community involvement and development. These enable us to respond to the principal expectations of the Company's stakeholders, as indicated below.

-ACTIONS INCLUDED IN THE COMMUNITY INVOLVEMENT AND DEVELOPMENT PROGRAM AND A SUMMARY OF THE PRINCIPAL EXPECTATIONS THAT CONTRIBUTE TO RESPONDING TO THEM-

COMUNITY INVOLVEMENT AND DEVELOPMENT PROGRAM

Expectation:

Provide sustainable, long-term social support for local communities.

Expectation:

Continue investing in social welfare programs. Help build projects that stimulate local community development.

Expectation:

Implement channels that allow society to express its concerns to the company regarding its activities, specifically on environmental matters.

Expectation:

Encourage proactive, two-way communication with local communities on matters that may constitute a concern for those communities.

Expectation:

Encourage the positive contribution that multinational enterprises can make to economic and social progress and minimize and resolve the difficulties to which their various operations may give rise.

Expectation:

Create close ties and develop alliances with the national academic arena.

Actions included in the program:

1. Train small and medium-sized Repsol contractors in the areas of budget, budgetary control and project control.
2. Collaborate with academic institutions in research projects in the areas of influence of Repsol's activities in Bolivia.
3. Create, formalize and launch the Repsol Bolivia business unit corporate volunteering plan.
4. Disseminate information on performance in monitoring the indigenous social and environmental situation to organizations concerned with indigenous issues Political authorities and different cooperation and skill-building agencies.
5. Prepare a model clause promoting the contracting of services from people and/or companies from the areas of influence of our operations.
6. Incorporate and quantify, in new service contracts, clauses that propose contracting and/or using resources from the area of influence of the operations contract.
7. Formally inform the community, on a half-yearly basis, of the risks entailed in projects carried out in their areas.
8. Optimize Repsol Bolivia's social investment projects in order to respond to the development needs of local communities.
9. Directly receive complaints and suggestions submitted by communities and provide an adequate response.

Specific information on each of the actions included in the Community involvement and development program of this plan is included in the tables below, alphabetically arranged by issue:

Community involvement and dialogue

ACTION	Disseminate information on performance in monitoring the indigenous social and environmental situation to organizations concerned with indigenous issues. Political authorities and different cooperation and skill-building agencies.
DESCRIPTION	We will disseminate the participative evaluation study on the indigenous social and environmental monitoring project in several different scenarios, and primarily aimed at the groups identified in the Communications Plan.
INDICATOR	Distribution to 10 target groups.
ACTION	Formally inform the community, on a half-yearly basis, of the risks entailed in projects carried out in their areas.
DESCRIPTION	We will carry out actions to raise awareness and communication with communities adjacent to operation areas, regarding the risks identified in the projects being carried out.
INDICATOR	Two meetings per year in the operations area.

ACTION	Directly receive complaints and suggestions submitted by communities and provide an adequate response.
DESCRIPTION	We will register and follow up on all claims and suggestions submitted by communities, our employees and contractors, applying the grievances management procedure set out in the Community Relations Management System. We will report grievances indicators in the Corporate Social Responsibility Report.
INDICATOR	Claims received / claims closed.

Innovation and R&D

ACTION	Collaborate with academic institutions in research projects in the areas of influence of Repsol's activities in Bolivia.
DESCRIPTION	We will collaborate with the Universidad Autónoma Juan Misael Saracho - Tarija in carrying out a scientific research project for validating growable species, specifically crops and fodder crops in the Puerto Margarita area.
INDICATOR	Study submitted.

Local content

ACTION	Train small and medium-size Repsol contractors in the areas of budget, budgetary control and project control.
DESCRIPTION	We will hold training sessions on how to prepare budgets, control budgets and control projects, so that the small and medium-sized companies rendering services to Repsol in Bolivia can develop internal systems to improve their administration and therefore the level and cost of services.
INDICATOR	Number of sessions held.
ACTION	Prepare a model clause promoting the contracting of services from people and/or companies from the areas of influence of our operations.
DESCRIPTION	We will prepare a model clause promoting the contracting of services from people and/or companies from the areas of influence of our operations. We will implement this clause in the contractual models applicable to the Repsol Bolivia business unit. We will adjust the model as necessary, in order to mainstream the interpretation throughout the contractual document.
INDICATOR	Clause drafted and implemented in contracts.

ACTION	Incorporate and quantify, in new service contracts, clauses that propose contracting and/or using resources from the area of influence of the operations contract.
DESCRIPTION	<p>We will define the number of contracts for incorporation and follow-up.</p> <p>We will identify the responsible party for each contract and contractor selected, and will provide them with training so they can fulfil their mandate.</p> <p>Each quarter, we will inform the chief manager, through the contractual responsible parties, on a quantified basis, of all actions carried out that involved contracting and/or using resources from the area of influence of the operations contract.</p> <p>We will validate, quantify as resources and/or in economic terms, and charge this use in the system, through the chief manager.</p>
INDICATOR	<ul style="list-style-type: none"> - Record of actions. - Amount and/or resources committed.

Social investment

ACTION	Create, formalize and launch the Repsol Bolivia business unit corporate volunteering plan.
DESCRIPTION	<p>In coordination with the Repsol Corporate Culture and People Development Division, we will carry out the necessary actions to create, formalize and launch the Repsol Bolivia corporate volunteering plan.</p>
INDICATOR	<p>Statutes approved and registered with the regional government authorities.</p>

ACTION	Optimize Repsol Bolivia's social investment projects in order to respond to the development needs of local communities.
DESCRIPTION	We will evaluate and monitor Repsol's social investment in Bolivia in order to identify and strengthen projects that align with commercial and local development demands and needs.
INDICATOR	Report presented to the Repsol Bolivia Corporate Social Responsibility Committee.

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.

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