



2013-2014

# Colombia Sustainability Plan

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## DISCLAIMER

The 2013-2014 Sustainability Plan for Colombia 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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## Vision of corporate responsibility and development of this Plan

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

In Repsol, we understand Corporate Responsibility as the contribution of major 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 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:

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

In addition, we have developed an *expectations study*, or relevant issues study, for the company's corporate-level stakeholders, based on the following sources:

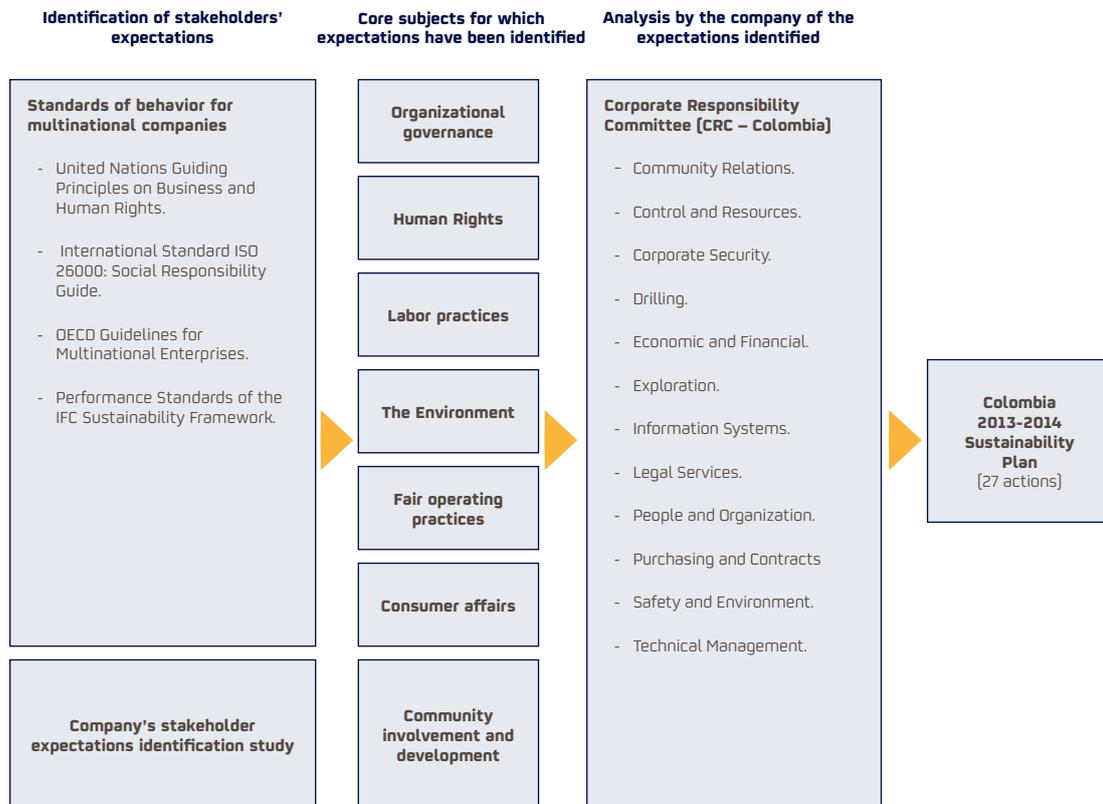
- Criteria for organizational governance and environmental and social management (ESG) that are formally used by institutional investors and asset managers considered by Repsol when choosing its investment portfolios.
- ESG proposals presented at shareholder annual meetings of major energy sector companies.
- Recent publications of the most influential international organizations in the field of ESG.
- Expectations of opinion-leaders regarding ESG that appear in selected international media.
- Expectations of other opinion-leaders and experts expressed during in-depth interviews granted for this study.

There are over 500 expectations taken from the four international standards and the expectations study. After an analysis and consolidation process the results were studied by Colombia's Corporate Responsibility Committee, which is chaired by Repsol's Business Unit Director in Colombia and formed by executive and managerial level representatives from the following businesses and corporate units in the country:

- Community Relations.
- Control and Resources.
- Corporate Security.
- Drilling.
- Economic and Financial.
- Exploration.
- Information Systems.
- Legal Services.
- People and Organization.
- Purchasing and Contracts.
- Safety and Environment.
- Technical Management.

This exercise has enabled us to formally and systematically introduce Colombian stakeholders' expectations 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 that analysis is this 2013-2014 Sustainability Plan, which is a public document. Its level of compliance will be evaluated annually and the results will be shared with the general public through an annual monitoring report.

This Plan contains 27 specific short-term actions (2013-2014) with their corresponding implementation indicators, grouped into seven programs that correspond to the seven core areas of corporate responsibility described by the 26000 International Standard: Social Responsibility Guide. These are the seven areas in which companies have the greatest ability to generate ethical, environmental and social impact.

As regards the programs, the areas of Active Labor Practices and Community Development include the greatest number of actions:

-Distribution of Colombia Sustainability Plan actions by program-

PROGRAM	Number of actions
Governance	3
Human Rights	4
Labor practices	6
Environment	3
Fair operating practices	4
Consumer affairs	0
Community involvement and development	7

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

One hundred percent of the actions included in this Plan are linked to the variable remuneration system for people who work at Repsol, making it an unequivocal commitment on the part of the company toward effectively maximizing its contribution to sustainable development.



## Stakeholder expectations and their corresponding actions in the plan

### Program 1

## Organizational 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.

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 three actions to the current Sustainability Plan in an attempt to strengthen its response to the principal expectations, as indicated below.

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

Governance program	
<p><b>Expectation:</b> Integrate CSR into the company's strategy in the country.</p>	<p><b>Expectation:</b> Have more transparent operations in the country, be more visible and provide the necessary and appropriate information on Repsol's operations to the company's stakeholders.</p>
<p><b>Actions included in the program:</b></p> <ol style="list-style-type: none"> <li>1. Inform authorities and local communities about Repsol's operations, policies and off-shore exploration projects in Colombia.</li> <li>2. Promote ongoing dialog with the general public, the media and Colombian opinion leaders to share Repsol's principles and corporate values.</li> <li>3. Disseminate the Ethics and Conduct Regulation to the Colombia Business Unit; this document establishes general guidelines to govern the actions of all employees.</li> </ol>	

- **Expectation: Have more transparent operations in the country, be more visible and provide the necessary and appropriate information on Repsol's operations to the company's stakeholders.**

Repsol has included two actions in this Sustainability Plan to increase the company's transparency and visibility to its stakeholders.

The first of them is to promote ongoing dialog with the *general public, the media and Colombian opinion leaders to share Repsol's principles and corporate values*. This is based on the company adopting an open-door policy to give rise to greater diffusion of information and even includes stakeholder tours of company facilities, among other initiatives.

This action will be supplemented by *informing authorities and local communities about Repsol's operations, policies and off-shore exploration projects in Colombia*.

Through this action the company will conduct diverse activities, mainly intended to inform the local community about the main impact of its operations, and will implement prevention and mitigation policies and actions with a view to new projects.

- **Expectation: Integrate CSR into the company's strategy in the country.**

The aligning of our professionals with the company's new values is a key aspect for the effective integration of Corporate Responsibility principles into Repsol's strategy.

In this regard the company has launched various initiatives in Colombia in recent years, to which it has added this new action in the context of the current Sustainability Plan.

It is aimed at *spreading the Ethics and Conduct Regulation to the Colombia Business Unit; this document establishes general guidelines to govern the actions of all employees*. It will serve to raise awareness among the entire staff about the need to incorporate the behaviors included in the regulation into their everyday lives, promoting an attitude change to align them with the new values and corporate culture.

Specific information on each of the actions included in the Governance program 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>Inform authorities and local communities about Repsol's operations, policies and off-shore exploration projects in Colombia.</b>
<b>DESCRIPTION</b>	Reinforce the transparency of our management through communications with authorities and local communities about the main impact of our operations, as well as our prevention and/or mitigation policies and actions.
<b>INDICATOR</b>	Number of meetings with authorities and local communities to present projects.
<b>YEAR OF IMPLEMENTATION</b>	2014
<b>ACTION</b>	<b>Promote ongoing dialog with the general public, the media and Colombian opinion leaders to share Repsol's principles and corporate values.</b>
<b>DESCRIPTION</b>	We will conduct meetings and/or tours for society to get to know our corporate responsibility commitments first-hand.
<b>INDICATOR</b>	Preparation of a semi-annual report with the opinions of participants.
<b>YEAR OF IMPLEMENTATION</b>	2014
<b>ACTION</b>	<b>Disseminate the Ethics and Conduct Regulation to the Colombia Business Unit; this document establishes general guidelines to govern the actions of all employees.</b>
<b>DESCRIPTION</b>	We will disseminate the Ethics and Conduct Regulation to all Repsol employees. We will promote a change in attitude and conduct among employees in order to align them with the Repsol values and culture.
<b>INDICATOR</b>	Communication plan and action plan.
<b>YEAR OF IMPLEMENTATION</b>	2014

## Program 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 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.

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, four 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 program and a summary of the principal expectations that contribute to respond to them -

Human Rights Program	
<p><b>Expectation:</b> Include an assessment of the actual and potential impact of activities on human rights.</p>	<p><b>Expectation:</b> Minimize risks arising from the employment of security personnel to provide security services for operations, also ensuring that they comply with standards.</p>
<p><b>Expectation:</b> Provide adequate training for all staff (employees, contractors and subcontractors) on adherence to human rights regulations.</p>	
<p><b>Actions included in the program:</b></p> <ol style="list-style-type: none"> <li>1. Evaluate the impact of our activities on human rights in the Camuro 3D Oriental Sur seismic project.</li> <li>2. Provide training to Repsol Exploración Colombia employees on the Voluntary Principles on Security and Human Rights.</li> <li>3. Negotiate security cooperation agreements with the Colombian Ministry of Defense in order to ensure the operation and viability of Repsol Exploración Colombia projects.</li> <li>4. Formally apply for Repsol Exploración Colombia's membership in the CME.</li> </ol>	

- **Expectation: Include an assessment of the actual and potential impact of activities on human rights.**

The assessment of the potential impact of our activities on human rights is one of the first actions in the due diligence process necessary to prevent the impact itself.

Therefore the company has included an action to this end in the *Sustainability Plan*, consisting of assessing the impact of our activities on human rights in the *Camuro 3D Oriental Sur seismic project*.

This action will consist of conducting a study on the aforementioned project, implementing the corporate regulations on Assessing Environmental, Social and Health Impact.

- **Expectation: Properly train employees in adherence to human rights regulations.**

The conduct of employees who operate on behalf of the company must maintain a high level of sensitivity from the point of view of preventing possible human rights impacts.

Therefore, in parallel with the rest of the company's operational systems in this area, Repsol Repsol has included a new action in this Plan in order to *train Repsol Exploración Colombia employees on the Voluntary Principles on Security and Human Rights*.

- **Expectation: Minimize the risks arising from the employment of security personnel to provide security services for operations, also ensuring that they comply with international benchmark standards.**

The conduct of public and private security forces in protecting facilities is also vulnerable to several human rights risks.

Therefore Repsol's Plan includes several actions in this area, fundamentally aimed at ensuring that subcontracted security personnel operate in accordance with applicable regulations, and secondly encouraging the company's participation in benchmark initiatives in this area.

*Repsol has included an action to work specifically with the Colombian Ministry of Defense to formalize the safety cooperation agreements required to ensure the operation and viability of projects.*

Moreover, the company will boost its participation in national benchmark initiatives in promoting the Voluntary Principles on Security and Human Rights (VPSHR) in the country, such as the CME. During the monitoring phase of this Plan *Repsol Exploración Colombia will formally request membership in the CME.*

Specific information on each of the actions included in the Human Rights program 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>Evaluate the impact of our activities on human rights in the Camuro 3D Oriental Sur seismic project.</b>
<b>DESCRIPTION</b>	We will assess the human rights impact of the Camuro 3D Oriental Sur seismic project that the Colombia Business Unit plans to build by implementing the corporate regulation Environmental, social and health impact assessment.
<b>INDICATOR</b>	Human rights impact assessment study conducted.
<b>YEAR OF IMPLEMENTATION</b>	2014

<b>ACTION</b>	<b>Provide training to Repsol Exploración Colombia employees on the Voluntary Principles on Security and Human Rights.</b>
<b>DESCRIPTION</b>	In 2014 we will continue training Repsol's in-house personnel and external services.
<b>INDICATOR</b>	One hundred percent of Repsol's in-house personnel and external services trained.
<b>YEAR OF IMPLEMENTATION</b>	2014

ACTION	<b>Negotiate security cooperation agreements with the Colombian Ministry of Defense in order to ensure the operation and viability of Repsol Exploración Colombia projects.</b>
DESCRIPTION	We will formalize cooperation agreements with law enforcement to ensure the security of operations in which there are threats to public order in Colombia.
INDICATOR	- Draw up a procedure in the Colombia Business Unit to formalize agreements with law enforcement.
YEAR OF IMPLEMENTATION	2014

ACTION	<b>Formally apply for Repsol Exploración Colombia's membership in the CME.</b>
DESCRIPTION	<p>We will carry out the necessary actions at the internal Colombia Business Unit level to make the formal request for membership to the CME.</p> <p>The CME is a group under the national government whose mission is to "Advocate for the best performance of the private sector and Colombian state institutions on human rights, and promote the implementation of the Voluntary Principles on Security."</p>
INDICATOR	Repsol Exploración Colombia made a member of the CME.
YEAR OF IMPLEMENTATION	2014

## 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 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.

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

Furthermore, six individual actions have also been assigned to this subject 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 Labour practices program and a summary of the principal expectations that contribute to respond to them-

Labor practice program	
<p><b>Expectation:</b> Seek to eliminate the negative health impacts of any production process or of the products provided by the organization.</p>	<p><b>Expectation:</b> Align promotions and salary increases to the results of the performance evaluation processes.</p>
<p><b>Expectation:</b> Promote consultation and cooperation between employers, workers and their representatives on matters of mutual interest.</p>	<p><b>Expectation:</b> Implement specific programs for professional development.</p>
<p><b>Expectation:</b> Promote employees' knowledge of and compliance with company policies by disseminating them appropriately.</p>	
<p><b>Actions included in the program:</b></p> <ol style="list-style-type: none"> <li>1. Develop road safety awareness among our own staff and external services through a road safety plan for Repsol Exploración Colombia.</li> <li>2. Establish an improvement plan for the compensation and benefits model for Repsol Exploración Colombia staff.</li> <li>3. Develop and implement a staff recognition model for the Colombia Business Unit.</li> <li>4. Draft and implement an improvement action plan for employees of the Colombia Business Unit derived from the 2014 work climate study.</li> <li>5. Draft and implement development plans for Colombia Business Unit staff.</li> <li>6. Promote knowledge and innovation through proper diffusion of lessons learned in the Organization.</li> </ol>	

- **Expectation: Seek to eliminate the negative impacts on health of any production process or of the products provided by the organization.**

One of the principal repercussions of the company's projects in areas where it operates is a significant increase in the volume of traffic.

Therefore, with the aim of minimizing accident rates, Repsol will carry out an action to develop road safety awareness among people who travel in the project areas.

The action will consist of *drawing up a ground transport regulation that includes the risks and characteristics of the country's roads and generates a management mechanism to reduce the accident rate among in-house and external personnel.*

- **Expectation: Align promotions and salary increases to the results of the performance evaluation processes.**

Aligning the promotion and salary increase processes is one of the issues that was highlighted in the latest work climate surveys conducted by the company.

In this context, this Plan includes two actions specifically aimed at this goal, consisting of improving the compensation and recognition model for employees of Repsol Colombia.

The actions will consist of *establishing an improvement plan for the compensation and benefits model for Repsol Exploración Colombia staff and developing and implementing a recognition model for staff of the Business Unit.*

- **Expectation: Promote consultation and cooperation between employers, workers and their representatives on matters of mutual interest.**

In the area of consultation and cooperation between employees and workers on matters of mutual interest, the action established by the company will consist of *drawing up improvement plans for Colombia employees derived from the results of the work climate study.*

Each of them will contain specific measures based on the opinions given by workers on key aspects of their relationship with the company.

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

Repsol will continue in its commitment to the professional development of its staff through implementing an action aimed at *drawing up and implementing development plans for staff of the Business Unit.* These plans will be implemented in line with each employee's profile as well as the specific needs of the business at all times.

- **Expectation: Promote employees' knowledge of, and compliance with company policies by disseminating them appropriately.**

In 2014 Repsol will implement an action aimed at *promoting knowledge and innovation through the proper dissemination of lessons learned in the Organization.*

It thus fulfills the expectation to promote its knowledge and compliance as a way to transform and improve its ways of working, and align these with our values, with our own corporate objectives and with other key attitudes such as respect and anticipation.

Specific information on each of the actions included in the Labor Practices Program 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 road safety awareness among our own personnel and external services through a road safety plan for Repsol Exploración Colombia.</b>
<b>DESCRIPTION</b>	<p>We will draw up a ground transport regulation that includes the risks and characteristics of the country's roads and generates a management mechanism to reduce the accident rate among in-house and external personnel. It will also contain a section on vehicle use by communities in remote areas of the operation.</p> <p>We will also provide theoretical and practical training on the new regulation.</p>
<b>INDICATOR</b>	Approval of the Ground Transport Standard.
<b>YEAR OF IMPLEMENTATION</b>	2014
<b>ACTION</b>	<b>Establish an improvement plan for the compensation and benefits model for Repsol Exploración Colombia staff.</b>
<b>DESCRIPTION</b>	We will conduct an analysis of companies in the country's oil and gas sector to identify best practices and develop a plan to implement them in the company.
<b>INDICATOR</b>	<ul style="list-style-type: none"> <li>- Result of the climate survey in this area.</li> <li>- Presentation of the improvement plan.</li> </ul>
<b>YEAR OF IMPLEMENTATION</b>	2014

<b>ACTION</b>	<b>Develop and implement a staff recognition model for the Colombia Business Unit.</b>
<b>DESCRIPTION</b>	We will develop an action plan aimed at recognizing and highlighting outstanding performance and staff initiatives that lead to improved working conditions and business unit results.
<b>INDICATOR</b>	<ul style="list-style-type: none"> <li>- Implement the recognition model before April 30, 2014.</li> <li>- Plan the 90% of the recognition actions in 2014.</li> </ul>
<b>YEAR OF IMPLEMENTATION</b>	2014
<b>ACTION</b>	<b>Draft and implement an improvement action plan for employees of the Colombia Business Unit derived from the 2014 work climate study.</b>
<b>DESCRIPTION</b>	We will establish an action plan aimed at improving working conditions associated with work climate.
<b>INDICATOR</b>	Percentage progress in implementing the action plan, with a target of 80%.
<b>YEAR OF IMPLEMENTATION</b>	2014
<b>ACTION</b>	<b>Draft and implement development plans for Colombia Business Unit staff.</b>
<b>DESCRIPTION</b>	Unit managers and heads will work together to develop the training and development programs for staff, in line with their professional profiles and the needs of the business.
<b>INDICATOR</b>	<ul style="list-style-type: none"> <li>- Carried out for 100% of the Unit's staff with existing Individual Development Plans (IDP).</li> <li>- Comply with 80% of the actions included in the IDPs for 2014. [training activities, internships, new projects, etc.]</li> </ul>
<b>YEAR OF IMPLEMENTATION</b>	2014

**ACTION****Promote knowledge and innovation through proper diffusion of lessons learned in the organization.****DESCRIPTION**

We will promote knowledge, continuous improvement and innovation by sharing lessons learned among Repsol business units in order to improve their performance. This action will be brought to fruition through conducting joint workshops, in person or by video-conference, and sharing the lessons in collaborative environments [Knowhowse].

**INDICATOR**

Number of knowledge workshops conducted / number of lessons uploaded to the collaborative environment [Knowhowse].

**YEAR OF IMPLEMENTATION**

2014

## Program 4

# 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 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, minimize them when unavoidable and correct them.

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

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

-Actions included in the environment program and a summary of the principal expectations that they respond to-

Environmental Program		
<p><b>Expectation:</b> When making decisions, assess and take into account foreseeable impacts on the Environment, health and safety.</p>	<p><b>Expectation:</b> Have procedures to prevent, mitigate and remediate spills of fuel and other petroleum products.</p>	<p><b>Expectation:</b> Apply particularly demanding regulations and procedures for the protection of ecosystems during operations that are undertaken in biodiversity-rich areas.</p>
<p><b>Actions included in the program:</b></p> <ol style="list-style-type: none"> <li>1. Draw up environmental studies that provide information about the areas where we operate.</li> <li>2. Design a contingency plan to respond to marine leaks for Repsol Exploración Colombia's off-shore activities.</li> <li>3. Promote biodiversity protection through verification of the existence of deep-sea corals in the RC-11 block.</li> </ol>		

- **Expectation: When making decisions, assess and take into account foreseeable impacts on the Environment, health and safety.**

Minimizing environmental impact is a basic decision-making criterion for investments and building new Repsol facilities. So the company not only analyzes the possible repercussions of its operations before they begin, but also develops programs for each of its spheres of action that enable these risks to be minimized over time.

To do so in Colombia, the company *will conduct environmental studies not required by the law of the country to enable a better understanding of the inherent characteristics of the Guajira off-shore project in order to control and minimize its environmental impact.*

- **Expectation: Have procedures to prevent, mitigate and remediate spills of fuel and other petroleum products.**

In 2014, Repsol will make progress on *designing a contingency plan to respond to marine leaks for Repsol Exploración Colombia's off-shore activities.*

This action, aimed at reducing the risks that may be caused by the company's activity in the area of leaks, will include an assessment of a better leak detection system as well as an updated map of environmental awareness of the sea, the body of water that may be affected in the event of an oil spill in project operations.

- **Expectation: Apply particularly demanding regulations and procedures for the protection of ecosystems during operations that are undertaken in biodiversity-rich areas.**

A section of the operations where the company is involved is located near areas of great environmental sensitivity. Therefore, through this Plan Repsol will work on an action aimed at *strengthening biodiversity protection by verifying the existence of deep-sea coral in block RC-11.*

Specific information on each of the actions included in the environment program 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>Draw up environmental studies that provide information about the areas where we operate.</b>
DESCRIPTION	We will conduct environmental studies not required by the law of the country to enable a better understanding of the inherent characteristics of the area, generating knowledge for running the operation and developing the country.
INDICATOR	Drawing up of a general environmental characterization study of the Guajira Off-shore Block.
YEAR OF IMPLEMENTATION	2014
ACTION	<b>Design a contingency plan to respond to marine leaks for Repsol Exploración Colombia's off-shore activities.</b>
DESCRIPTION	We will draw up a contingency plan for responding to hydrocarbon oil spills, and develop an environmental sensibility map for all our activities in the Caribbean (various studies, seismic, drilling, etc.)
INDICATOR	Contingency plan document.
YEAR OF IMPLEMENTATION	2014
ACTION	<b>Promote biodiversity protection through verification of the existence of deep-sea corals in the RC-11 block</b>
DESCRIPTION	We will prepare a study to generate information and knowledge for the organization and the country in the event of the likely existence of the deep-sea coral identified in the Colombian Marine Research Institute's (INVEMAR) Geovisor tool.
INDICATOR	Submit the coral study to the Environmental Ministry's Marine and Coastal Ecosystem Division and INVEMAR to form part of Colombia's environmental information.
YEAR OF IMPLEMENTATION	2014

## Program 5

### Fair operating practices

Fair operating practices refer to the way in which organizations 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 defense of fair competition, maintaining responsible behavior, the respect of the right to property and, in general, the establishing of fair and transparent relationships with other organizations.

In order to respond to the company's stakeholders' expectations on 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 Colombia, the company has included another four actions in this subject to respond to some of the expectations mentioned, as indicated below.

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

Fair operating practice Program	
<p><b>Expectation:</b> Actively participate in raising awareness of CSR issues in the organizations with which the company operates.</p>	<p><b>Expectation:</b> Integrate ethical, social, environmental, gender-equality and health and safety criteria into the company's purchasing policies and practices.</p>
<p><b>Actions included in the program:</b></p> <ol style="list-style-type: none"> <li>1. Incorporate ethics and human rights issues into the supplier evaluation and approval process in Colombia.</li> <li>2. Incorporate ethical, social and environmental aspects related to Repsol's Corporate Responsibility standard into our partner relations on projects where we are not the operator (Ecopetrol, OXYCOL and Petrobras).</li> <li>3. Actively participate in the Colombian Petroleum Association (ACP) to contribute to developing better hydrocarbon industry standards in Colombia.</li> <li>4. Communicate Repsol's public commitments on corporate responsibility to Repsol lubricant distributors in Colombia.</li> </ol>	

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

In addition to the other initiatives and systems in operation in the company in this area, Repsol will fulfill this expectation through an additional action included in the Sustainability Plan.

It is aimed at *incorporating ethics and human rights issues into the supplier evaluation process for the Exploración Colombia business.*

These analyses will include aspects such as ethical behavior, respect for human rights and the Environment, and more specific issues related to working conditions, among other areas.

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

In 2014 Repsol will work to increase awareness in the organizations that make up its value chain through initiatives related to their training, awareness-raising and recognition of best practices. In this context, this Plan includes three specific actions.

The first action will consist of *incorporating ethical, social and environmental aspects related to Repsol's Corporate Responsibility standard into our partner relations on projects in which we participate but are not the operator [Ecopetrol, OXYCOL and Petrobras].*

To do so, Repsol will work together with its partners to analyze the most important content of the company's lines of action regarding ethics, social issues and the environment in order to suggest that they adapt their internal regulations to the main aspects and standards in ours.

Again, regarding the dissemination of corporate responsibility best practices, the company will redouble its efforts to provide its partners and industry peers with relevant information on the subject.

Specifically, it will implement an action aimed at *promoting improved CSR performance in the Colombia hydrocarbon industry through active participation in the Colombian Petroleum Association [ACP].*

Likewise, Repsol's third action *will inform its distribution partner about the commitments it has taken on in the area of corporate responsibility.*

Specific information on each of the actions included in the Fair operating practices program 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>Incorporate ethics and human rights issues into the supplier evaluation and approval process in Colombia.</b>
<b>DESCRIPTION</b>	We will incorporate ethics and human rights issues into the supplier performance evaluation process. We will evaluate the working conditions of their laborers, relating this to contract termination proceedings.
<b>INDICATOR</b>	- Number of supplier evaluations completed. - Number of termination proceedings included in this evaluation.
<b>YEAR OF IMPLEMENTATION</b>	2014

<b>ACTION</b>	<b>Incorporate ethical, social and environmental aspects related to Repsol's Corporate Responsibility standard into our partner relations on projects where we are not the operator (Ecopetrol, OXYCOL and Petrobras).</b>
<b>DESCRIPTION</b>	We will share the most relevant content of our lines of action for ethics, social issues and the Environment with our partners.
<b>INDICATOR</b>	Partner communication plan submitted to Unit Management.
<b>YEAR OF IMPLEMENTATION</b>	2014

<b>ACTION</b>	<b>Actively participate in the Colombian Petroleum Association [ACP] to contribute to developing better hydrocarbon industry standards in Colombia.</b>
<b>DESCRIPTION</b>	We will continue to actively participate in the Colombian Petroleum Association, seeking to share industry best practices on safety, the Environment and/or community relations with other operators in Colombia.
<b>INDICATOR</b>	Number of meetings and their minutes.
<b>YEAR OF IMPLEMENTATION</b>	2014

<b>ACTION</b>	<b>Communicate Repsol's public commitments on corporate responsibility to Repsol lubricant distributors in Colombia</b>
<b>DESCRIPTION</b>	Publish the company's public commitments on corporate responsibility to authorized Repsol lubricant distributors in Colombia. These include the Ethics and Conduct Regulation, the Policy on Respect for Human Rights, the Safety and Environment Policy, the Anti-Corruption Policy, etc.
<b>INDICATOR</b>	Number of communications made and description of the communication.
<b>YEAR OF IMPLEMENTATION</b>	2014

## Program 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 organization's activities might generate.

Equally, the involvement in and development of the community indicate that the company is converting itself into a social good for the same, although, in this process, often very different community interests exist, even conflicting ones, that the company has to evaluate together.

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

Additionally, this Sustainability Plan includes seven 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 respond to them-

Community involvement and development program		
<p><b>Expectation:</b> Strengthen the community development programs related with improving the health of local communities.</p>	<p><b>Expectation:</b> Stimulate the generation of local capacities through close cooperation with the local community, including local business sectors.</p>	<p><b>Expectation:</b> Maintain transparent relations with local communities, through the disclosure of key information and the preparation of periodic reports.</p>
<p><b>Expectation:</b> Consult with the community's representative groups to determine the priorities for social investment and activities for community development.</p>	<p><b>Expectation:</b> Implement and maintain a procedure for managing external communications and complaints from the community.</p>	<p><b>Expectation:</b> Promote and support all levels of education and become involved in actions to improve access to education and the quality thereof.</p>
<p><b>Actions included in the program:</b></p> <ol style="list-style-type: none"> <li>1. Contribute to improving the health conditions of residents of indigenous communities present in the area of influence of the RC 12 Camuro Oriental project.</li> <li>2. Promote the development of local suppliers in the area of influence of Repsol's exploratory operations in Colombia.</li> <li>3. Adapt the Colombia Business Unit's organizational structure to the requirements of Repsol's policy on relations with communities and indigenous communities.</li> <li>4. Inform fishing communities of the operations to be carried out as part of the RC 12 Camuro Oriental project.</li> <li>5. Draw up social investment plans with the direct, active participation of the communities influenced by the RC 12 Camuro Oriental project.</li> <li>6. Design a procedure to support the creation of a mechanism to systematically receive complaints.</li> <li>7. Encourage collaboration with universities and technical institutions on educational and cultural issues.</li> </ol>		

- **Expectation: Strengthen the community development programs related to improving the health of local communities.**

One of the principal areas in which the company cooperates with the local communities of its operations is in the improvement of health.

In the context of the Plan, Repsol has included one action targeted at this goal, consisting of *conducting a campaign to provide eye examinations for members of the Wayuu communities present in the area of influence of the RC 12 Camuro Oriental project.*

- **Expectation: Stimulate the generation of local capacities through close cooperation with the local community, including local business sectors.**

In the context of this expectation, Repsol will undertake an action aimed at *boosting the capacities of local suppliers who could provide services within the area of influence of its exploratory projects in Colombia.*

- **Expectation: Maintain transparent relations with local communities, through the disclosure of key information and the preparation of periodic reports.**

The company will conduct several initiatives aimed at strengthening communication on issues related to the sustainability of its activities. To do so, it will *inform fishing communities of the operations to be carried out as part of the RC 12 Camuro Oriental project.*

To put this into motion, the company will design and publish informational brochures in Spanish and Wayuunaiki aimed at indigenous communities.

- **Expectation: Consult with the community's representative groups to determine the priorities for social investment and activities for community development.**

In order to adapt its social investment programs to the actual needs of the community, Repsol will undertake an action in 2014 aimed at *adapting its investment in social programs to expectations regarding the local environment of the RC 12 Camuro Oriental project.*

This action will include reviewing social investment plans with the active, direct participation of impacted communities.

- **Expectation: Implement and maintain a procedure for managing external communications and complaints from the community.**

The correct handling of communications is essential when it comes to achieving proper management of local community relations.

Repsol, through one of the actions included in the Plan, will *design a procedure to collect the complaints formulated by stakeholders first hand, and give them an adequate response.*

Moreover, the company has included a second action in the Plan in the context of *establishing relationship processes and handling communications with the local community. It will consist of adapting the Colombia Business Unit's organizational structure for community relations to the requirements of Repsol's policy on relations with communities and indigenous communities.*

- **Expectation: Promote and support all levels of education and become involved in actions to improve access to education and the quality thereof.**

In addition to the other initiatives already put into motion by the company, Repsol will work in the framework of its 2013-2014 Sustainability Plan to encourage collaboration with academia by developing institutional collaboration plans with public universities on educational and cultural issues.

To do so, the company will *identify universities and technical institutes that require their students to do internships prior to graduation and try to get them to do them at Repsol Exploración Colombia.*

Specific information on each of the actions included in this program 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>Contribute to improving the health conditions of residents of indigenous communities present in the area of influence of the RC 12 Camuro Oriental project.</b>
DESCRIPTION	In coordination with the Repsol Foundation and the "Ruta de la Luz" campaign, we will conduct a campaign to provide eye examinations to members of Wayuu communities (children, adults and fishermen) who are present in the area of influence of the 3D seismic acquisition project in block RC 12 Camuro Oriental.
INDICATOR	Number of examinations given.
YEAR OF IMPLEMENTATION	2013

ACTION	<b>Promote the development of local suppliers in the area of influence of Repsol's exploratory operations in Colombia.</b>
DESCRIPTION	Promote the development of local suppliers who could provide services in the area of influence of exploratory projects in Colombia.
INDICATOR	Number of local suppliers in the area of influence.
YEAR OF IMPLEMENTATION	2014
<b>ACTION</b>	<b>Adapt the Colombia Business Unit's organizational structure to the requirements of Repsol's policy on relations with communities and indigenous communities.</b>
DESCRIPTION	We will eliminate the social management outsourcing role by adapting Colombia's organizational structure.
INDICATOR	IHiring of a social manager to the Repsol Exploración Colombia staff.
YEAR OF IMPLEMENTATION	2014
<b>ACTION</b>	<b>Inform fishing communities of the operations to be carried out as part of the RC 12 Camuro Oriental project.</b>
DESCRIPTION	We will design and publish informational brochures in Spanish and Wayuunaiki aimed at indigenous communities, notifying them of restrictions on movements and precautions to be taken during the seismic acquisition operation.
INDICATOR	<ul style="list-style-type: none"> <li>- Number of brochures designed, translated into Wayuunaiki, printed and handed out to fishermen.</li> <li>- Number of bulletins broadcast by the community radio station in the area of influence of the RC 12 Camuro Oriental project.</li> </ul>
YEAR OF IMPLEMENTATION	2014

ACTION	<b>Draw up social investment plans with the direct, active participation of the communities influenced by the RC 12 Camuro Oriental project.</b>
DESCRIPTION	We will conduct working days with indigenous communities in the area of influence of the RC 12 Camuro Oriental project to identify and prioritize community-benefit projects.
INDICATOR	- Number of meetings held. - Number of projects formulated and prioritized.
YEAR OF IMPLEMENTATION	2014

ACTION	<b>Design a procedure to support the creation of a mechanism to systematically receive complaints.</b>
DESCRIPTION	We will draw up a procedure to log and respond to complaints, claims, questions and suggestions made by stakeholders (communities, contractors, employees, civil society, etc.) of Repsol Exploración Colombia projects.
INDICATOR	Procedure developed.
YEAR OF IMPLEMENTATION	2014

ACTION	<b>Encourage collaboration with universities and technical institutions on educational and cultural issues.</b>
DESCRIPTION	We will identify universities and technical institutes that require their students to get internships prior to graduation, so that we may help them to these at Repsol Exploración Colombia.
INDICATOR	Number of internships done at Repsol Exploración Colombia.
YEAR OF IMPLEMENTATION	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.

