pluspetrol

# Sustainability Report 2018

**INSTITUTIONAL**

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## LETTER FROM THE CEO

GRI 102-14

We are still firmly focused on our growth, with challenging projects that invite us to tap into our full potential. That is why we continue to work on management excellence, within a culture based on leadership and communication, towards a growth that prioritizes safety, the efficient use of resources, the relationship with the community and the preservation of the environment.

2018 was a year of great progress and challenges that reflect Pluspetrol's commitment with growth, and with the promotion of sustainable development through a responsible corporate behavior.

To reinforce our ethics and transparency model, the Board approved the creation of the Directorate of Internal Audit and Compliance, with the goal of formalizing a management system that could anticipate, detect and resolve cases of bribery and/or corruption.

For over 40 years, Pluspetrol's values have synthesized our identity and beliefs, defining us as a persistent and competitive company, always steering towards excellence and continuous improvement. In that sense, being guided by integrity and good practices in our decisions and behavior became an essential corporate value to achieve growth through an ethical and consistent conduct.

In order to guarantee safety, integrity and efficiency in our facilities and processes, during 2018, we defined a Process Safety Management Framework, boosted by the interdisciplinary work of all areas, and by a sustained commitment to consolidate risk management as a key element in the long-term growth and sustainability strategy.

We are still committed to the development of an integral management of our business that includes economic, social and environmental aspects of the operations for the decision-making process, balancing short and long-term interests in order to create shared value for the Company and our stakeholders.

I am proud to present the 11th Pluspetrol Sustainability Report, which shares the Company's management performance during 2018, in terms of sustainability.

**Claudio de Diego**
CEO

# ABOUT PLUSPETROL

## COMPANY PROFILE

GRI 102-1, 102-2, 102-3, 102-5, 102-6, 102-7, OG1

**WE ARE A PRIVATE, INTERNATIONAL AND INDEPENDENT COMPANY WITH OVER 40 YEARS' EXPERIENCE IN HYDROCARBON EXPLORATION AND PRODUCTION. OUR BUSINESS IS THE DEVELOPMENT OF GREAT GAS FIELDS, EXTRACTION OF HEAVY CRUDE OIL, DEVELOPMENT OF MATURE SITES AND MARGINAL AREAS WITH SECONDARY RECOVERY, AS WELL AS THE DEVELOPMENT OF NON CONVENTIONAL HYDROCARBONS.**

**EVERY DAY WE STRIVE TO REACH THE OBJECTIVES OF GROWTH AND SUSTAINABILITY WITH A LONG-TERM VISION. CURRENTLY, WE FOSTER ENERGY DEVELOPMENT AT INTERNATIONAL LEVEL, WITH OUR PRESENCE IN ANGOLA, ARGENTINA, BOLIVIA, COLOMBIA, UNITED STATES, NETHERLANDS, PERU, SURINAME AND URUGUAY.**

**ON THIS PATH, WE EXERCISE CREATIVITY AND COMMITMENT TO FACE THE COMPLEXITIES OF EACH OPERATION, AND WE REINFORCE INNOVATION AND MANAGEMENT CAPABILITIES TO CONDUCT BUSINESS.**

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

40 **+40**

YEARS IN THE INDUSTRY

**1,775**

DIRECT COLLABORATORS

**147**

MMBOE[1] OF TOTAL OPERATED PRODUCTION

**1,144**

MMCSF/D[2] OF GAS PRODUCTION

**108**

MBBL/D OF LIQUIDS PRODUCTION

### CLIENTS

- OIL REFINERIES
- NATURAL GAS DISTRIBUTORS
- ELECTRIC ENERGY GENERATORS
- NATURAL GAS LIQUEFACTION PLANTS
- LPG FRACTIONAL INDUSTRIES

### PRODUCTS

- CRUDE OIL
- NATURAL GAS
- LPG (PROPANE AND BUTANE)
- OTHER NATURAL GAS LIQUIDS (MIDDLE DISTILLATES AND FUEL)

Pluspetrol Resources Corporation B.V. is the parent company.
Legal form: Dutch- closed Stock company

NETHERLANDS
AMSTERDAM
HEADOFFICE

ANGOLA
OIL EXPLORATION AND PRODUCTION

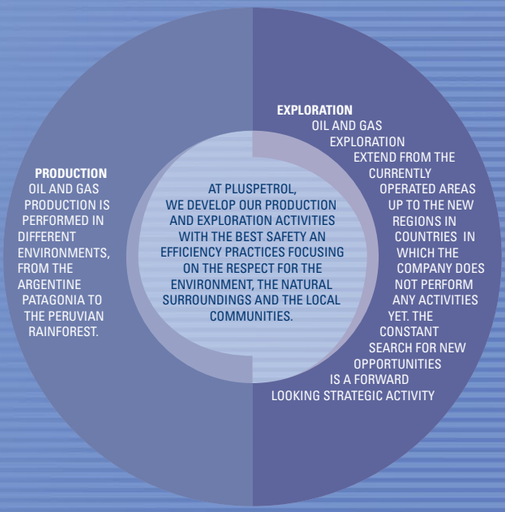
**References**

- Offices
- Exploration
- Production
- NGLFP
- Sub-Andean bases

## AREAS OF OPERATION

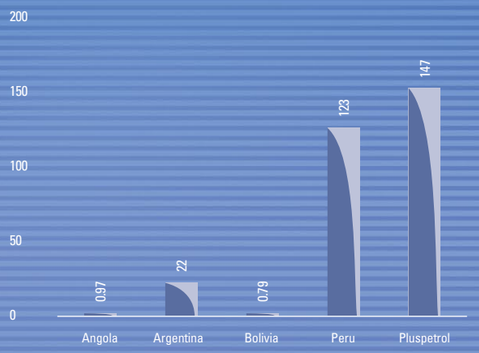
GRI 102-4

The scope of this Report includes all the areas operated by the Company in Angola, Argentina, Bolivia and Peru.

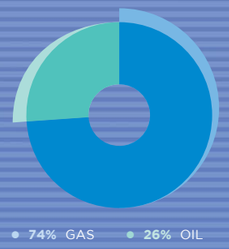



**ACTIVITIES AND RESULTS**

**2018 LIQUIDS AND GAS PRODUCTION BY COUNTRY (MMBOE)**




**PLUSPETROL'S NET 2P RESERVES (PROVED AND PROBABLE) 723 MMBOE**




1. 1 MMBOE = 1,000,000 BOE.
2. 1 MMSCF = 182.9 BOE.

# GOVERNANCE

GRI 102-16; 102-18

ONE OF THE MAIN OBJECTIVES OF OUR CORPORATE GOVERNANCE SYSTEM IS TO STRENGTHEN THE ORGANIZATION'S STRATEGIC CAPABILITY AND APPROACH, FOCUSING ON THE BUSINESS' SUSTAINABLE DEVELOPMENT, BOTH ON THE IMMEDIATE CONTEXT AND THE LONG-TERM CONTEXT. IN ORDER TO ACHIEVE THIS, PLUSPETROL'S DIFFERENT EXECUTIVE BODIES ACT SUPPORTED BY THE PILLAR OF TRANSPARENCY, ETHICS AND INTEGRITY, EITHER TO GUIDE THE STRUCTURE AND FUNCTIONING OF ALL OF THE COMPANY AREAS, AND SET FORTH THE STRATEGIC AND OPERATIONAL PLANS.

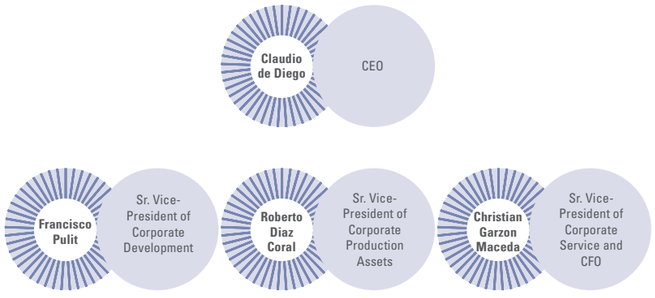
## CORPORATE GOVERNANCE

### Board of Directors

Our Corporate Governance is headed by the Board of Directors, the body that set the Company's goals and strategic pillars, supervises internal management and evaluates the organizational performance. It is formed by three independent members, appointed by the Shareholders' Meeting.

### Executive Committee

The Executive Committee is responsible for the alignment of the Company's different projects with the corporate strategy. Additionally, it facilitates communication between different sectors and with collaborators. It is chaired by the Executive Director and other three Senior Management members.




### Crisis Committee

The Crisis Committee is responsible for coordinating a response from the different areas of the Company, in case of a crisis situation. Its composition as well as its performance is ruled by an internal crisis management procedure and regulations complementary to the contingency plans and safety procedures in each Business Unit.

### Ethics Committee

The Ethics Committee analyzes complaints about behaviors or actions which contradict the good practices defined in our Company's Code of Conduct, to determine the actions to be taken.

It is chaired by a member of the Board (an independent director with non executive tasks), and it is additionally formed by the Director of Internal Audit and Compliance, the Vice Presidency of Human Resources and the General Counsel. This committee reports to the Board.

## CORPORATE SOCIAL RESPONSIBILITY

In order to steer the business objectives towards sustainability, in 2018, the Corporate Social Responsibility area was created within the Directorate of External Affairs. The area's main function is the development and implementation of the social responsibility strategy, which should facilitate the creation of shared value for the main stakeholders in high priority areas of the Company.

To that end, and with the support of an external consulting firm, an internal diagnosis was developed, following the Assessment Protocol based on ISO 26000, and proposed by ARPEL for the hydrocarbon industry. This diagnosis allowed identifying the gaps that served to structure the CSR Plan, with defined actions and responsibilities for the different areas of the Company.

Additionally, in order to update its content, in 2018, the Sustainability Policy was revised by the corporate areas of Human Resources, Supplies, EHS, External Affairs, Legal and Operations[3].

**3.** As part of our work plan, we will continue our efforts to contribute to the Company's Sustainable Development Goals and associated objectives.

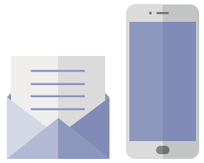
## SUPPORT FOR ETHICAL BEHAVIOR

GRI 102-17

### Ethics Line

Through Pluspetrol Ethics Line, it is possible to report any behavior from Company's employees, officers, or contractor personnel contrary to the provisions of the Code of Conduct and good practices; such as conflicts of interest (economic or relational Company's assets or work time misuse, disclosure of Company's confidential information and other improper behaviors.

In addition to the Ethics Line, at Pluspetrol we have other channels available to file a complaint, such as direct contact with a member of the Ethics Committee, or communication with a supervisor, manager or Human Resources representative. Likewise an external third party, such as a contractor, a supplier, an offeror, or partner can also report an incident to a Company employee. Regardless of their level, whoever receives an observation, claim or complaint must immediately report it to the Ethics Committee.



TELEPHONES

- ARGENTINA: 0800-122-0441
- BOLIVIA: 8001-0-0985
- COLOMBIA: 0180-0752-2263
- NETHERLANDS: 0800-022-5872
- USA: 1-800-304-5395
- PERU: 0800-0-0831
- URUGUAY: 0004-0529-6681
- HTTPS://ETHICSLINEPLUSPETROL.LINEASETICAS.COM
- ETHICSLINE@PLUSPETROL.NET

- TALK TO YOUR SUPERVISOR, A MANAGER, AND EXECUTIVE AND/OR A H.R. REPRESENTATIVE

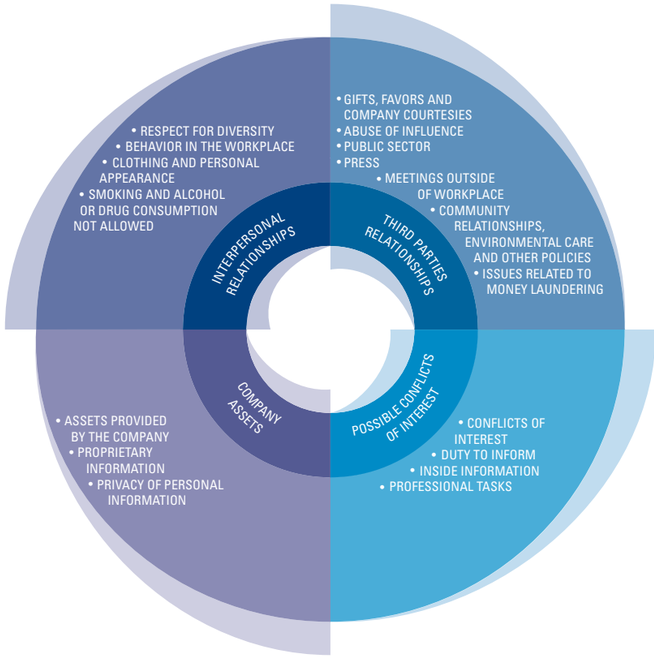
- DIRECT CONTACT WITH A MEMBER OF THE ETHICS COMMITTEE

### Code of Conduct

Within the framework of the annual certification campaign for the Code of Conduct, the document was updated in May 2018 to reflect Pluspetrol's strong commitment towards fighting bribery and corruption events that could occur within the organization.

The Code of Conduct defines the basic rules of daily behavior, which must be respected by those who provide services or fulfill some activity in any field of the Company. It is applicable to all Pluspetrol employees, regardless of their hierarchy, and it is extensive to contractors, subcontractors, suppliers and consultants.

Non-compliance may result in disciplinary measures, which may include termination of the employment relationship.



## COMPLIANCE

GRI 205-1

To contribute the Company's sustainable growth, according with our permanent commitment to foster an ethical and professional behavior in the performance and development of our business, Pluspetrol has been keenly working on establishing their own Compliance model. Within this framework, at the beginning of 2018, the Board approved the creation of the Compliance Department with the objective to design, implement and monitor the elements required by applicable regulations and internal guidelines against bribery and corruption, applied through a management system suitable to prevent, detect and solve this type of crimes if they occurred within the organization.

The Code of Conduct, the Ethics Committee, the personnel training, the Ethics Line for claims, and the internal, objective and confidential research are some of the tools encompassing our activities towards that objective.

In May 2018, by means of the Code of Conduct annual certification campaign, Pluspetrol's CEO formally communicated the personnel that "Integrity" is a key value for the Organization, and expressed the strong ethical commitment assumed and which is reflected in the changes introduced in the Code of Conduct regarding relations with the public sector and issues related to money laundering. Regarding stakeholders, the Company has incorporated the process to counterparties due diligence, with the purpose of identifying and managing bribery and corruption risks, which may potentially exist around the relationships of Pluspetrol with those third parties. For business opportunities with new counterparties, the Compliance Department has worked on the subject together with the New Business Department. In the case of suppliers, clients and intermediaries, this process is implemented on those business identified as sensitive or of higher exposition to risks of this nature.

In the framework of contractual considerations, the Company has defined a standard anti-corruption provision, according to the applicable anti-corruption law, incorporated in the terms and conditions of commercial contracts executed with third parties.

Within the annual plan, workshops to evaluate fraud and corruption risks took place in Peru and Argentina, with the participation of the main operation sectors of each respective Business Unit. As a result, in each country, a risk matrix was design and approved by the Country Manager, under which, a mitigation plan is being developed.

## PURPOSE, VISION AND VALUES

GRI 102-11, 102-16

### PURPOSE

TO CREATE VALUE SATISFYING THE NEEDS AND EXPECTATIONS OF ALL THE STAKEHOLDERS' RELATED TO OUR ACTIVITY (SHAREHOLDERS, EMPLOYEES AND THEIR FAMILIES, PARTNERS, SUPPLIERS, CLIENTS, GOVERNMENTS AND COMMUNITIES IN THE COUNTRIES WHERE WE OPERATE), MAINTAINING OUR OWN IDENTITY.

### VISION

TO EXCEL AS A BENCHMARK AMONG INDEPENDENT INTERNATIONAL UPSTREAM ENERGY COMPANIES.

### VALUES

BEING PERSISTENT.

THINKING BEYOND POSSIBILITIES AND TAKING ACTIONS DESPITE UNCERTAINTY TO CAPITALIZE ON OPPORTUNITIES.

ACHIEVING SUSTAINABLE GROWTH BY PRIORITIZING SAFETY, EFFICIENT USE OF RESOURCES, OPERATIONAL EXCELLENCE, COMMUNITY RELATIONS AND THE PRESERVATION OF THE ENVIRONMENT.

BEING GUIDED BY INTEGRITY AND GOOD PRACTICES IN OUR DECISIONS AND BEHAVIORS.

WORKING AS A TEAM AS A WAY OF LIBERATING IMAGINATION AND CREATIVITY.

DEVELOPING OUR HUMAN TALENTS, WHILE MAINTAINING OUR IDENTITY.

Since the Company's foundation, over 40 years ago, its values have synthesized our identity and deepest beliefs about what is important, and they have represented a beacon that enlightens us in relation to the behaviors that reflect those principles.

Today, a company's values are even more critical for its success. Now more than ever, companies have to, not only announce the highest standards, but also live by them every day through the actions of their employees.

Good business practices are essential to achieve sustainable growth, satisfying the expectations of all the stakeholders related to our activity.

## CULTURAL APPROACH FOR A SUSTAINABLE OPERATION

In Pluspetrol, we have been working on the development and management of our Culture for a Sustainable Operation, which is supported by two key concepts: on one hand, the transversality of risk management regarding all aspects of our work and every day's operations; on the other hand, a leadership model that fosters cultural evolution in the organization.

The goals of our Cultural Management are:

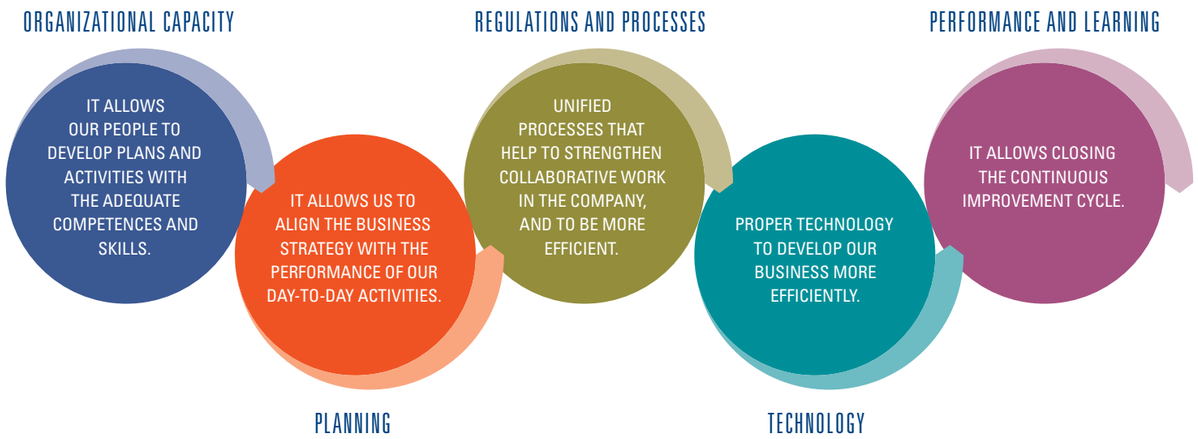
- To boost a consistent context of mutual trust,
- To facilitate the development of risk-aware leadership, and
- To foster the autonomy of our collaborators.

In Pluspetrol, this culture is reflected in the shared attitude and behaviors that allow us to improve risk management, in the path towards a "Generative Culture" for a Sustainable Operation, which is characterized by:

- Leaders who make decisions based on risks, inspire their collaborators, boost their autonomy, and lead by example.
- Empowered collaborators that have the proficiency to manage risks with autonomy, complying with regulations and procedures.
- Tools that are framed in continuous improvement cycles and add value to the management system.

# EXCELLENCE IN OPERATION MANAGEMENT

In 2018, the Company continued to work on Operational Excellence, which implies managing activities through the following work lines, within a culture based on leadership and communication:




Operational excellence is achieved through sustainable growth, prioritizing safety, the efficient use of resources, relationship with community and preservation of the environment.
This year's main milestones and improvements were:

- Operational model: we worked on consolidating the New Operational Model, which is based on one of our strategic goals: developing profitable projects, focusing on the main assets.

- Human Capital Management: as part of our evolution, we implemented the Best in Class, Growing Together platform, whose sense is honest dialog, understanding roles and responsibilities, goals and performance dimensions.

- Planning: we continue to strengthen our planning process, in the medium and the long-term, as an interdisciplinary effort. This contributes to the definition of company objectives and functions, estimating resources to allocate, and expected results.

- Towards a generative culture for risk management: we carried out the "First on-line survey Towards a Generative Culture", which allowed us to know the opinion of our collaborators, in an anonymous and confidential way.

- Process Safety Management (PSM): We continue to implement PSM as a way to manage risks and hazards, with the main goal of reducing frequency and severity of operation accidents.

- Environment, Healthcare and Safety (EHS) standards, processes and communication: in 2018, we worked on implementing the contractor management standard, and on consolidating the operational risk management process, among others.

- Capital Excellence Process (CEP): it is our main process for decision-making regarding the project portfolio. In 2018, we strengthened implementation and continued to standardize and improve the process. We also extended its scope to all projects of the Company.

- Contractor management: within our continuous improvement approach, we started an interdisciplinary initiative to review and improve our contractor management process. The main objective is to optimize it with the best practices in the industry.

- Document management: as a key aspect, we improved the way in which we manage our documents, via the implementation of the new Regulation Documents Site.

We seek to build a safe and sustainable Company, with growth capability, able to know and acknowledge their resources and plan out their evolution in a global world.



# CORPORATE STRATEGY

The guidelines of growth and sustainability established by engineer Luis A. Rey in the beginnings of Pluspetrol are still the pillars of our corporate strategy. With a long-term perspective, the Company strives to continue on a path of growth to consolidate its vision of standing out as a benchmark company in the energy industry, always acting according to its values.

Our portfolio is the starting point of this path of growth, and it serves as a basis to develop long-term plans, according to different categories: Master Asset Plan (MAP) aimed to develop reserves and contingent resources, Master Exploration Plan (MEP) focused on researching prospective resources, and Non-Upstream Plan (NUP) for other opportunities.

Additionally, we incorporated studies on the main energy trends in which we participate, at a global, regional and local level, in order to have quality discussions, based on facts on how to respond to changes in the industry, particularly in this challenging time and context.

These discussions are the basis for the strategic guidelines whose objective is to steer the main high-level decisions related to value creation, portfolio management, and subsequent resource allocation, with the goal of optimizing both the growth and sustainability of the Company.

# VACA MUERTA

LA CALERA AREA IS LOCATED WEST OF THE TOWN AÑELO, NEUQUEN PROVINCE, AND IT COVERS AN EXTENSIVE AREA OF 227 KM$^2$. DURING 2018, THE "EARLY PRODUCTION PILOT PROJECT" WAS IMPLEMENTED AS A PREVIOUS STAGE TO A MASSIVE DEVELOPMENT OF THE NONCONVENTIONAL RESOURCES IN THE VACA MUERTA FORMATION.

THE PROJECT INCLUDED THE DESIGN AND DRILLING OF 9 PRODUCTION WELLS, WITH A 2000 M HORIZONTAL EXTENTION IN THREE LOCATIONS; THE CONSTRUCTION OF A GAS TREATMENT PLANT; A MAINLINE SYSTEM FOR PRODUCTION GATHERING, AS WELL AS THE CONSTRUCTION OF GAS AND LIQUID DISPATCH PIPELINES, AND THE RELATED COMMERCIAL AGREEMENTS. THE WELLS WERE GEOGRAPHICALLY LOCATED IN THE AREAS CALLED: "WET GAS" AND "DRY GAS", ACCORDING TO THE SOURCE ROCK THERMAL MATURITY WINDOW IN THE SUBSURFACE, AND HORIZONTALLY NAVIGATE 3 LEVELS IN THE VACA MUERTA FORMATION, KNOWN AS: "LOWER ORGANIC A", "KITCHEN" AND "LOWER ORGANIC B". THE GOALS OF THIS PHASE AIMED AT INCREASING THE KNOWLEDGE ABOUT THE PRESENT FLUIDS KNOWING THE NAVIGATION ZONE IN THE SOURCE ROCK (LANDING), THE ROCK GEOMECHANICS FOR HYDRAULIC FRACTURING (FRACKING), THE STATISTICAL VARIATION IN PRODUCTION, AND THE OPTIMIZATION OF DRILLING AND COMPLETION OPERATIONS. THE LESSONS LEARNED ARE THE TECHNICAL BASIS FOR THE NEXT PHASE OF THE DEVELOPMENT, WHICH WILL TAKE PLACE BASED ON THESE RESULTS.

ADDITIONALLY, THIS YEAR, A PRODUCTION TEST WAS PERFORMED AT WELL LCA.X-3001, DRILLED IN 2017. THIS TEST INCLUDED 18 FRACTURING STAGES, WITH A PRODUCTION OF 170 MM$^3$ OF GAS AND 60 M$^3$ OF CONDENSATES, THROUGH A 16/64" CHOKE SIZE.

IN RELATION TO THE PILOT PROJECT, SEVERAL TASKS WERE CARRIED OUT, WHICH INCLUDED THE DEVELOPMENT AND APPROVAL OF AN ENVIRONMENTAL IMPACT STUDY, AND SOCIAL MANAGEMENT THROUGH AGREEMENTS WITH THE MAPUCHE COMMUNITY AND SUPERFICIARY FROM THE AREA.

## EXPLORATION STRATEGY

### ARGENTINA

IN THE RIO COLORADO DISTRICT, THREE EXPLORATORY WELLS WERE DRILLED. THE MONSA WELL X-2 WAS ABANDONED, AS IT WAS STERILE, WHILE EL COMPLEJO X-2 AND EL YACIENTE LEJOS X-1 SHOWED GAS WITH VARIABLE CONTENT OF $CO_2$. BOTH WELLS REMAINED IN STUDY.

AT THE PUELEN BLOCK, THE SECOND DRILLING CAMPAIGN TOOK PLACE, WITH TWO EXPLORATORY WELLS: DOÑA EDELMIRA X-1 AND LA HIPATIA X-1. THE FIRST ONE WAS CASED, AND WAITING ON COMPLETION FOR Q1 2019, WHILE THE SECOND WELL WAS ABANDONED DUE TO A POOR RESERVOIR CONDITION AND ABSENCE OF HYDROCARBON SHOWS.

THE SECOND DRILLING CAMPAIGN IN THE SIERRA DEL NEVADO BLOCK WAS POSTPONED FOR Q1 2019, DUE TO DRILLING EQUIPMENT AVAILABILITY.

### PERU

IN BLOCK 108, THE MOST SIGNIFICANT WORK OF THE YEAR WAS RELATED TO PLATFORM CONSTRUCTION AND THE BEGINNING OF THE FIRST EXPLORATORY WELL DRILLING IN THE ENE BASIN. THE BOCA SATIPO ESTE 1X WELL IS LOCATED IN THE MAZAMARI DISTRICT, PROVINCE OF SATIPO, DEPARTMENT OF JUNIN, IN THE CENTRAL RAINFOREST OF THE AREA KNOWN AS VRAEM. DRILLING STARTED ON OCTOBER 23, 2018, AND BY THE END OF THE YEAR, FINAL DEPTH WAS NOT ACHIEVED. ADDITIONALLY, OTHER ACTIVITIES TOOK PLACE, SUCH AS FIELD GEOLOGY CAMPAIGNS, ACQUISITION OF 4,500 KM IN AEROGRAVIMETRY AND MAGNETOMETRY, AND MAGNETOTELLURIC MONITORING IN 36 STATIONS.

IN BLOCKS 88 AND 56, EXPLORATION STUDIES WERE PERFORMED IN THE PALEOZOIC FORMATIONS OF COPACABANA, TARMA AND AMBO, LOCATED BELOW THE PRODUCTIVE FORMATIONS OF THE CAMISEA GAS FIELD.

### BOLIVIA

TACOBO X-1001 ST WELL, DRILLED IN THE TACOBO AREA, REMAINED IN OBSERVATION. IN ORDER TO INDUCE NATURAL FLOWING, SPORADIC WELL PRESSURE RELIEF WERE CARRIED OUT, PERFORMING VOLUME CONTROL OF THE RETURNING FLUIDS. LOOKING FOR A CONCLUSIVE RESULT, DIFFERENT OPTIONS WERE ANALYZED FOR INTERVENTION ELL.

THE STUDY ON THE HYDROCARBON POSSIBILITIES OF THE RIO SALADO AREA WAS CONCLUDED AS A RESULT OF THE AGREEMENT SIGNED WITH YPFB, REGARDING THIS AREA. THE POSSIBILITY OF A DEEP PLAY, SHARED BY THE HUAYCO AND RIO SALADO AREAS, WAS IDENTIFIED.

### COLOMBIA

IN COLOMBIA, STUDIES ARE ONGOING IN THE SINU AND PUTUMAYO 12 AREAS. MOST OF 2018 ACTIVITY WAS AIMED TO THE GEOPHYSICAL EXPLORATION OF THE PUTUMAYO 12 AREA.

### ANGOLA

PRELIMINARY STUDIES WERE PERFORMED FOR THE FEIJAO DRILLING IN THE CABINDA SUR AREA.

### SURINAME

IN 2018, PLUSPETROL CAME INTO ITS FIRST CHANCE IN DEEP WATERS, EXPLORATION WITH BLOCK 47, OFF SHORE OF SURINAME, IN PARTNERSHIP WITH TULLOW AS OPERATOR.



## ASSOCIATIONS

GRI 102-12, 102-13

As part of our commitment with sustainable performance and the adoption of the industry best practices, from Pluspetrol we participate in different national and international organizations:

**Regional Association of Oil, Gas and Biofuels Sector Companies in Latin America and the Caribbean (ARPEL):** we are members since 2006, and we currently occupy the office of second vice presidency, through the Senior VP of Assets in Corporate Production. We actively participate in different technical committees: Exploration and Production; Environment, Healthcare and Industrial Safety and Corporate Social Responsibility.

**International Oil and Gas Producers (IOGP):** its members identify and share the best practices associated to Health, Safety, the Environment, Social Responsibility, Engineering and Operations. We are part of this association since 2014.

**Extractive Industries Transparency Initiative (EITI):** this is a global standard to promote transparent and responsible management of natural resources, and it addresses governance key issues in the oil, gas and mining industries. Since 2010, our operations in Peru participate in the National Conciliation Report of this initiative.

**Center for Chemical Process Safety (CCPS):** it identifies and establishes the needs for process safety in the chemical and oil industries, together with the American Institute of Chemical Engineers. We are members since 2014.

**National Association of Corrosion Engineers (NACE):** globally recognized as the main authority in corrosion control. Their mission is to protect people, assets and the environment from the effects of corrosion. We are members since 2015.

**Argentinian Institute of Oil and Gas (IAPG):** it generates, plans and develops studies and analysis of all activities related to hydrocarbon industry. Created in 1957, its headquarters is located in the city of Buenos Aires, with seven sectionals in the main productive basins. We are associated since 1978.

**National Society of Mining, Petroleum and Energy (SNMPE):** its main mission is to foster the execution of these activities in Peru, through the sustainable use of natural resources and social development. We are members since 1996.

**Peru 2021:** created in 1994, has the mission to lead the corporate sector to achieve the shared national vision, taking on the role of agent of change for the development of the country (Peru). We are members since 2013.

We are associated with no external, non-legally binding initiatives.

## AWARDS AND RECOGNITIONS

### MARITIME AWARD OF THE AMERICAS. PERU

WE WERE RECOGNIZED WITH THIS AWARD BY THE INTER-AMERICAN COMMITTEE ON PORTS (CIP), FROM THE ORGANIZATION OF AMERICAN STATES (OAS), FOR THE "PARACAS MARINE COST MONITORING PROGRAM", WHICH ALLOWS WATCHING OVER THE BIODIVERSITY OF THE PARACAS BAY AND NATIONAL RESERVE, TOGETHER WITH COMMUNITY.

### 2018 SUSTAINABLE DEVELOPMENT AWARD. PERU

THE NATIONAL SOCIETY OF MINING, PETROLEUM AND ENERGY (SNMPE) GRANTED US THE 2018 SUSTAINABLE DEVELOPMENT AWARD, IN THE SOCIAL MANAGEMENT CATEGORY, HYDROCARBONS SECTOR, FOR THE PROJECT "POWER FOR INDIGENOUS COMMUNITIES - ELECTRICAL POWER SUPPLY IN BAJO URUBAMBA".

### 2018 SUSTAINABLE LEADERSHIP AWARD, ARGENTINA

THE ARGENTINIAN-BRITISH CHAMBER OF COMMERCE GRANTED US THE 2018 CCAB AWARD TO SUSTAINABLE LEADERSHIP, FIRST PLACE IN THE INNOVATIVE ORGANIZATION CATEGORY, FOR THE PROJECT "SWINE GENETIC IMPROVEMENT CABIN", IN CENTENARIO, NEUQUEN.

# ABOUT THE SUSTAINABILITY REPORT

## DEVELOPMENT OF THE SUSTAINABILITY REPORT

GRI 102-48, 102-49, 102-50, 102-51, 102-52, 102-53, 102-54

We present the 11th Pluspetrol Sustainability Report corresponding to 2018, developed in accordance with the GRI[4] standards Core option, and its oil and gas sector supplement. Additionally, the Oil and Gas Industry Guidance on Voluntary Reporting guidelines were considered, drawn up by IPIECA[5], API[6] and IOGP[7] in its third version.

The scope comprises the activities in Angola, Argentina, Bolivia, Colombia, United States, Netherlands, Peru, Suriname and Uruguay, detailing the results related to the economic, environmental and social performance of our activities.

For any inquiry regarding the contents of this Report, any interested party may contact informedesostenibilidad@pluspetrol.net

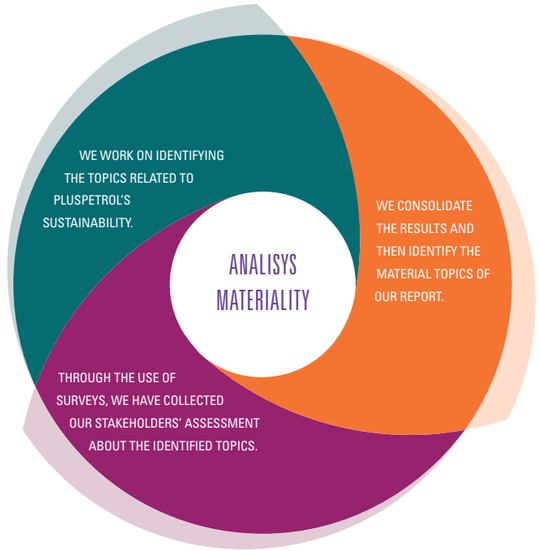
There were no significant changes in Pluspetrol's structure, the nature of the business or the measuring methods with regards to the last Sustainability Report (year: 2017).

## MATERIALITY ANALYSIS

GRI 102-46

The contents of this report were based on a Materiality analysis, through which the relevant topics of the economic, social and environmental dimensions were validated, as they are important for the Company management and our stakeholders (internal and external).

This is a description of the procedure performed to survey the material topics of our activity:




To carry out the Materiality analysis, we focused on the main stakeholders, including employees, partner companies, suppliers and contractors, indigenous organizations and NGOs.

Our Stakeholders' expectation for the definition of materiality were collected through on-line surveys, during the 2018 period, and they became the basis of our Sustainability Report, as they allowed identifying the Material topics on which we worked.

## STAKEHOLDERS

GRI 102-40, 102-42, 102-43, 102-44

| | |
|---|---|
| **Collaborators** | They represent an essential asset that promotes business growth, delivering productivity, excellence and leadership. |
| **Partners** | They contribute capital and industry knowledge. They collaborate with manageable resources, and planning short, medium and long-term Company operability. |
| **Customers** | They represent a valuable component of the value chain for the Company's growth. |
| **Suppliers and contractors** | They are the strategic part of the value chain. Their capabilities are key for the execution of operations in different countries. |
| **Government entities** | They set the market conditions in which the Company operates. Likewise, they regulate sensitive topics of the industry, such as biodiversity, water management, emissions, and wastes, among others. |
| **Local Communities and NGOs** | They are a relevant part of the operations; joint work allows creating sustainable growth conditions. |
| **Mass media and opinion leaders** | They share knowledge about trends and innovations in the industry. They influence the market and have an effect on the Company's corporate image. |

**4.** Global Reporting Initiative
**5.** International Petroleum Industry Environmental Conservation Association
**6.** American Petroleum Institute
**7.** International Oil and Gas Producers

## MATERIAL TOPICS

GRI 102-46; 102-47

Based on the analysis of the surveyed opinions, the material topics were defined, and are addressed in this Sustainability Report. They reflect economic, environmental and social effects on the Company, and are relevant for our stakeholders.

The Report presents the development of 17 material topics that the Company manages. Coverage takes into account the effects along the value chain, including distinctive Pluspetrol activities as well as, in some cases, the performance of the contractor companies.

### BELOW, A MATRIX HIGHLIGHTS THE TOPICS THAT AROSE AS RELEVANT AND VERY RELEVANT

# SUPPLY CHAIN

OUR SUPPLY CHAIN IS COMPRISED OF THE SUPPLIES, LOGISTICS AND WAREHOUSE AREAS. REGARDING SUPPLIES, EACH ACQUISITION UNIT IS SEGMENTED BY BUYERS OF DIFFERENT SPECIALTIES, AIMED AT AN AGILE AND EFFICIENT OPERATION, INTEGRATED WITH BUSINESS, ANTICIPATING DEMAND MANAGEMENT, AND FOCUSING ON RISK CONTAINMENT AND MITIGATION.

PLUSPETROL WORKS ON THE SELECTION OF SUPPLIERS AND CONTRACTORS THROUGH PROCESSES THAT OFFER FAIRNESS, TRANSPARENCY AND OBJECTIVITY.

## SUPPLY STRUCTURE

GRI 102-9, 102-10

Pluspetrol's main purchasing units are located in Argentina and Peru, due to the complex characteristics of the operations performed in those countries.

In 2018, over 1800 operations were conducted with suppliers, out of which 48% correspond to Argentina, 39% to Peru, 8% to Bolivia and 5% to Angola.

- 63% of the suppliers are related to services, and 37%, to purchase of materials.
- In terms of expenditure proportion, in most units, over 80% of the purchases correspond to service procurement.

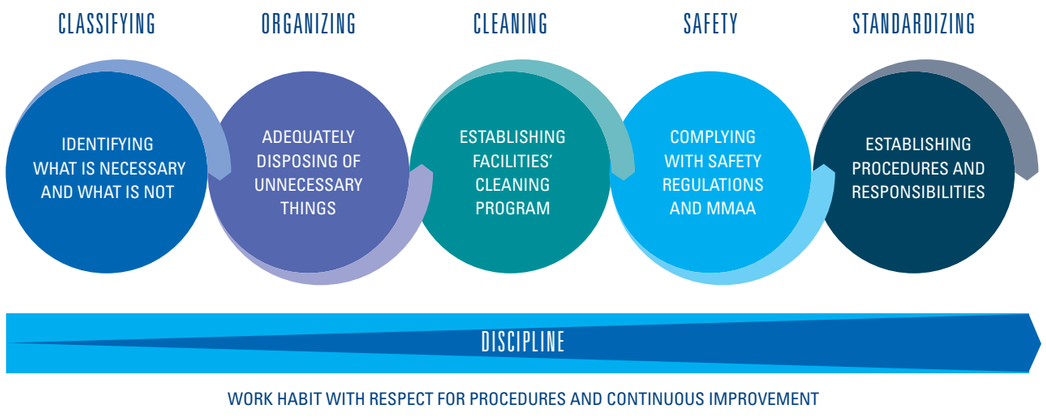
With regards to the 2017 report, there were no significant changes in the supply chain during 2018.

**Material management**

As defines in the Sustainable Policy and in search of excellence in each of its process, in 2018, the Material Management department defined the Material Management Policy, with guidelines to achieve an optimal level of the Company's inventory and continuous improvement in material management, from identification of the need procurement, storage and shipping to use, disposal or sale.

The policy seeks to manage materials according to legal regulations, standards and current internal and external mandate, adding value to the business, focusing on service quality, a continuous optimization of the work capital and reduction of wastes, while guaranteeing a comprehensive vision of the management process, in the search of value along the whole supply chain.

To that end, facilities and materials are efficiently, safely and responsibly managed under methodology 6A[8], seeking to prevent any type of incident, minimizing impacts on people, the environment and goods, keeping classification, good housekeeping in the facilities, and fostering process standardization as a tool for discipline and permanent learning.




**8.** Program 6A, inspired by Japanese methodology 5S, seeks to continuously maintain classification, order and cleanliness of materials and warehouses, via a standardization regulation and discipline.

The objective is to ensure transparency in material management, working on the premise of zero differences and maximum quality in attribute information, guaranteeing inventory levels to assure operational continuity, and effectively managing material state of preservation, applying cost-benefit criteria and assessing criticality.

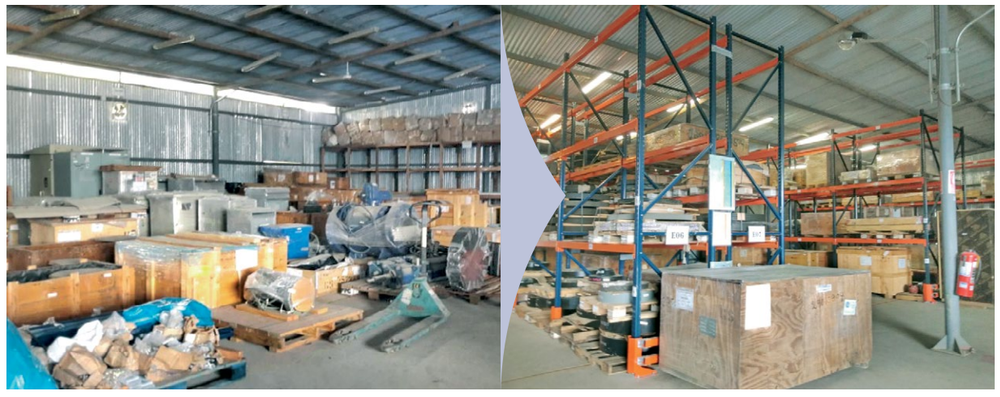
Additionally, opportunities are boosted for the reuse of stock and to define the necessary infrastructure, through the involvement in Company projects and investment planning processes.

This way of working is being fostered in the different locations with organizational backup to create a cultural change in the way of working at warehouses, and stimulating to continue on the path towards operational excellence.

BEFORE AFTER

Pisco: Warehouse B - Major spare parts.

BEFORE AFTER



Malvinas: Warehouse E - Equipment spare parts.

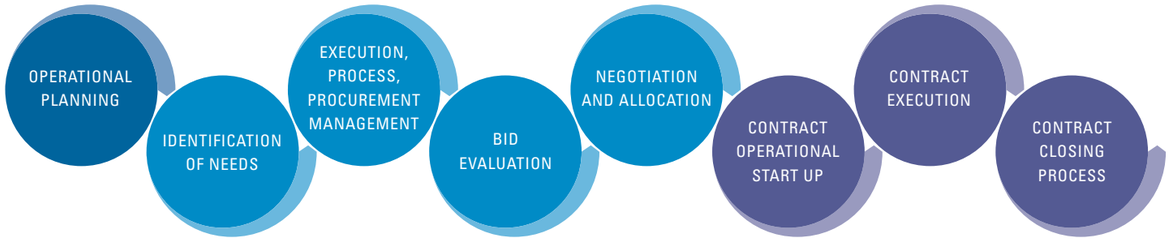
**Contractor management**

During this period, we continued to work on the project to define and implement the corporate guidelines associated to safety, environment, healthcare and community affairs management, jointly with our contractors.

At Pluspetrol, over 80% of the personnel required to perform the different activities that are part of our production cycle is provided by contractors, and this has a direct effect on our Company's performance. This project aims to improve the essential aspects to move forward in a responsible joint management.

In 2018, the EHS Aspects standard went into effect for contractor management; it allows to ensure that the control mechanisms are incorporated in the registration and evaluation processes for suppliers, purchases and procurement, and for contract management, in order for selection, acquisition, use and monitoring of the procured services to be aligned with the operation's EHS requirements and the Company's performance objectives. This standard also contributes to the implementation of practices to ensure that the workers from contractor companies' are proficient enough to perform their tasks safely, and that the procured services do not increase the level of risk and/or impact on the operations.

**SAFETY, ENVIRONMENT, HEALTHCARE AND COMMUNITY CONTROLS**




THE FOLLOWING ARE AMONG THE MENTIONED STEPS OR CONTROLS:

- RISK ANALYSIS.
- COMPETENCES EVALUATION.
- SAFETY AND INTEGRITY, ENVIRONMENTAL, AND SOCIAL CONTRACT REQUIREMENTS.
- INSPECTIONS PREVIOUS TO MOBILIZATION TO CONTRACT EXECUTION SITE.
- INSPECTIONS DURING MOBILIZATION.
- EHS ASPECTS ASSURANCE DURING CONTRACT EXECUTION.
- AUDITS.
- STATISTICS AND INDICATORS REPORT.
- INSPECTIONS DURING DEMOBILIZATION.
- PERFORMANCE EVALUATION.

## LOCAL PURCHASING PRACTICES

GRI 204-1

Regarding purchases and procurement in all the locations where we operate, we take on the commitment to promote the management of local suppliers, to accompany their growth, working closely and in constant collaboration, with the responsibility of fostering the development and adaptation of their services to the needs of our activities.

We believe it is vital for the Company to allocate purchases and service procurement for our operations to local suppliers, in equal technical and commercial conditions between all offerers. This gives us the benefit of being able to work with companies that already have the knowledge of the areas where we operate, allowing a greater level of flexibility and understanding of the operational and administrative context of the market, designing strategies to reach competitive prices and planning a proper negotiation to achieve a transparent management.

We also stimulate contracting with local suppliers, creating opportunities of economic and social development for the communities in the direct area of influence of our operations. One of our goals is the procurement of services from members of Communal Companies, as in the case of river transportation in Peru.

These are the acquisitions registered in the different operation offices in 2018, which correspond to local suppliers:

- In Argentina, the 90% of the acquired amount are local suppliers. 21% of those represent material purchases, and 79% service procurement.
- In Peru, 92% of the acquisitions are from the local suppliers. 6% of those are material purchases, and 94% service procurement.
- In Bolivia, 96% of the purchases came from local suppliers. 8% of those acquisitions are material purchases, and the remaining 92% are service procurement.
- In Angola, 58% of the purchases are associated to local suppliers, with 17% corresponding to material purchases, and 83% to service procurement.

Among the additional advantages of this approach, we highlight: the strengthening of the development capabilities of the contractors and local communities that have to deploy goods and services to satisfy companies' requirements; the reduction of operative costs, such as transport and personnel lodging; the creation of income for the population; and the improvement of local economies. Additionally, we comply with the dispositions regarding "Local Purchasing", established by national, provincial and municipal laws and/or contractual obligations that pertain to our purchases and procurement.

By "local", we mean the operation's direct and indirect area of influence

### ARGENTINA

**90%**
LOCAL SUPPLIERS

**79%**
OF TOTAL SERVICE PROCUREMENT

**21%**
OF TOTAL MATERIAL PURCHASES

### PERU

**92%**
LOCAL SUPPLIERS

**94%**
OF TOTAL SERVICE PROCUREMENT

**6%**
OF TOTAL MATERIAL PURCHASES

# PARTNERS: OUR PEOPLE'S DEVELOPMENT

PLUSPETROL CONTINUES ON ITS PATH OF GROWTH WITH A VISION OF EXCELLENCE IN HUMAN CAPITAL MANAGEMENT, CONSOLIDATING PROCESSES THAT, WHEN INTEGRATED, ALLOW FOR AN EVOLUTION IN TALENT MANAGEMENT. THE GOAL: TO USE DIALOG, DEVELOPMENT AND ACTIVE LEADERSHIP TO SUCCEED IN CONSOLIDATING THE PROPER TALENT IN THE PRECISE PLACE, WITH THE COMPETENCES THE BUSINESS REQUIRES TODAY, AND IN THE FUTURE.

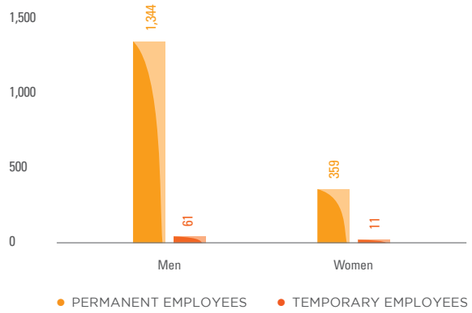
## COLLABORATORS

GRI 102-8, 102-41

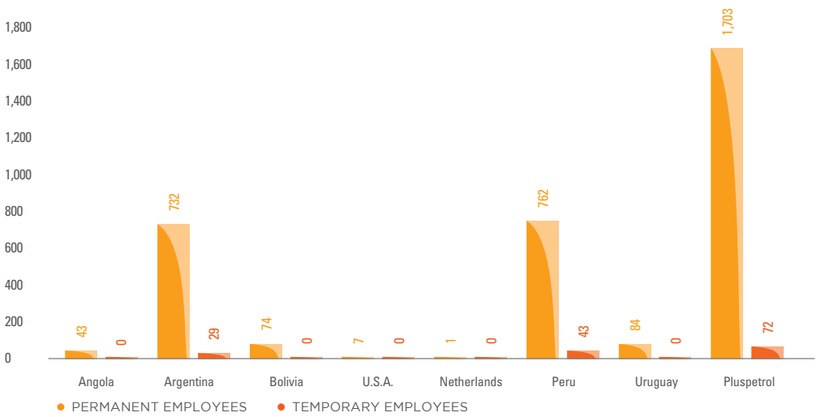
### DIRECT COLLABORATORS PROFILE

1,775 DIRECT COLLABORATORS

### COLLABORATORS BY WORK CONTRACT AND GENDER



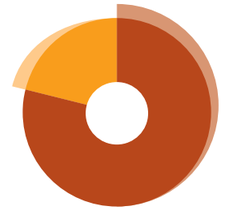

### COLLABORATORS BY WORK CONTRACT BY GEOGRAPHIC AREA




### COLLABORATORS BY SENIORITY

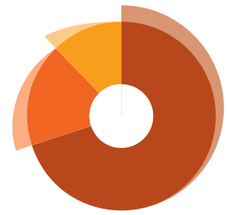
- **47%** BETWEEN 5 AND 15 YEARS
- **21%** LESS OR EQUAL TO 2 YEARS
- **16%** MORE THAN 15 YEARS
- **16%** BETWEEN 2 AND 5 YEARS

### COLLABORATORS BY GENDER



- **79%** MEN
- **21%** WOMEN

### COLLABORATORS BY AGE



- **70%** 31 TO 50 YEARS OLD
- **18%** AGED 51 OR OLDER
- **12%** AGED 30 OR UNDER

Our operation requires contractor works. Based on the nature of our activity, we do not have working seasonal variations.

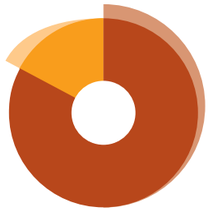
41% of collaborators in Argentina are covered by collective bargaining agreements, and 30% in Peru.

# EMPLOYMENT

GRI 401-1

## NEW HIRES

### NEW HIRES BY GENDER



- **83%** MEN
- **17%** WOMEN

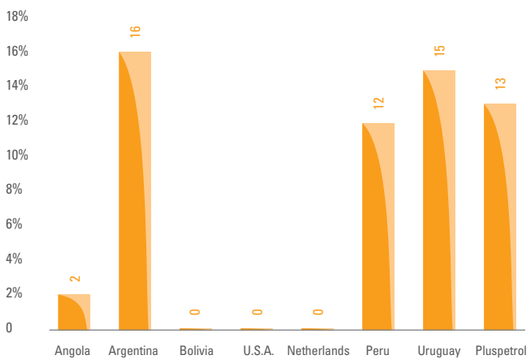
### NEW HIRES BY AGE

- **64%** 31 TO 50 YEARS OLD
- **27%** AGED 30 OR UNDER
- **9%** AGED 51 OR OLDER

**245** NEW HIRES

**13%** HIRING RATE[9]

### HIRING RATE BY GEOGRAPHIC AREA

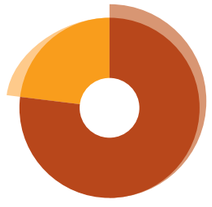



## EMPLOYEE TURNOVER

**184** LOSSES

**10%** TOTAL TURNOVER RATE[10]

### LOSSES BY GENDER

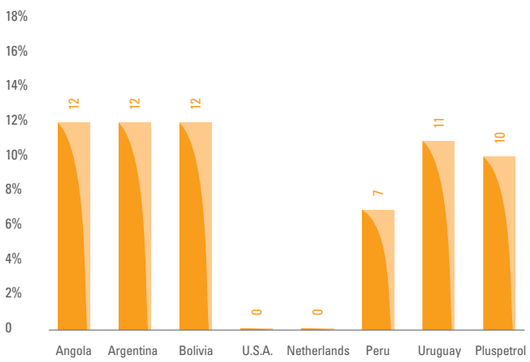


- **77%** MEN
- **23%** WOMEN

### LOSSES BY AGE

- **60%** 31 TO 50 YEARS OLD
- **24%** AGED 51 OR OLDER
- **16%** AGED 30 OR UNDER

### TURNOVER RATE BY GEOGRAPHIC AREA






# VALUE PROPOSAL

GRI 401-2, 401-3

In Pluspetrol, we manage in a comprehensive and differentiated way a series of benefits that tend to balance individual needs according to the organizational values and the regulations of each country in which we operate. The framework is given by an ample value proposal through which we present tangible and intangible benefits, consolidating a work environment where dialog and respect are paramount.

For instance, these are some of the benefits: collective life insurance, work travel health coverage, nursery, extended maternity leave, medical coverage during extended maternity leave, gifts for special events, personal loans, and special leave days for personal purposes.

### MATERNITY AND PATERNITY LEAVES

| | MEN | WOMEN |
|---|---|---|
| Collaborators with parental leave in 2018 | 37 | 18 |
| Return to work rate | 100% | 94% |

# LEARNING AND DEVELOPMENT

GRI 404-1, 404-2, 404-3

### PERFORMANCE MANAGEMENT

In the framework of an excellence and long-term sustainability vision, the performance management is presented as a continuous process (PMP). The PMP is managed as a cycle along a year, and allows aligning organizational objectives, as well as the way to achieve them (WHAT-HOW). Along this process, understanding through open dialog is key for leaders and teams, as well as the transversal conversations for the definition and agreement of objectives.

In 2018, 1,486 collaborators participated in the process[11]. In most companies, the process was managed via a comprehensive platform (Growing Together) that allows to leverage transparency and clarity in global objectives and results.

### PERFORMANCE ASSESSMENTS BY GENDER

| | MEN | WOMEN | TOTAL |
|---|---|---|---|
| Collaborators that received a performance assessment during the year | 1,174 | 312 | 1,486 |
| % of evaluated employees | 93% | 89% | 93% |

### PERFORMANCE ASSESSMENTS BY WORK CATEGORY

| | CATEGORY A[12] | CATEGORY B |
|---|---|---|
| Number of employees that received a performance assessment during the year | 284 | 1,202 |
| % of evaluated employees | 91% | 93% |

### LEARNING

Continuing with the 70/20/10[13] learning vision Pluspetrol seek to open opportunities in real projects and experiences that allow a practical learning.
As for the classroom, 1,249 collaborators received a total of 49,606 training hours, associated to different competences required for the business. Continuity on the EHS line with a sustainable look is noteworthy, which is the reason for training, as in previous years in Contingency and Crisis Handling Plans, Foundation Process Safety, EHS importer implementation (Compliance-EHS tool), Internal Auditor pursuant ISO 19011 and ISO 45001.

Complementarily, and along the 70/20/10 perspective, 19 collaborators took on-the-job trainings, with a total of 936 hours.

Continuing on the path of the development since hiring, the Young Trails Program was implemented for the third year, with 14 new hires that attended the introduction to the industry, and later carried out an extensive field experience, with a total of to 512 hours in classroom, 224 on the field, and 80 in the development of an integration final work. This program represents a total of 11,424 hours of training.

**9.** The new hires rate represents the number of hires in the period over the number of employees by December 31, 2018.
**10.** The turnover rate represents the number of losses in the period over the number of employees by December 31, 2018.
**11.** The process is applied to the collaborators with over 6 months' seniority in the Company. Those collaborators that do not meet this requirement have the possibility of proposing objectives and complying with the intermediate revision instance.
**12.** Category A includes the positions in charge of personnel.
**13.** 10% structured learning, 20% learning with other, 70% learning from experiences.

## HEALTHCARE

**49,606** HOURS OF CLASSROOM TRAINING

**936** HOURS OF ON-THE-JOB TRAINING

**11,424** HOURS OF YOUNG TRAILS PROGRAM TRAINING

### AVERAGE CLASSROOM TRAINING HOURS BY EMPLOYEE, BY GENDER

| | MEN | WOMEN | TOTAL |
|---|---|---|---|
| Total training hours provided to employees | 42,212 | 7,393 | 49,606 |
| Training average hours | 30 | 20 | 28 |

### AVERAGE CLASSROOM TRAINING HOURS BY EMPLOYEE, BY WORK CATEGORY

| | CATEGORY A | CATEGORY B |
|---|---|---|
| Total training hours provided to employees | 7,738 | 41,715 |
| Average training hours | 35 | 27 |

In Pluspetrol, we foster the development of a positive culture of healthcare and healthy habits, as part of a management that promotes a safe working environment for our direct collaborators and for the contractor companies' personnel.

Under this vision, our healthcare management is focused on prevention and medical assistance, mainly in terms of the occurrence of occupational diseases or work accidents. This approach is materialized through the different campaigns, programs and activities for control, training and prevention implemented in our operations.

Below, we provide a global list of some of the recurring actions of every year, associated to office ergonomics and general communications for the promotion of healthy habits (e.g., food, active lifestyle, hypertension, prevention of tobacco use). Additionally, this global perspective is complemented by specific actions that attest for this healthcare look in each operation.

| HEALTHCARE ACTIVITIES | BENEFICIARIES |
|---|---|
| Training in diseases, injuries, prevention, first aid, among others | 22,749 |
| Vaccination campaigns | 320 |
| Occupational medical exams, consultation and controls | 2,198 |

| ABSENTEEISM | MEN | WOMEN |
|---|---|---|
| Days lost due to absenteeism | 4,933 | 2,563 |
| Absenteeism rate | 1.11% | 0.58% |

The internal strategy for risk management, including direct collaborators and contractors, is described in the "Safety and Integrity" section.

## INTERNAL COMMUNICATION

Pluspetrol's global internal communications are consolidated in an integral system of designed mailings (ecards), billboards, digital animations, pop-ups and isolated interventions. Additionally, monthly or quarterly newsletters go around in some units.

In this way, contents regarding different subjects were shared at global level: recurrent implementation processes (such as PMP, code of conduct certification), healthcare awareness (on monthly basis), launching of new apps as processes (Growing Together, 6 A for warehouses), celebration of industry key days (Workers' Memorial Day, World Environment Day), key aspects for operational Safety (e.g., Undesirable Events), Standards and Policies or new information sites for the employee (e.g., EHS site, Documental Management Site, Incident Report Site).



# COMMUNITY AFFAIRS

# SOCIAL INVESTMENT

GRI 203-2, 411-1; 413-1, OG 9, 10, 11 Y 12

PLUSPETROL STRIVES TO BE A DYNAMIC AGENT IN THE RELATIONSHIP WITH THE COMMUNITIES LOCATED IN THE AREAS WHERE WE OPERATED. THIS RELATIONSHIP, IN ACCORDANCE WITH THE COMPANY'S SUSTAINABILITY STRATEGY, IS SUPPORTED BY A SOCIAL MANAGEMENT PROPOSAL THAT PRIORITIZES THE DEVELOPMENT OF SOLID, AND TRANSPARENT RELATIONS WITH THE COMMUNITIES, AS WELL AS THE CONTRIBUTION TO THEIR WELL-BEING AND SUSTAINABLE DEVELOPMENT.

THROUGH DAILY INTERACTION, THE SOCIAL TEAMS BUILD TIES THAT FAVOR THE AWARENESS OF THE COMPANY'S OBJECTIVES AND THE COMMUNITIES' EXPECTATIONS. AS RESULT OF THIS EXCHANGE A NUMBER OF INITIATIVES AND SOCIAL INVESTMENT PROJECTS SUITED IN THE GEOGRAPHICAL AND SOCIO-CULTURAL CONTEXT WHERE PLUSPETROL DEVELOPS ITS OPERATIONS ARE IMPLEMENTED.

Through our social investment initiatives, we seek to develop capabilities, foster local economies, and reduce social and economic gaps detected in a stage previous to our intervention in the area. These initiatives are developed based on the geographical context and the priorities defined by our stakeholders.

Pluspetrol has a Social Investment corporate standard that frames its purposes, criteria, areas and objectives. Additionally, there are potential synergies with the State, civil society and/or academic community organizations to capitalize resources and strategic alliances that boost shared value. Part of the social investments are also destined to comply with the commitments arising from the social management regulation for the extractive industry in each country.

The selected projects seek to articulate the individual social capital and the community social capital to guarantee their success and sustainability; this formula is technically supported to allow correcting the path and timely reorienting strategies, in case of need.

During 2018, Pluspetrol invested USD 4,214,459 in social investment initiatives, distributed in Argentina, Bolivia, Peru and Angola in the areas of healthcare, education, production, capabilities development, and institutional and organizational strengthening.

In this way, we contributed with 22 social support initiatives. Among them, the following stand out: river transport ventures with local communities in the Loreto rain forest; coffee improvement micro-projects in the central rain forest and cocoa production projects in the Urubamba area - Cuzco, all of them in Peru; and installation and improvement of lands for forage production in Argentina.

- **30%** COMMUNITY DEVELOPMENT
- **25%** OTHERS
- **23%** INSTITUTIONAL STRENGTHENING
- **13%** EDUCATION
- **9%** HEALTH

ARGENTINA

## NATIVE THINKING

The "Native Thinking" project is a natives plants production venture, located in Neuquen since 2011. It is developed by a group of young people coming from poor neighborhoods, in the west of Neuquen city, who are part of a work network that support this successful experience in social economy, together with the Familia Foundation, Nuestra Señora de la Guardia School, the Faculty of Environmental and Health Sciences from Comahue National University (UNCo) and Pluspetrol.

In 2011, Pluspetrol gave the Familia Foundation a 4 hectares lot, in the Valentina Norte Rural neighborhood, for field practices and agricultural ventures. The construction of a 126 $m^2$ greenhouse, a training classroom, a toilet, an office and a 60 $m^2$ maintenance room was also financed.

The project work on two objectives:
1. Social: to provide a tool that allow youngsters to train and achieve an economic livelihood, as well to improve their quality of life and their closest surroundings;
2. Environmental: to produce local ecosystem seedlings for hydrocarbon companies that used them to replant degraded areas.

## SWINE GENETIC IMPROVEMENT CABIN

It is a swine production venture whose purpose is to improve genetic quality of the reproduction specimens in Neuquen and Rio Negro. The project started in 2014 and is formulated in three stages, of which, the first two are finished, and the third one is in development. Its purpose is to introduce a new technique in the country, via the transportation of swine embryos from one region to another.

This project is carried out with a group of young people coming from poor neighborhoods in the west of Neuquen city, together with the Familia Foundation, Nuestra Señora de la Guardia school, Centro PyME ADENEU and COPADE.

Besides developing their learning process in animal breeding, these students contribute with daily work in the project management, performing feeding tasks, vaccination schedule follow-up, animal control, breeding grounds clean-up, etc.

# DISCUSSION WITH LOCAL COMMUNITIES

GRI 411-1; 413-1, OG 9, 10, 11 Y 12

## COMMUNICATION AND CONSULTATION MEETINGS

Dialog and a genuine relationship with the local communities is a fundamental pillar of our social strategy; this bidirectional dialog and transparent communication mechanism is essentially a prevention and efficient risk management mechanism to face the potential effects our activities may create in the daily lives of local communities. Early communication of risks contributes to progressively lay down a prevention culture that involves the stakeholders' perspective and contributes to the development of self-management capabilities of local communities, as well as to a resource efficient management. For that reason, in 2018, different communication and consultation meetings took place with the members of the communities:

| COMMUNICATION AND CONSULTATION | NUMBER OF MEETINGS | NUMBER OF ATTENDEES |
|---|---|---|
| ANGOLA | 12 | 62 |
| ARGENTINA | 36 | 310 |
| BOLIVIA | 1 | 120 |
| CAMISEA, PERU | 90 | 2,147 |
| PPN, PERU | 8 | 257 |
| TOTAL | 147 | 2,896 |

The communication and consultation meetings are closely associated with the operative activities of our projects. The objective is to timely prevent potential negative effects, and avoid affecting the interests and social dynamics of local communities, or those close to our operations. Early communication and citizen or community consultation contribute to strengthen bonds and establish a peaceful work coexistence and a favorable environment. During the period, meetings with neighbors took place in Argentina to inform on project advances, reporting on operational activities and communicating the activities and risks associated to the beginning of a well drilling project. Information workshops took place in Peru to communicate project advances and report on contingencies and their mitigation processes. Other meetings took place to sign agreements or easement agreements with community authorities.

# INDIGENOUS COMMUNITIES

## GRIEVANCES AND COMPLAINTS MECHANISM

We have a dialog channel that ensures management and timely resolution of grievances and/or complaints, which allows us to prevent conflicts, promote participation and maintain an effective, early and clear contact with the population.

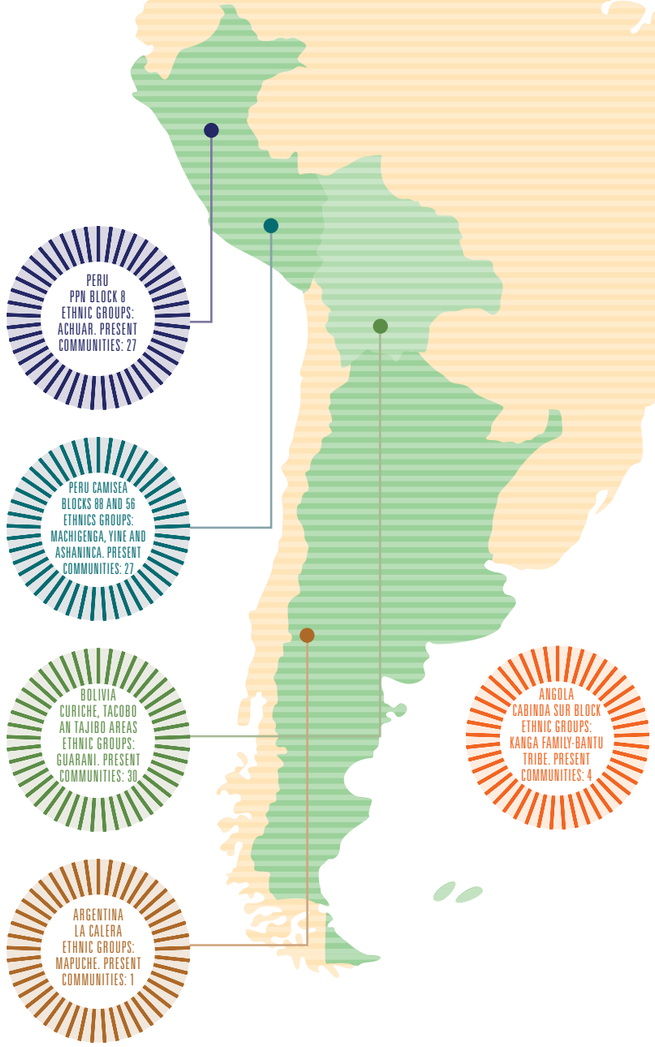
We believe that the sustainability and success of our projects are closely related to this practice, as it allows us to systematically identify issues, concerns and emerging tendencies in the population, and to timely implement corrective actions with a preventive approach.

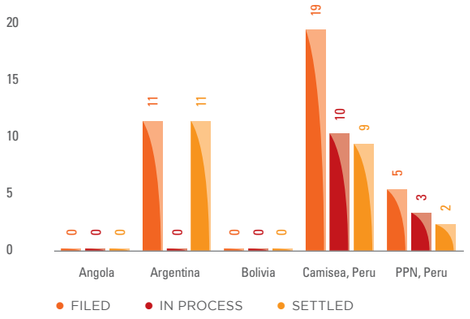
Regarding grievances and complaints, our management mechanism, applicable to all business units, provides a fast track to offer communities an effective and reliable path to express concerns and obtain solutions, fostering trust and a mutually constructive relationship between the Company and these stakeholders.

All cases are recorded and classified based on urgency and effect; all recorded cases are managed, assigning times and resolution mechanisms, differentiated according their complexity, providing opportunities to improve and optimize resources in the Company's social management.

In 2018, a total of 35 grievances and complaints were received; in some cases, the average response time increased as some of the received grievances required a resolution level that, not only involved an action from the Company, but also from other players, such as the State. The period closed with 22 grievances and complaints in process and pending to close; some of them are from 2017. The grievances and complaints topics were directly related to operational issues, critical activities associated to projects, and others related to socio-political scenarios in election processes contexts.

Our operations are conducted in indigenous communities' territories, very sensitive areas from a socio-cultural perspective. As preservation of their habitat and culture is a priority for the Company, we have protocols, standards and specific guidelines for the relationship with them. Our strategy is mainly based on the respect for their socio-cultural values, organizational structures, and their decision-making processes, and on continuous joint work to contribute to the development of these valuable communities.




# PERU

## IMPROVEMENT OF PRODUCTIVE ACTIVITIES IN LOWER URUBAMBA COMMUNITIES

With the purpose of promoting farm crops proper handling capabilities, and the breeding and production of tropical fish, a project was set to provide sustainability elements to the local economic development in the Lower Urubamba, especially in the Cashiriari, Shivankoreni, Segakiato and Ticumpinia communities, which surround our operations.

As an essential part of the project, the empowering stage was developed through 205 workshops, based on an approach that seeks to generate knowledge from individual field experiences with the direct beneficiaries, and to strengthen technical and organizational capabilities.

During project execution, which lasted 30 months, 766 personalized technical assistance activities were performed, with the goal to provide technical experiences for a more efficient handling of crops and breeding. Adopting appropriate technologies to improve crops productivity, considering their organic crops condition, and the sustainability of fish breeding was a fundamental factor for success.

The Project ended in 2018, after a 30 months intervention that allowed sensitizing, improving, updating and developing the capabilities and technical knowledge of 1,011 participants, between direct and indirect beneficiaries, achieving a great increase in production and crop productivity in their farms.

## PROMOTION OF BUSINESS VENTURES IN BLOCK 8 COMMUNITIES

As part of the Program for Productive Projects Promotion, which started in 2018, one of the tasks taken on by Pluspetrol Norte is to stimulate communities to generate their own income and make their economies independent through business ventures that enter the market and become successful businesses.

In this way, the Company cooperates with community ventures with higher potential, providing financial resources to complement efforts and make a reality the initiatives that are part of the river transportation services in the region.

The Santa Elena Community throughout this program, used a motor boat to begin a transport service for 50 passengers and load. This year, the Nuevo Progreso community started construction of a "ponguero" boat to provide service in those river routes that require shallow draft ships. The vessel has capacity for 60 passengers, and can also transport load.

There were other initiatives, such as the construction of the Providencia community passenger ship, successfully completed in 2018, and the construction of the Nueva Alianza community "ponguero" boat, which is in pre-investment study phase.

# ENVIRONMENT

In accordance with our Sustainability Policy, in Pluspetrol we carry out activities with a defined environmental strategy, seeking excellence in each of our processes. Our operations take into account aspects associated to the rational and efficient use of resources, promoting the preservation of the environment and operating in a safe and responsible manner, while capitalizing on opportunities in a permanent cycle of continuous improvement.

With the purpose of achieving an aligned environmental performance throughout the Company, our environmental strategy sets minimum environmental criteria and guidelines to be complied with in each operation. Additionally, each business unit incorporates the features associated to local legislations and its specific environment

Based on the environmental materiality defined along the value chain, our strategy acknowledges power and fresh water as the main natural resources used in the productive processes, on which we must focus our management.

In parallel, we have identified and prioritized those topics of great importance for our stakeholders, associated to economic, environmental and social effects, both potential and actual:

- Climate change and energy efficiency.
- Natural resources management.
- Environmental impacts management.

## CLIMATE CHANGE AND ENERGY EFFICIENCY

Climate change mitigation is contemplated in our growth strategy, through the reduction of Greenhouse Gases (GHG) emissions.

GHG emissions management is complemented by the search of processes that promote energy efficiency, in any stage of the business cycle, but especially in its development phase, where more benefits are obtained, as energy can be managed from its planning and design.

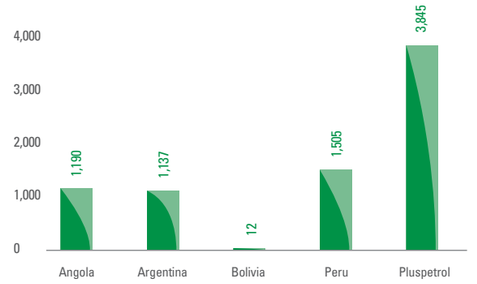
On this line, and due to its key and immediate effect in the reduction of emissions, we foster the production of natural gas in the energy matrix of the countries where we operate. However, it is worth pointing out that efficiency in GHG reduction is directly associated to an appropriate mitigation of methane emissions related to natural gas production.

### EMISSIONS

GRI 305-1, OG 6

The Corporate GHG Emissions Inventory, implemented by the Company since 2010, and the emissions calculators built for each Business Unit, allow us to diagnose and plan out climate change mitigation measures: on one hand, looking for energy efficiency opportunities, based on technological and processes improvements; on the other hand, strengthening the measures aimed at the reduction of gas flaring and venting.

**GHG DIRECT EMISSIONS (KTON EQ $CO_2$)***




*GHG included in the calculation produced by our activity: $CO_2$, $CH_4$ and $N_2O$. We do not have $CO_2$ biogenic emissions.

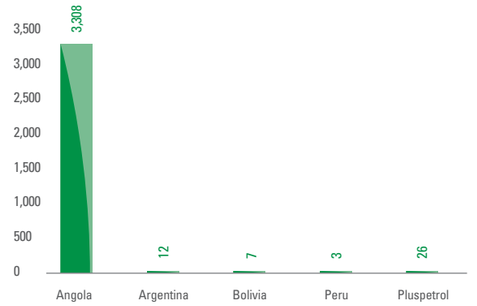
The methodology we designed with the IPIECA, API and IOGP guides allows the calculation of GHG emissions for fix sources, based on type of fuel and type of source, including the calculation of $CH_4$ tank flash emissions.

On one hand, the basis of the inventory is supported by the calculation of $CO_2$ emissions by stoichiometry, assuming full combustion from different sources, and, on the other hand, the AP-42 (EPA) and IPCC protocols are used as emission factors for the calculation of $CH_4$ and $N_2O$.

The factor definition applied in each case is performed taking into account the most representative emission source (by quantity of devices). When there is no predominant type of source, the one with the most conservative factor is selected, this means, the one that gives a higher emission.

All calculations are performed with an activity operational control approach.

**VENTED AND FLARED GAS (SCF/BOE)**



We foster the search and evaluation of actions that allow recovering the gas associated to our production, both to subsequently reuse and to reduce emissions derived from torch flaring and/or venting.

Finally, we highlight that our operational areas review the climate change mitigation measures to reduce the vulnerability of the operations and local communities against the effects and risks climate change may cause.

| | Angola | Argentina | Bolivia | Peru | Pluspetrol |
|---|---|---|---|---|---|
| Flared and vented gas (SFC) | 3,259,336,598 | 241,991,052 | 6,823,873 | 327,100,084 | 3,835,251,607 |
| BOE | 985,206 | 20,868,309 | 1,014,611 | 123,435,241 | 146,303,367 |
| Vented and flared gas by production unit (SCF/BOE) | 3,308.28 | 11.60 | 6.73 | 2.65 | 26.21 |

## NATURAL RESOURCES

Our operations are located in areas with high biodiversity ecosystems. Considering the particulars of the activities, an efficient use of natural resources is a priority, to allow the mitigation of potential effects on biodiversity during planning and development of our projects.

Our natural resources management is focused on two fundamental lines of action: water and biodiversity.

The purpose of water management is to optimize the consumption of fresh water (surface and underground) for operative processes, as well as to increase the reuse of treated and produced water.

Regarding biodiversity, we work on the development of tools to assess, prevent and mitigate impacts, through interrelated management practices that we incorporate to the standards and business processes. We perform monitoring in order to measure biodiversity indicators and the associated ecosystem services. We consider the stakeholders' expectation, and develop base lines to understand what we have to protect as a priority.

## WATER MANAGEMENT

### FRESH WATER

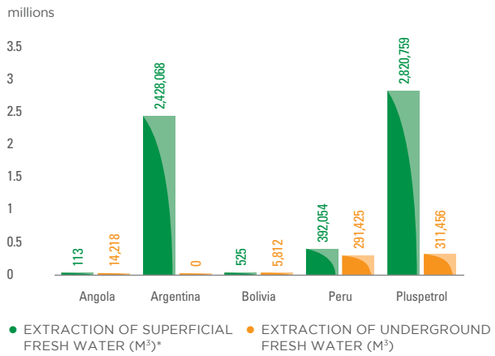
GRI 303-1, 303-2

In our operations, fresh water consumption is associated to different production improvement techniques.

The purpose of water management is to ensure legal compliance associated to the water resource, minimizing its use and optimizing its consumption, while ensuring proper treatment of used waters prior to its disposal.

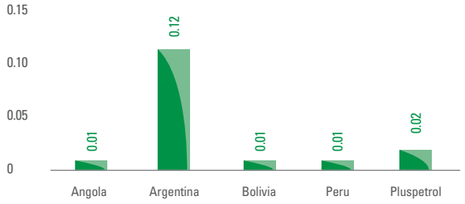
Likewise, it also seeks to establish reutilization options along the value chain.

### FRESH WATER EXTRACTION (M³/YEAR)*




*Superficial water corresponds to river water.
There is no collected rainwater, nor residual water from another organization, nor municipal water supply.
The data correspond to flow meter measurements.

### FRESH WATER EXTRACTION BY PRODUCTION UNITS (M³/BOE)




Our commitment with the water resource includes: the precision in the diagnosis of sources or supply points and of potential impacts to the activities; the risk associated to the resource regarding availability, quality and value; the efficiency in use; and the actions to ensure the proper treatment of water used in processes, encouraging its reutilization.

### GENERATED PRODUCTION WATER (VALUES IN $10^3$ M³)

| Angola | Argentina | Bolivia | Peru | Pluspetrol |
|---|---|---|---|---|
| 37 | 14,852 | 81 | 22,280 | 37,251 |

We continuously monitor both, superficial and underground water in the areas where we operate, according with the control processes for the activities developed in this sites.

These initiatives allow preserving the quality and availability of the resource, minimizing any potential impact on the water extraction source.

No water sources were significantly affected by water extraction.



NORTH DISTRICT, ARGENTINA

Operated area: 135.2 km²

## BIODIVERSITY

GRI 304-1, OG4

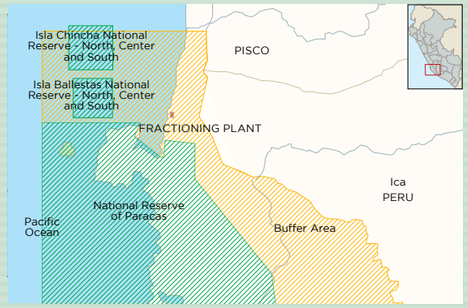
In Pluspetrol, we promote the assessment of potential risks and impacts on biodiversity through the analysis of sensitivity maps, biological baselines and impact evaluations, in order to prevent and minimize negative impacts in highly sensitive environments with international protection category or high biological diversity.

The following maps show the Company's operation areas, and their location in relation to the protected areas, and the non-protected areas of great value to biodiversity.

The gas and oil production blocks operated by PPC and PPN, and the gas and concentrates processing plant in Pisco, are located in high environmental sensitivity areas.

In these operations, environmental impact studies were performed, from which control and mitigation measures were established.

In the case of Bahia de Paracas (Pisco) and Blocks 88 and 56 (Malvinas), biodiversity monitoring programs have been continuously implemented, allowing to assess the changes occurring in this locations, due to our own or third-party activity, and to apply the corresponding mitigation actions.

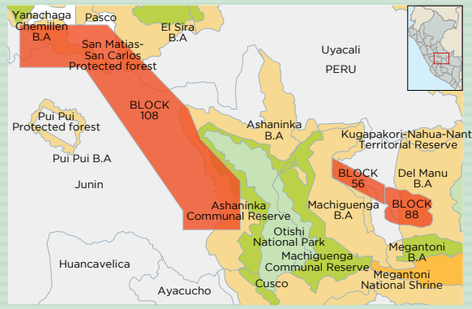


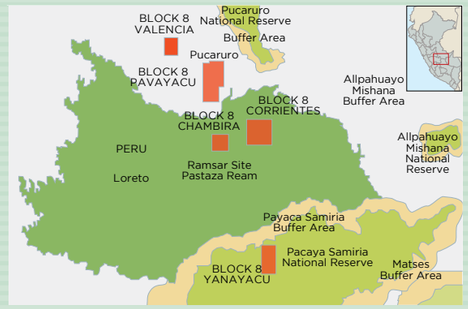

CAMISEA, PISCO, PERU

Operated area: 0.56 km²

CAMISEA, MALVINAS Y LOTE 108, PERU

Operated area: 2,019.8 km²



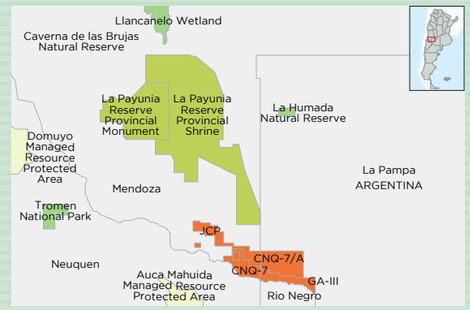




PPN, PERU

Operated area: 1,823.5 km²

RIO COLORADO DISTRICT, ARGENTINA

Operated area: 1,909.3 km²



### BIODIVERSITY MONITORING PROGRAM (BMP) IN THE CAMISEA PROJECT UPSTREAM AREA

In 2018, a follow up of different components of biodiversity was performed, through field and lab activities. The following are among the evaluated components:

**Terrestrial biota component:** four field campaigns took place, for mammal monitoring with camera traps in the the Malvinas Gas Plant, and two, related to vegetation monitoring in right of way for the Pagoreni - Malvinas pipeline.

**Aquatic biota component:** two campaigns were carried out to monitor the status of the periphyton, benthos, nekton (aquatic organisms) and physicochemical parameters in 21 hydrobiological stations in rivers and creeks in the lower Urubamba river.

**Use of ecosystemic services by native communities component:** two campaigns were carried out to monitor the use of natural resources by families of three machiguenga natives communities from the lower Urubamba river.

**Landscape component:** helicopter overflights to assess the status of revegetation and natural rehabilitation in the areas disturbed during the 3D seismic survey of 2004 in Block 88.

Additionally, this year, an evaluation of critical habitats was carried out in the BMP study area. The BMP Annual Workshop took place, where the results obtained in the 2017-2018 cycle were disclosed to the civil society, and to celebrate the Environment day, specialized personnel was present at the Expo Feria to discuss the BMP objectives and environmental awareness.

Photographer: Daniel Silva

## ENVIRONMENTAL IMPACTS MANAGEMENT

From Pluspetrol, we ratify our commitment with the identification and assessment of environmental risks and impacts, associated to our activities.

We aim our efforts so that all operations are in balance with the environment, properly managing assets in order to prevent or reduce the occurrence of undesirable events (UE).

We foster a proactive risk prevention culture, in all levels of the Company, and along assets cycle (project, operation and abandonment). We implement the best practices available for prevention, early identification, valuation and handling of those significant impacts.

We expand our environmental management to all the value chain, ensuring suppliers and contractors adhere to the principles established in our Sustainability Policy, and make Pluspetrol's standards in terms of environment protection their own.

In that respect, in each operation, there is a continuous follow-up of a series of indicators that allow the assessment of risk and impact management, in order to establish improvement measures, based on correct and precise information. In compliance with environmental requirements, and confirming our commitment to the identification and assessment of environmental and social risks and impacts associated to the activities developed by Pluspetrol, in 2018, the following projects stood out:

### SOCIO-ENVIRONMENTAL ASSESSMENT, PLUSPETROL NORTE, PERU

In the framework of the development of Abandonment Plans, PPN finished the environmental, socio-economic and cultural assessment in the 5 oil fields of Block 8, covering the 48 communities in the area of influence.

The assessments were performed in the flood-prone areas of the Amazon Rain Forest with the participation of around 50 professional experts in: i) environmental quality monitoring: air, noise, water, sediments and soils; ii) biological evaluation: flora, wildlife, forestry, ornithology (birds), mammalogy (mammals), herpetology (reptiles) and hydrobiology; through the study of close 100 monitoring stations and iii) socio-economic and cultural assessment, through the collection of information via interviews and surveys. The specialists had access to operational areas and protected natural areas (Pacaya Samiria), with the support of 70 locals natives from the project's area of influence.

### UNCONVENTIONAL PROJECT INTEGRAL ENVIRONMENTAL EVALUATION, PLUSPETROL ARGENTINA

2018 was the first year in which we worked on compilation and field survey for the elaboration of a global scope, long-term vision Environmental Impact Study (EIS) for the development of the La Calera non conventional area. This technically complex study included the analysis of several sub-projects:

- 183 wells in 61 locations.
- 1 centralized processing plant.
- 7 batteries.
- 152 km of pipelines (gathering network).
- 115 km of new roads and conditioning of existing ones.
- 1 base of operations.
- 1 water collection facility.
- 20 km aqueduct to transport water from Rio Neuquen.

The technical description of each sub-project, with their scope, and the field survey involved a continuous interdisciplinary work for approximately 2 months, where more than 10 professionals from different specialties and areas of our Company participated.

### ENVIRONMENTAL MONITORING CAMPAIGN, PLUSPETROL ANGOLA CORPORATION

In 2018, the second integral environmental monitoring campaign was carried out in the Cabinda Sur on-shore block.

The main objective of the study was to evaluate the current quality of all environmental matrices in the areas surrounding the operations in Cabinda, and compare the current data with those from the campaign carried out in 2015, in order to guarantee a continuous evaluation of the environmental indicators, demonstrating Pluspetrol's commitment to protect and preserve the environment where we operate.

## SPILLAGE MANAGEMENT

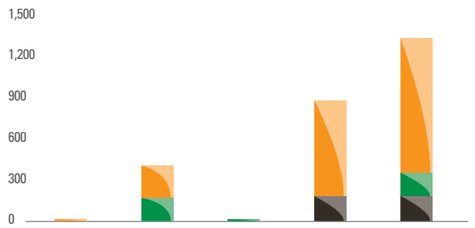
GRI 306-3

With the goal of preventing spills during crude oil production, storage and transportation, in Pluspetrol we have specific systems and procedures. Our priority is to prevent spills. However, in case an event of such characteristic occurs, in all our operations, we have contingency plans specific to the regional context, which take into account the geographic and operational particulars.

We are committed to the continuous improvement of these indicators. To that end, we foster programs for asset integrity and preventive maintenance in all our operations. We apply operational procedures to, not only reduce the probability of environmental incidents, but also make the associated volumes significantly smaller.

We stimulate continuous improvement by learning, and encourage the investigation of all undesirable events associated to environmental incidents.

### SPILLS (BBL)




| | | | | |
|---|---|---|---|---|
| 31 | 237 | - | 704 | 972 |
| 0.2 | 174 | - | 0.4 | 175 |
| - | 3 | - | 187 | 190 |

- Spills of other substances – volume
- Spills of water and oil mixture – volume
- Spills of 100% hydrocarbons – volume

Spills greater impact has been on the soil.
In each case, the incidents were managed according to the current local regulation, and the Company's environmental management procedures.

**190** TOTAL SPILLS PLUSPETROL 2018

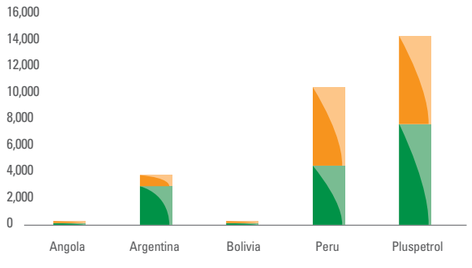
## SOLID AND LIQUID WASTES MANAGEMENT

GRI 306-3

Waste management, promotes minimization of waste creation, fostering reduction in origin, reuse, recovery and recycling. Additionally, proper storage, transportation and final disposal are essential objectives of this management to ensure minimization of the associated environmental risks.

Continuous improvement in management, applying the best practices in the field, is a Company priority.

### GENERATED WASTES (TON)




| | | | | |
|---|---|---|---|---|
| 2 | 842 | 10 | 5,889 | 6,744 |
| 125 | 2,946 | 0,8 | 4,563 | 7,635 |

- Hazardous wastes
- Non-hazardous wastes

### WASTES CLASSIFICATION

- **58%** HAZARDOUS WASTES
- **42%** NON-HAZARDOUS WASTES

**11%** OF TOTAL WASTES IS TREATED WITH THE 3R: REUSE, RECYCLING, REDUCTION

In accordance with the priorities in Pluspetrol's operations, we present, as a guide, the different management approaches to wastes and the actions related to each treatment.

Regarding hazardous wastes, selection of treatment and final disposal choices is evaluated based on the following criteria:

- Characteristics of the waste.
- Environmental characteristics of the area in which treatment/final disposal will be carried out.
- Generation volume or mass (generation rate).
- Risks and results of the application, from an environmental and safety point of view.
- Technology authorization by the appropriate enforcement authority.
- Method cost/efficiency.
- Technology availability in the local area.

### SOLID WASTE MANAGEMENT

| PREVENTION AND MINIMIZATION | TREATMENT | DISPOSAL |
|---|---|---|
| **Reduction at origin**<br>• Raw materials substitution<br>• Operational good practices<br>• Separation at origin<br>• Process modification/ prioritization<br><br>**Reuse**<br>• As raw material<br><br>**Recycling**<br>• Reuse in operative processes<br>• Reuse in energy processes | **Biological**<br><br>**Physicochemical**<br><br>**Thermal** | **Final disposition** |

## "RECYCLE TO HELP" PROGRAM PLUSPETROL NORTE AND PLUSPETROL CORPORATION, PERU

In 2018, the "Recycle to help" program was consolidated, in agreement with the Ayuda al Niño Quemado - ANIQUEM association, an organization dedicated to provide and sponsor treatment for low-income patients who have survived burns, in vulnerable areas of Peru.

In this period, in the operational and administrative offices of PPN and Camisea, Peru, close to 33 ton of recyclable material was collected (19 ton or cardboard, 12 ton of plastic and 1.7 ton of paper).

The collected material is gathered in the operational blocks and offices of Lima, to later be picked up, separated, transported and commercialized by ANIQUEM through recycling companies to ensure responsible handling.

Recycled materials donations in 2018 allowed to finance 1 year of occupational therapy for 12 low income patients, stimulating waste recycling with social impact.

## DRILLING WASTES MANAGEMENT

OG 7

During the drilling activities of 2018, a total of 42,257 tons of drilling waste was generated, 92% of these was water-based, and 8% oil-based.

Drilling cuttings and remnant muds receive different treatments, and, in every case, are disposed of according to current legislation and available technologies in each country where we operate.

In some cases, the cuttings can be dried out in the open and, once safety is verified, used as filling material, treated with the land farming technique, or reinjected.

Regarding muds, they are treated, and their reuse in other drillings is stimulated.

| | ANGOLA | ARGENTINA | BOLIVIA | PERU | PLUSPETROL |
|---|---|---|---|---|---|
| Generated drilling wastes (ton) | - | 40,713 | - | 1,544 | 42,257 |
| Drilling wastes, water-based cuts and muds (ton) | - | 37,428 | - | 1,544 | 38,972 |
| Drilling wastes, oil-based cuts and muds (ton) | - | 3,285 | - | - | 3,285 |

# PROCESS SAFETY

Committed with excellence, and a look towards sustainability, we work on safety management with an approach based on operations and processes, which seeks to know more about the Company culture.

With the intention of adopting the best practices and international standards, in 2018, the Process Safety Management (PSM) framework was defined, and developed based on the Center for Chemical Process Safety (CCPS) guidelines, organization that Pluspetrol is a member of.

The purpose is to ensure a formal approach to process safety management in our operations, and it is structured on four essential pillars: I Commitment and Leadership, II Understanding Hazards and Risks, III Risk Management and IV Learning from experience.

PSM implementation in Pluspetrol involved an interdisciplinary work from all areas, and a sustained commitment to consolidate risk management as a key element for the long-term growth and sustainability strategy.

The development and launch of the new EHS site, in October 2018, was an important step for the implementation. An internal communication and permanent learning tool about the Process Safety Management Framework.

## COMMITMENT AND LEADERSHIP

To continue towards a Sustainable Operation, we seek the commitment and understanding of leaders regarding the importance of risk and impact management, and concerning the need to understand and foster a culture that supports the projected changes, while leading by example. This pillar requires an evolution towards a generative culture for risk management and environmental impacts, from which decisions are made according to the level of risk, minimizing negative impacts and optimizing benefits and opportunities in a continuous improvement cycle. Therefore, sustainable management involves developing management systems with defined processes and developed competences in the whole organization, so we can operate safely, responsibly and with environmental awareness, preventing undesirable events.

## CULTURAL MANAGEMENT FOR A SUSTAINABLE OPERATION

Understanding culture is essential for leaders to produce changes, starting by modifying the context in which their collaborators perform.

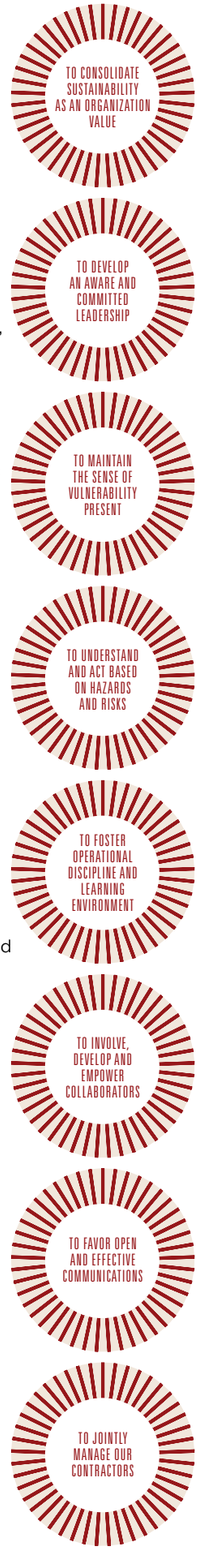
This allows defining the appropriate strategy (tools and actions) necessary to implement in order to reach the desired level. Involving the organization, generating a shared vision of where we want to be, is essential to conduct the defined strategies.

This model also incorporates the behavior patterns that have been identified in the industry as fundamental to reduce the probability of occurrence of major incidents, organized in 8 dimensions that mutually reinforce each other to guide the evolution process towards a generative culture for risk management.

In 2018, the first risk management culture survey was carried out. This tool was designed to listen the organization and learn about the Company's progress, in order to consolidate a sustainable operation, with regard to the 2015 diagnosis.

Although participation was voluntary, a campaign was launched to invite all Pluspetrol employees to participate in the survey, through a technological platform that was available for 45 days, and that allowed the answers to be anonymous and confidential, to later be reviewed by an external independent advisor.

The results analysis will allow us to further understand our strengths and opportunities, but will also help us define actions that contribute to the evolution towards a generative stage. In 2019, activities will be planned and developed to share the survey results with different groups.



### COLLABORATORS' COMMITMENT AND INVOLVEMENT

We foster active participation from collaborators in all levels of the organization for the development and continuous improvement of risk and impact management. We stimulate their commitment, involvement and sense of belonging towards the cultural evolution process. We work daily on three main points:

- Strengthening our operation discipline.
- Boosting a joint management with our contractors.
- Permanent learning.

In 2018, as in previous years, management visit plans were defined for all Business Units and the corporation, involving the operations area as well as the support/staff areas.

To celebrate the World Day for Safety and Health at Work, in 2018, an audiovisual was developed to reflect on the importance of understanding and acting contingent on hazards and risks as one of the fundamental aspects to: consolidate an integral vision of risk management, make consistently effective decisions, and capitalize the organization's knowledge.

### LEGAL COMPLIANCE - ENVIRONMENTAL REGULATION

GRI 307-1

Aligned with the management framework defined for the Company, in 2018, a survey of the process of legal requirements implementation and EHS compliance assessment was carried out, which prompted the generation normative documentation for its implementation at all Business Unit levels.

In 2018, we did not receive significant fines or monetary penalties due to environmental regulation non-compliances.

## UNDERSTANDING HAZARDS AND RISKS

The operational risk management process is consolidated as a decision-making tool for the Company, and as support to ensure the functioning of the barriers that keep risks in tolerable levels.

The process stages involve collaborators from different disciplines, from hazard identification in operations to decision-making in management levels to reduce risks pursuant the tolerance criteria defined by the Company.

The risk management scope has also been extended, including in its vision the logistical (aerial, terrestrial, fluvial) and non-operational risks associated to social impact, managed by the corresponding areas.

Additionally, in 2018, the Company management boosted the semi-annual risk revision process. It consists in the evaluation update of major events scenarios in each Business Unit, according to the identified changes (internal and/or external), barriers status and the evolution of ongoing improvements. Each Business Unit shares this evaluation with the Company management in the EHS Global Committee.

## HANDLING RISKS AND MANAGING IMPACTS

Once the hazards and risks were understood, and the environmental impacts were identified, the organization started developing an articulated and transversal work between the areas, to define required standards and technical practices, and to ensure the necessary competences that allow us to prevent, control and mitigate risks and impacts to operate at tolerable levels.

In that respect, we continue to work in order to improve management in five key areas: EHS working practices, assets reliability and integrity, contractor management, change management and emergency management.

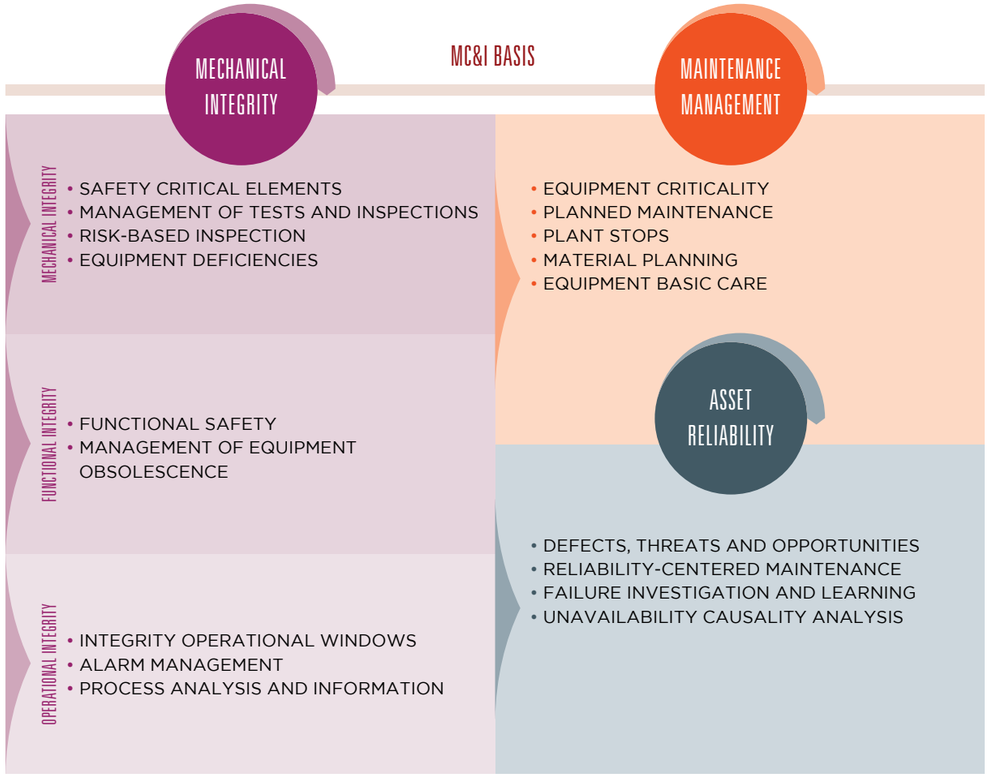
### EHS WORKING PRACTICES

In 2018, development continued on the multi-annual plan of safe working best practices. Specifically this year, the power isolation technical practice was developed, and is now in validation stage. Regarding the Work Control standard, each Business Unit continues to develop their implementation local plans. This standard comprehensively covers the control tools we have at Pluspetrol to minimize task risks. It establishes task categories, according to complexity, execution frequency, and impact on human factor, and it allows determining the quantity and type of controls required to be adopted.

### ASSETS RELIABILITY AND INTEGRITY

Properly managing the reliability and integrity of our facilities allows us to guarantee our adequacy to operate and increase the return on our asset investment. The definition of strategies to mitigate risks and anticipate catastrophic failures constitutes the main challenge.

The year 2018 has been key. Throughout a coordinated work by all the representatives of the Business Units, a framework was established to define the operations "Basis for Maintenance, Reliability and Integrity". The definitions that are part of this model set the guidelines and RAGAGEP (Recognized and Generally Accepted Good Engineering Practices) for their work disciplines, which are aligned with the definitions of the Process Safety Management Systems (CCPS and OSHA 1910.119), as well as those of Active Management (ISO 55000).



### MANAGEMENT OF PROCESS PHYSICAL BARRIERS (SCES)

The management of physical barriers of the process allows to demonstrate an advanced maturity state of our organization. Attachment to this practice has allowed strengthening the recognition and importance of these elements to ensure safe operations; in that regard, the Safety Critical Elements (SCE) standard incorporates, as key indicator of this practice, the evolution follow up (Aging) of Test, Inspection and Maintenance (TIM) activities, which reflects a positive tendency in all our operations.

### CONTRACTOR MANAGEMENT

In 2018, the EHS Aspects standard in Contractor management was put into effect; which allows to ensure that the control mechanisms in terms of EHS are incorporated in the registration and evaluation processes for suppliers, purchases and procurement, and for contract management, in order for selection, acquisition, use and monitoring of the procured services to be aligned with the operation's EHS requirements and the Company's performance objectives. This standard also contributes to the implementation of practices to ensure that the workers from contractor companies are proficient enough to perform their tasks safely, and that the procured services do not increase the level of risk and/or impact on the operations.

### CHANGE MANAGEMENT

The Change management process is now under reformulation. In that regard, although the Company manages changes through defined processes, it is proposed to generate a review and understanding of all the possible changes (equipment and facilities, technology, suppliers and contracts, organization, environment, planning, among others), to have the processes that allow properly identifying and channeling them. This comprehensive approach required the involvement of different specialties and approval levels to minimize impact on risk levels.

### EMERGENCY MANAGEMENT

Each Business Unit continues the revision and update process for their contingency plans, according to the defined contingency management and crisis management model.

Additionally, we continue to execute the multi-annual training plan for the different response level teams, and the execution of major event simulations, through a framework agreement established with an external supplier for support in design and execution.

In 2018, 100% of the simulations planned for each Business Unit were completed, which activated the first and second emergency response level. Additionally, two exercises associated to major risks were performed. The first exercise was performed in Argentina, where a gas leak was simulated, followed by an explosion and fire with BLEVE potential of a tanker during LPG loading, in the gas treatment plant, in the Centenario site. The exercise gave the first opportunity for all Argentine response teams to work jointly and apply the concepts, procedures and tools acquired during trainings, within the framework established by the contingencies and operational crisis management standard. It was clear that the different response team members performed professionally, and were adequately led so that the exercise would flow with authenticity and the team members would react accordingly.

The second major event simulation took place in Peru, and in this opportunity, a gas leak was simulated, followed by explosion and fire in a propane collector, in the Pisco plant. This was the second major event exercise performed in Pluspetrol Peru (the first one took place in November 2016, in the Malvinas plant). During the evolution of the exercise, all the established general goals were achieved, and some improvement opportunities were identified for the tactical response teams and the incident management team.

In both major risk scenario simulations that took place, all the response levels defined in the contingency and crisis management system were activated, including the corporate support team, whose main purpose is to guarantee business continuity during emergency situations of the highest complexity.

## LEARNING FROM EXPERIENCE

Pluspetrol has implemented processes to turn their own mistakes, and those from third parties, into opportunities for improvement, which ensure an efficient learning from experience, considering the following aspects:

1) Performing investigations that allow identifying the roots of the incidents.

2) Correcting these causes by implementing systemic actions.

3) Disclosing learned lessons, including from other organizations.

4) Developing a culture and infrastructure to help spread the lessons and apply them in the future.

5) Measuring performance and continuously improving areas that present significant risks.

### INCIDENT INVESTIGATION

GRI 403-1

Learning from our own events allows us to capitalize experiences to achieve a safer operation, with less impact on direct collaborators, the environment and the communities. In 2018, Pluspetrol continued to move forward in the implementation of two corporate management procedures:

- Undesirable events classification and report
- Incident investigation

Disseminating the lessons learned from investigations is the link that allows the transmission of recommendations that prevent the occurrence of similar events. Reflection and learning spaces, the EHS committees and the safety moments when starting operational meeting are activities that still function effectively as learning instances.

In 2018, reflection and learning spaces were created with the purpose of invigorating risk management and keeping our sense of vulnerability present. With the attendance of all operative personnel, workshops are carried out to reflect on technical issues of interest for the operations, focusing on the importance of properly managing risks associated to critical activities and preventing incident repetition.

The Company CEO chaired two global corporate level EHS committees, to perform a review on the major risks in each business unit, and to cover strategic safety topics, asset integrity, operational risks, social issues and corporate social responsibility. In the business units, the EHS committees are carried out at country and asset level; they are led by the country managers and the asset managers, respectively. These committees analyze the EHS management indicators, verify EHS social plans progress, and revise pending actions status.

Additionally, local committees for health and safety at work are carried out, with the attendance of unit leaders, Health and Safety managers, and collaborators' representatives, with 100% of the workers being represented. These committees meet regularly throughout the year to present strategies, revise action plans, and take on commitments for the management of relevant issues.

The analysis of lessons learned from our own unwanted events, and those from third parties, is a practice that continues to strengthen, and is common in the agenda of previous committees, which reinforce the responsibility in each of us in the construction of a sustainable operation.

At corporate level, we continue reviewing those undesirable events classified as High Potential (HiPos), with the involvement of the vice presidency of operations and their reports. The quality of the investigations experienced an important evolution in the identification of systemic causes and in the creation of actions to prevent the occurrence of similar events in other operations.

To that end, we have the new EHS Site, an internal communication space, available to the whole Company, where, in order to capitalize experience, the lessons to be learned (our own and those of the industry) are shared in the framework of Process Safety Management.

# MEASUREMENT AND METRICS

## OPERATIONAL RISKS MANAGEMENT

Risk management has begun to outline indicators that allow an active management monitoring to preventively identify deviations. These are some of the main indicators: process documentation status, intended activities follow up, actions follow up to reduce risks, change of path, investments for risk reduction, follow up of gap closing plans, among others.

## ENVIRONMENTAL MANAGEMENT

Within the framework of the initiatives to optimize process for reporting variable by the Business Units during 2018, we continued to the develop projects of an environmental variables report tool, which allows loading the information required every month, in a share point environment, with the objective of improving data quality. Based on this information the environmental management follow up is performed to identify improvement opportunities.

## ASSETS RELIABILITY AND INTEGRITY

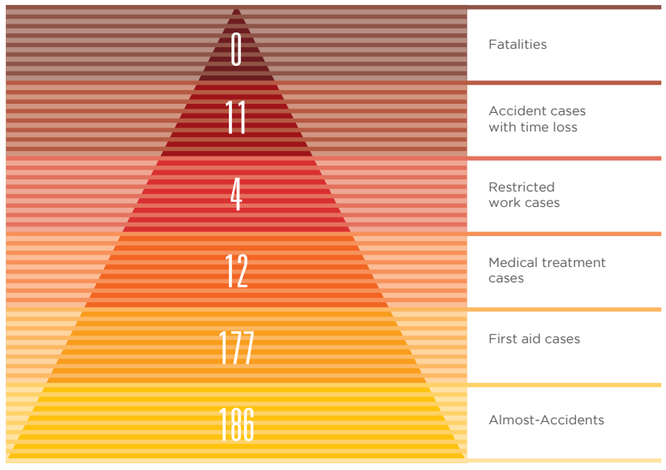
**Aging indicator evolution:** This indicator's results for 2018 reflect the good work performed by the operations, and demonstrate the understanding of these elements in the efforts to reduce pending work orders.

# INCIDENT AND PROCESS EVENTS MONITORING

GRI OG13

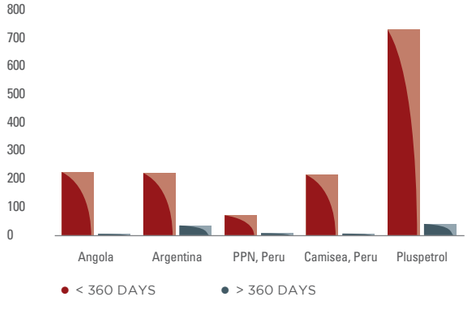
In 2018, we continued to optimize process events reporting in all our operations, taking the API-754 guidelines and the IOGP definitions as a reference. The quality of the results (frequency indicators for process events) corresponds to international high standards in terms of safety data acquisition.

Likewise, in 2018, we continued working to strengthen our indicators for accidents with impact on people.



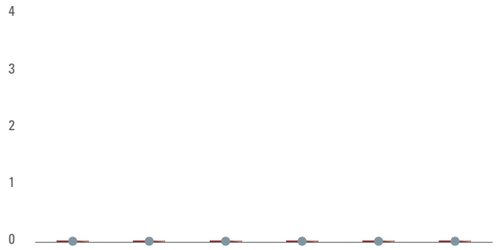

### SCES PENDING WORK ORDERS (AGING):

Pending test orders, inspections and maintenance.




### FREQUENCY INDEXES EMPLOYEES

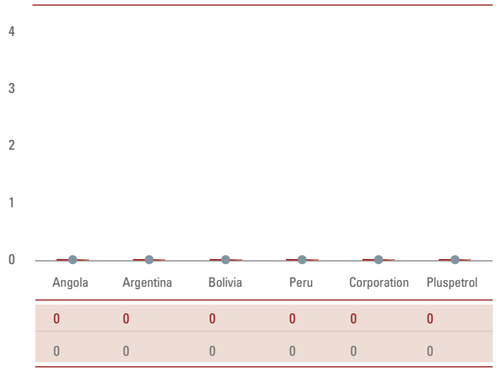
#### TRIR EMPLOYEES TOTAL RECORDABLE INCIDENT RATE: NUMBER OF RECORDABLE INCIDENTS X 1 MILLION/MHW




| | Angola | Argentina | Bolivia | Peru | Corporation | Pluspetrol |
|---|---|---|---|---|---|---|
| TOTAL OF TRIC RECORDABLE CASES | 0 | 0 | 0 | 0 | 0 | 0 |
| TRIR RECORDABLE INCIDENT FREQUENCY | 0 | 0 | 0 | 0 | 0 | 0 |

This indicator refers to the Total Recordable Cases. It includes the recording of all the events classified as "medical treatment, limited work and incidents with overhanging days", pursuing the objective to achieve zero recordable events.

#### LTIR EMPLOYEES LOST TIME INCIDENT RATE: NUMBER OF INCIDENTS WITH LOST DAYS X 1 MILLION/MHW

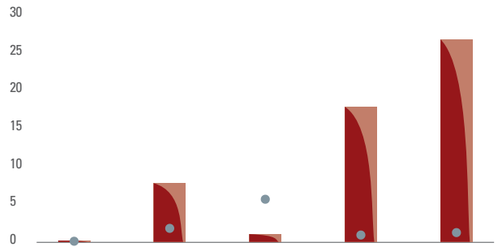



| | Angola | Argentina | Bolivia | Peru | Corporation | Pluspetrol |
|---|---|---|---|---|---|---|
| NUMBER OF INCIDENTS WITH LTIC DAYS LOST | 0 | 0 | 0 | 0 | 0 | 0 |
| ANNUAL FREQUENCY OF INCIDENTS WITH LTIR DAYS LOST | 0 | 0 | 0 | 0 | 0 | 0 |

Calendar days following the day after the accident are taken into account for the calculation of days lost.

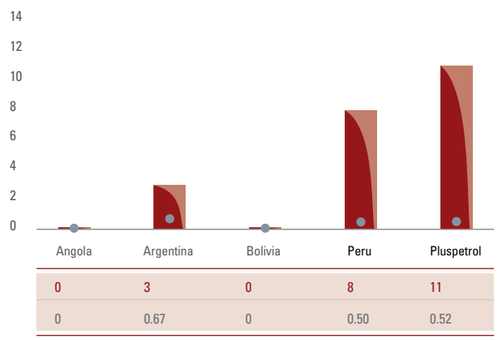
### FREQUENCY INDEXES WORKERS EXCLUDING EMPLOYEES

#### WORKERS TRIR - EXCLUDING EMPLOYEES TOTAL RECORDABLE INCIDENT RATE: NUMBER OF RECORDABLE INCIDENTS X 1 MILLION/MHW



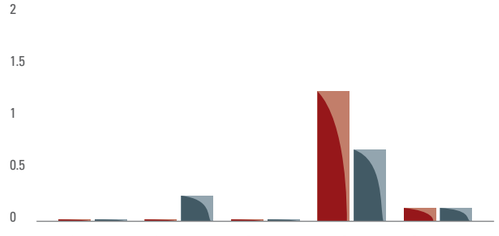

| | Angola | Argentina | Bolivia | Peru | Pluspetrol |
|---|---|---|---|---|---|
| TOTAL OF TRIC RECORDABLE CASES | 0 | 8 | 1 | 18 | 27 |
| TRIR RECORDABLE INCIDENT FREQUENCY | 0 | 1.79 | 5.90 | 1.12 | 1.29 |

#### WORKERS LTIR - EXCLUDING EMPLOYEES LOST TIME INCIDENT RATE: NUMBER OF INCIDENTS WITH LOST DAYS X 1 MILLION/MHW




| | Angola | Argentina | Bolivia | Peru | Pluspetrol |
|---|---|---|---|---|---|
| NUMBER OF INCIDENTS WITH LTIC DAYS LOST | 0 | 3 | 0 | 8 | 11 |
| ANNUAL FREQUENCY OF INCIDENTS WITH LTIR DAYS LOST | 0 | 0.67 | 0 | 0.50 | 0.52 |

#### EVENT FREQUENCY OF TIER 1 AND TIER 2 PROCESSES




| | Angola | Argentina | Bolivia | Peru | Pluspetrol |
|---|---|---|---|---|---|
| TIER 1 FREQUENCY | 0 | 0 | 0 | 1.27 | 0.11 |
| TIER 2 FREQUENCY | 0 | 0.26 | 0 | 0.52 | 0.11 |

The Corporation does not have non-employed workers, therefore they are not included in this analysis.

# PLUSPETROL IN NUMBERS

| MATERIAL ASPECT | 2018 | 2017 | 2016 |
|---|---|---|---|
| **OUR PEOPLE´S DEVELOPMENT** | | | |
| Total effective collaborators (number) | 1,775 | 1,721 | 1,827 |
| Male collaborators (%) | 79 | 78 | 79 |
| Female collaborators (%) | 21 | 22 | 21 |
| Total turnover rate (%) | 10 | 5 | 10 |
| Total hires (amount) | 245 | 111 | 83 |
| Training average hours per collaborator (number) | 28 | 30 | 34 |
| Total trained collaborators (number) | 1,249 | 1,291 | 1,356 |
| Absenteeism rate (%) | 1.7 | 2.1 | 1.8 |
| **COMMUNITY AFFAIRS** | | | |
| Social investment - Total (USD) | 4,214,459 | 5,905,830 | 5,051,767[14] |
| Social investment - Education (USD) | 539,592 | 1,397,394 | 396,511 |
| Social investment - Healthcare (USD) | 397,205 | 398,235 | 608,650 |
| Social investment - Community development (USD) | 1,271,235 | 1,683,498 | 1,996,723 |
| Social investment - Institutional strengthening (USD) | 974,821 | 713,624 | 751,372 |
| Social investment - Others (USD) | 1,031,608 | 1,713,080 | 1,298,511 |
| **ENVIRONMENT** | | | |
| GHG direct emissions (KTON $CO_2$) | 3,845.2 | 2,172.9 | 2,025.6 |
| GHG direct emissions intensity (KTON $CO_2$/MBOE) | 26.28 | 14.1 | 12.3 |
| Vented and flared gas by production unit (SCF/BOE) | 26.21 | 4.2 | 3.02 |
| Total of vented and flared gas (MMSCF) | 3,835 | 644.2 | 497.9 |
| Volume of hydrocarbon spills per production unit (BBLS/MMBOE) | 1.3 | 0.3 | 0.9 |
| Volume of hydrocarbon spills (BBLS) | 189.76 | 43.4 | 163.5 |
| Number of 100% hydrocarbon spills (number) | 14 | 7 | 5 |
| Volume of water-oil mix spills by production unit (BBLS/MMBOE) | 1.2 | 6.5 | 4 |
| Volume of water-oil mix spills (BBLS) | 175.0 | 1,004.3 | 664.6 |
| Water-oil mix spills quantity (number) | 73 | 53 | 50 |
| Volume of other substances spills by production unit (BBLS/MMBOE) | 6.65 | 4.8 | 1.9 |
| Volume of other substances spills (BBLS) | 972.4 | 740.9 | 313.5 |
| Number of other substances spills (number) | 97 | 22 | 13 |
| Generation of hazardous wastes (TON) | 7,634.7 | 2,714.1 | 2,622.5 |
| Generation of non-hazardous wastes (TON) | 6,744.0 | 4,423.2 | 4,534.9 |
| Generated drilling wastes (TON) | 42,256.9 | 50,140.6 | 13,811 |
| Water consumption by production unit (MMBBLS/MMBOE) | 0.1 | 0.1 | 0.1 |
| Total fresh water consumption (MMBBLS) | 19.7 | 21 | 26.3 |
| **PROCESS SAFETY** | | | |
| TRIR index - Employees | 0 | 0.8 | 0.8 |
| TRIR index - Contractors | 1.3 | 1.2 | 1.4 |
| LTIR index - Employees | 0 | 0.3 | 0.5 |
| LTIR index - Contractors | 0.5 | 0.7 | 0.74 |
| Process events frequency - TIER 1 index | 0.1 | 0.3 | 0.4 |
| Process events frequency - TIER 2 index | 0.1 | 0.8 | 1.2 |

**14.** August 2015. License contract termination Block 1 AB, Peru.



# GRI INDEX

GRI 105-22

We developed the following content index, according to GRI standards and the issues that arose as material in the analysis performed.

| GRI STANDARD | | CONTENT | PAGE NUMBER/ RESPONSE | ODS | OMISSION |
|---|---|---|---|---|---|
| GRI 101: 2016 Funda-mentals | | **GENERAL CONTENTS** | | | |
| | | **ORGANIZATION'S PROFILE** | | | |
| GRI 102 Contents General 2016 | 102-1 | Name of the organization | 2 | | |
| | 102-2 | Activities, brands, products and services | 2 | | |
| | 102-3 | Headquarters location | 2 | | |
| | 102-4 | Operations location | 3 | | |
| | 102-5 | Ownership and legal form | 2 | | |
| | 102-6 | Served markets | 2 | | |
| | 102-7 | Size of the organization | 2 | | |
| | 102-8 | Information on employees and workers | 21 | 8.5, 10.3 | |
| | 102-9 | Supply chain | 16 | | |
| | 102-10 | Significant changes in the organization and its supply chain | 16 | | |
| | 102-11 | Precautionary principle or approach | 6 | | |
| | 102-12 | External initiatives | 11 | | |
| | 102-13 | Associations affiliation/ memberships | 11 | | |
| | | **STRATEGY** | | | |
| GRI 102 Contents General 2016 | 102-14 | Declaration from high executives responsible of the decision-making | 1 | | |
| | | **ETHICS AND INTEGRITY** | | | |
| GRI 102 Contents General 2016 | 102-16 | Values, principles, conduct standards and regulations | 4, 6 | 16.3 | |
| | 102-17 | Counseling mechanisms and ethical concerns | 5 | 16.3 | |
| | | **GOVERNANCE** | | | |
| GRI 102 Contents General 2016 | 102-18 | Governance structure | 4 | | |
| | | **ENGAGEMENT OF STAKEHOLDERS** | | | |
| GRI 102 Contents General 2016 | 102-40 | List of stakeholders | 13 | | |
| | 102-41 | Collective negotiation agreements | 21 | 8.8 | |
| | 102-42 | Stakeholders identification and selection | 13 | | |
| | 102-43 | Approach for stakeholders engagement | 13 | | |
| | 102-44 | Mentioned key issues and concerns | 13 | | |
| | | **PRACTICES FOR REPORT ELABORATION** | | | |
| GRI 102 Contents General 2016 | 102-45 | Entities included in the consolidated financial statements | N/D | | |
| | 102-46 | Definition of report contents and Issue coverages | 13, 14 | | |
| | 102-47 | List of material topics | 14 | | |
| | 102-48 | Restatement of information | 13 | | |
| | 102-49 | Changes in report elaboration | 13 | | |
| | 102-50 | Reporting period | 13 | | |
| | 102-51 | Date of last report | 13 | | |
| | 102-52 | Report elaboration cycle | 13 | | |
| | 102-53 | Contact point for questions about the report | 13 | | |
| | 102-54 | Statement of report elaboration in compliance with GRI Standards | 13 | | |
| | 102-55 | GRI contents index | 47 | | |
| | 102-56 | External verification | | | Not performed |
| | | **MATERIAL TOPICS ECONOMIC** | | | |
| | | **ECONOMIC PERFORMANCE** | | | |
| GRI 201: Performance Economic 2016 | 201-1 | Direct economic value, created and distributed | | | For matters of confidential-ity, this content is not reported |
| | | **INDIRECT ECONOMIC IMPACTS** | | | |
| GRI 103: Management focus 2016 | 103-1 | Explanation of material topic and its coverages | 26 | | |
| | 103-2 | Management approach and its components | 26 | | |
| | 103-3 | Management approach assessment | 26 | | |
| GRI 203: Indirect economic impacts 2016 | 203-2 | Significant indirect economic impacts | 26 | 1.2, 3.8, 5.4, 8.2, 8.3, 8.5, 9.1, 9.4 | |
| | | **PURCHASING PRACTICES** | | | |
| GRI 103: Management focus 2016 | 103-1 | Explanation of material topic and its coverages | 18 | | |
| | 103-2 | Management approach and its components | 18 | | |
| | 103-3 | Management approach assessment | 18 | | |
| GRI 204: Purchasing Practices 2016 | 204-1 | Share of expenditure in local suppliers | 18 | 8.3 | |
| | | **ANTI-CORRUPTION** | | | |
| GRI 103: Management focus 2016 | 103-1 | Explanation of material topic and its coverages | 6 | | |
| | 103-2 | Management approach and its components | 6 | | |
| | 103-3 | Management approach assessment | 6 | | |
| GRI 205: Anti-corruption 2016 | 205-1 | Operations assessed for risks related to corruption | 6 | 16.5 | |
| | | **RESERVES** | | | |
| GRI 103: Management focus 2016 | 103-1 | Explanation of material topic and its coverages | 2 | | |
| | 103-2 | Management approach and its components | 2 | | |
| | 103-3 | Management approach assessment | 2 | | |
| Reserves | OG1 | Volume and type of reserves | 2 | | |
| | | **ENVIRONMENTAL** | | | |
| | | **WATER** | | | |
| GRI 103: Management focus 2016 | 103-1 | Explanation of material topic and its coverages | 32 | | |

| GRI STANDARD | | CONTENT | PAGE NUMBER/ RESPONSE | ODS | OMISSION |
|---|---|---|---|---|---|
| | 103-2 | Management approach and its components | 32 | | |
| | 103-3 | Management approach assessment | 32 | 6.4 | |
| GRI 303: Water 2016 | 303-1 | Water extraction by source | 32 | 6.4 | |
| | 303-2 | Water sources significantly affected by water extraction | 32 | | |
| | | **BIODIVERSITY** | | | |
| GRI 103: Management focus 2016 | 103-1 | Explanation of material topic and its coverages | 33 | | |
| | 103-2 | Management approach and its components | 33 | | |
| | 103-3 | Management approach assessment | 33 | | |
| GRI 304: Biodiversity 2016 | 304-1 | Owned, leased or managed operation centers, located within or next to protected areas or protected areas but of great value for biodiversity outside | 33 | 6.6, 14.2, 15.1, 15.5 | |
| | OG4 | Number and percentage of significant operating sites in which biodiversity risk has been assessed and monitored | 33 | | |
| | | **EMISSIONS** | | | |
| GRI 103: Management focus 2016 | 103-1 | Explanation of material topic and its coverages | 31 | | |
| | 103-2 | Management approach and its components | 31 | | |
| | 103-3 | Management approach assessment | 31 | | |
| GRI 305: Emissions 2016 | 305-1 | GHG direct emissions (reach 1) | 31 | 3.9, 12.4, 13.1, 14.3, 15.2 | |
| | OG6 | Volume of flared and vented hydrocarbon | 31 | | |
| | | **EFFLUENTS AND WASTES** | | | |
| GRI 103: Management focus 2016 | 103-1 | Explanation of material topic and its coverages | 36 | | |
| | 103-2 | Management approach and its components | 36 | | |
| | 103-3 | Management approach assessment | 36 | | |
| GRI 306: Effluents and wastes 2016 | 306-3 | Significant spillages | 36 | 3.9, 6.3, 6.6, 12.4, 14.1, 15.1 | |
| | OG7 | Amount of drilling waste (drilling and cutting mud) and strategies for treatment and disposal | 37 | | |
| | | **ENVIRONMENTAL COMPLIANCE** | | | |
| GRI 103: Management focus 2016 | 103-1 | Explanation of material topic and its coverages | 40 | | |
| | 103-2 | Management approach and its components | 40 | | |
| | 103-3 | Management approach assessment | 40 | | |
| GRI 307: Environmental compliance 2016 | 307-1 | Non-compliance with environmental legislation and regulation | 40 | 16.3 | |
| | | **EMPLOYMENT** | | | |
| GRI 103: Management focus 2016 | 103-1 | Explanation of material topic and its coverages | 22 | | |
| | 103-2 | Management approach and its components | 22 | | |
| | 103-3 | Management approach assessment | 22 | | |
| GRI 401: Employment 2016 | 401-1 | New hires and personnel turnover | 22 | 5.1, 8.5, 8.6, 10.3 | |

| GRI STANDARD | | CONTENT | PAGE NUMBER/ RESPONSE | ODS | OMISSION |
|---|---|---|---|---|---|
| | | **OCCUPATIONAL HEALTH AND SAFETY** | | | |
| GRI 103 Management focus 2016 | 103-1 | Explanation of material topic and its coverages | 43 | | |
| | 103-2 | Management approach and its components | 43 | | |
| | 103-3 | Management approach assessment | 43 | | |
| GRI 403: Occupational Health and Safety 2016 | 403-1 | Workers' representation in worker-company formal committees for health and safety | 43 | 8.8 | |
| | | **TRAINING AND EDUCATION** | | | |
| GRI 103: Management focus 2016 | 103-1 | Explanation of material topic and its coverages | 23 | | |
| | 103-2 | Management approach and its components | 23 | | |
| | 103-3 | Management approach assessment | 23 | | |
| GRI 404: Training and education 2016 | 404-1 | Average annual training hours per employee | 23 | 4.3, 4.4, 4.5, 5.1, 8.2, 8.5, 10.3 | |
| | | **LOCAL COMMUNITIES** | | | |
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