

Respecting human rights

Repsol is implementing the United Nations Guiding Principles on Business and Human Rights, modifying its processes, training and communication to consolidate a culture of respect for human rights throughout the company.

Public commitment

Repsol approved its <u>Policy of Respect for Human Rights</u> in July 2013, following the specific recommendations set out in the United Nations "Protect, Respect and Remedy" framework and its Guiding Principles on Business and Human Rights.

Our policy covers Repsol's human rights commitments for all activities with all stakeholders, including employees, local communities, customers, partners and other business contacts, and indicates what is expected in these activities.

Repsol understands that respect for human rights means ensuring that our activities and decisions do not impact negatively on human rights, and doing everything possible to repair the damage of any impacts that, despite our best efforts, may occur. We will do everything in our power to prevent or mitigate any negative impacts on human rights of which we are aware that are directly related to activities and decisions in our commercial relationships.

This policy has been approved at the highest level in the company. In January 2014, Repsol's Chairman and CEO sent a personal message on this very subject to all employees.

A range of communication and awareness activities were carried out in 2013, both inside and outside the company, to promote a culture of respect for human rights among our employees and stakeholders.

Professor John Ruggie, author of the United Nations Guiding Principles on Business and Human Rights, visits Repsol

Harvard professor John Ruggie, who has built a consensus around the United Nations Guiding Principles on Business and Human Rights, visited Repsol's headquarters on September 12, 2013 for the presentation of our Sustainability Plans. The event was chaired by Repsol Chairman and CEO Antonio Brufau Niubó, and was attended by employees, government representatives, investors, customers, suppliers, the media, social agents and other stakeholder representatives, who followed the event in person and online.

Repsol's 2013-2014 Sustainability Plan commits it to more than 39 human rights actions.



From left to right: Pedro Fernández Frial, Executive Director of Strategy and Control; Cristina Sanz Mendiola, Executive Director of HR and Organization; Luis Suárez de Lezo Mantilla, Director and Company and Board Secretary; Professor John Ruggie; Antonio Brufau Niubó, Chairman and CEO; Nemesio Fernández-Cuesta Luca de Tena, Executive Director of Businesses; Begoña Elices Garcia, Executive Director of Communication and the Chairman's Office.

The next day, Professor Ruggie met the members of Repsol's Executive Committee at a private meeting chaired by the Chairman and CEO, to discuss human rights worldwide and the challenges of implementing the Guiding Principles on Business and Human Rights in extractive industries.

Taking advantage of the Harvard Professor's visit, on September 13, Repsol organized a closed meeting at its Méndez Alvaro headquarters between Professor Ruggie and a number of representatives of the Spanish government and civil society. Among a range of issues, participants discussed Spain's draft National Plan for Businesses and Human Rights.

The Global Compact Network Spain human rights working group

Repsol has been a member of the United Nations Global Compact since 2002, and has been a member of the Executive Committee of the Global Compact Network Spain since 2012.

As part of our commitment to human rights, in 2013 Repsol coordinated the human rights working group of the Executive Committee of the Global Compact Network Spain, promoting the Guiding Principles on Business and Human Rights among its members. The other four organizations on the Executive Committee also played an active role in this group.

In 2013, we produced a video entitled "Companies and human rights" to raise awareness of the potential human rights impacts of companies and their employees.

We also organized the "Private sector experiences in implementing the United Nations Guiding Principles on Business and Human Rights" conference, sharing the experiences and lessons learned from the implementation of the Guiding Principles in private sector companies.

Due diligence

Repsol has mechanisms in place to prevent potential human rights impacts resulting from its activities and commercial relationships.

We carried out human rights impact assessments in three of our upstream operations and one downstream operation, two in Bolivia and two in Peru.

Our Policy of Respect for Human Rights commits us to identifying, preventing and mitigating potential human rights impacts from our activities directly related to our operations, our products and the services provided through our commercial relationships. We have also undertaken to apply this impact assessment process before launching any new activity, and whenever there are any significant operational changes.

In 2013, we carried out 41 environmental, social and health assessments in 19 countries for exploration and production projects. The scope of these assessments reflected the local context and the nature of each operation. We also carried out five risk identification and impact assessment studies for our industrial complexes in Peru and Spain, for projects involving small changes to the facilities.

In 2013, we developed a joint project involving our business units and corporate areas to bring together the practical lessons learned and develop a corporate guide to assessing human rights impacts for the business units.

The project consists of four human rights impact assessments: two in Peru and two in Bolivia. Three of these studies involved onshore exploration and production operations where indigenous communities live in the direct area of influence of our activities. We also carried out a study on a downstream facility in Peru.

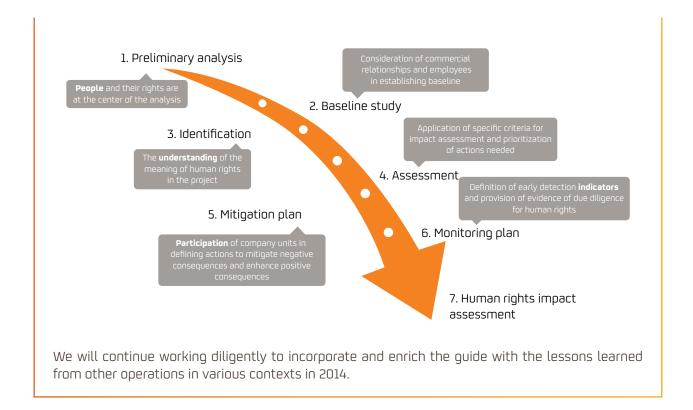
These four studies were carried out with the support of leading international human rights experts. We also involved a number of our operating units in the study so that we could analyze and assess the overall human rights situation.

The assessments enabled us to define a specific methodology, consistent with the Guiding Principles, for identifying and assessing the potential human rights impacts of our activities. They also helped us improve the integration of human rights specifically into our impact assessment processes.

Guide for the assessment of human rights impacts

We are using the practical lessons from the 2013 joint project to help us prepare a guide to assist units with their impact assessments

This guide will show how to mainstream human rights concerns into impact assessment processes for whenever we consider a new activity or make any significant operational changes.



We have already begun integrating the conclusions of the impact assessments into Repsol's internal processes and measures to prevent and mitigate potential human rights impacts, and to gauge the effectiveness of the measures.

As part of our human rights due diligence, Repsol has put mechanisms in place to prevent the risk of human rights impacts from our commercial relationships.

In 2013, Repsol's Audit and Control Division, working with the Corporate Responsibility Unit, conducted a series of audit tests designed to verify compliance with our internal regulations on ethics and conduct, human rights, labor rights, management of social investment and other aspects. Work was carried out in Peru, Angola, Brazil, the US, the Russian Federation, Portugal and the company's corporate areas, including the Exploration and Production and Downstream businesses.

Communication channels with local communities

We offer a number of accessible channels through which our stakeholders can submit any questions relating to human rights, including at the operational level.

Repsol offers a range of channels through which our stakeholders can submit any questions about our activities.

Our **global communication channels** are accessible online from anywhere in the world, including:

- The Ethics Committee communication channel.
- The Audit and Control Committee communication channel.

In 2013, the Ethics Committee communication channel received eight communications.

We also make available **local communication and grievance channels**, through which our stakeholders can report concerns and complaints, including those relating to human rights. Our local channels and mechanisms are tailored to the local environment and context of each operation.

For further information on communications received in our industrial complexes and our Exploration and Production activities, refer to "Local communities".

Local communication and grievance channels

Our grievance channels are adapted to the local environment and context of each operation. Some examples from 2013 are given below:

In Bolivia, we have a system for managing community grievances, in which every grievance must be formally set out in an oral or written instrument. The form is made available to stakeholders in the local environment. Our community relations team frequently promotes this document with the local community, so that they are aware of how it works and how to use it.

In Ecuador and Peru, the "Xprésate" channel is available for all types of communication.

In Brazil, the "Fale Repsol" (Repsol Speaking) channel is permanently available by email and a toll free number. These channels are made available to communities living in the areas of influence of Repsol Sinopec's Upstream operations.

In Colombia, we have put in place formal and informal mechanisms for collecting community requests and petitions.

We have a specific communication channel for the Waorani Nationality in Ecuador (NAWE).

In Peru, we have a formal mechanism at the operational level that is available to any interested party and which we use to record grievances until completion of the operation.

In Australia, certain identified stakeholders have been given the email addresses of Repsol employees so they can report requests and grievances.

We operate a 24-hour helpline in Guyana.

Operational-level grievance mechanisms

Through our Policy of Respect for Human Rights, Repsol has undertaken to offer effective grievance mechanisms at the operational level, from the start of activity and as early as possible in the project planning process. This enables anyone directly affected by the operations to report any situation that might impact human rights.

Grievance mechanisms for the local community are in place for the majority of Repsol operations, as part of our system of ongoing communication with communities affected by the project throughout

its lifecycle. Operational grievance mechanisms must be based on informed participation and must be effective: in other words, they must be legitimate, accessible, predictable, fair, transparent, compatible with human rights, based on dialogue and a source of continuous learning for the company.

We believe that effective operational grievance mechanisms help us to identify concerns and complaints promptly, enabling rapid intervention and therefore preventing conflicts.

Operational grievance mechanisms offer many benefits:

- They are less expensive for communities.
- They can serve more beneficiaries.
- They seek agreed solutions, allowing grievance solutions to satisfy both sides, reducing disputes and the possibility of escalation.
- They help to strengthen relations between the company and the community.
- They aid the company in continuously improving its operations based on the lessons learned, thereby helping to reduce future grievances.

Most of the complaints received from local communities relate to operational impacts and other issues that can be resolved rapidly at local level, particularly if the community's concerns are addressed promptly.

In 2013, Repsol developed a pilot project with a specialist consultant at one of its Exploration and Production operations, to enhance the effectiveness of its grievance mechanism, in collaboration with the IPIECA Association. The lessons learned will be used to improve the existing grievance mechanism and to develop corporate guidance for implementing effective complaint mechanisms for the company's operations.

The pilot project ran throughout the year, working with indigenous communities. Throughout the duration, we reviewed the mechanism together with local communities to enhance its effectiveness. Given that a grievance mechanism only works if the people it is designed for have faith in it and know how it works, the mechanisms had to be adapted to the logistical context and local culture, in collaboration with local communities.

We held meetings with indigenous federations in the area, community authorities, socio-environmental monitoring teams and other groups representing local communities. At these meetings, we addressed issues such as submitting grievances, the investigation process, the concept of a grievance, fairness, timetables and the best way of promoting the mechanism to ensure that local communities are aware of it.

This particular operation is in an area where there are no open roadways; therefore, river transport is the most common form of transport. Some of the communities are a long way from our base. One of the challenges for the project was to ensure that the grievance mechanism was accessible. To overcome this, in addition to our traditional channels, the community relations team plays an important role as a recipient of grievances, as it is constantly visiting the local communities. Indigenous federations and authorities also have an important role to play as potential intermediaries for receiving grievances, by helping people who do not know how to read and write, and as promoters of the current mechanism.

Training and awareness-raising

In 2013, we worked actively to promote a culture of respect for human rights, both within and outside our company.

Our employees have access to specific human rights training.

Human rights training and awareness raising activities are key constituents in establishing a culture of respect for human rights at Repsol. Therefore, many of our efforts in 2013 focused on training employees and raising awareness.

We promote specific human rights training, providing tools so that employees understand the potential human rights implications of their functions.

In 2013, we promoted the online human rights training we developed in 2012, enabling all Repsol employees to understand the scale of the company's commitment, the framework in which it is set and how we are implementing it.

In 2013, 894 people completed the course.

More than 600 people passed the course in Spain. Since its launch, the training has been completed by around 93% of our workforce in Algeria, 61% of people working in Colombia and 56% of the Bolivia workforce.

	Human rights course			
Country	Total people	Hours	Other training activities	
Spain	627	1.301		
Peru	122	1.146	 Promotion of key corporate responsibility concepts, focusing on human rights, to the entire Peru LPG business unit, using informative notes 	
Algeria	1	29		
Angola	1	2		
Bolivia	8	31	 Training sessions on the United Nations Guiding Principles on Business and Human Rights and the practical implementation of the Protect, Respect and Remedy framework for Repsol's legal teams in the country Promotion of training for security personnel in human rights and the Voluntary Principles on Security and Human Rights Periodic induction sessions for security personnel contracted by the Bolivia business unit on Repsol's human rights guidelines and its commitment thereto and the Voluntary Principles on Security and Human Rights 	
Brazil	9	13		
Canadá	2	1		

	Human rights course				
Country	Total people	Hours	Other training activities		
Colombia	2	26	 Training sessions on the United Nations Guiding Principles on Business and Human Rights and the practical implementation of the Protect, Respect and Remedy framework for Repsol's legal teams in the country 		
Ecuador	83	708	 Training sessions on the United Nations Guiding Principles on Business and Human Rights and the practical implementation of the Protect, Respect and Remedy framework for Repsol's legal teams in the country Training in ethical, environmental and human rights issues for our Exploration and Production personnel through talks Development of a specific human rights course and testing of learning using an assessment questionnaire for all personnel 		
Italy	4	7			
Libya	1	1			
Mexico	1	1	 Training sessions on the United Nations Guiding Principles on Business and Human Rights and the practical implementation of the Protect, Respect and Remedy framework for Repsol's legal teams in the country 		
Portugal	10	31			
Russian Federation	4	33			
Trinidad and Tobago	1	2	 Training sessions on the United Nations Guiding Principles on Business and Human Rights and the practical implementation of the Protect, Respect and Remedy framework for Repsol's legal teams in the country 		
UK	2	14			
United States	12	21			
Venezuela	4	99	 Training sessions on the United Nations Guiding Principles on Business and Human Rights and the practical implementation of the Protect, Respect and Remedy framework for Repsol's legal teams in the country 		
Total	894	3,466			

In addition, we offered specific classroom-based sessions for individuals assigned to particularly relevant functions:

- Ethics and human rights module as part of the annual training forums for Purchasing and Contracts personnel.
- Human rights sessions for new professionals on the Master's course in Energy Management at the Repsol Ongoing Education Center (CSFR).
- Specific training courses for our community relations experts. Participants studied all Repsol regulations on indigenous community relations, as well as international and national frameworks on the rights of indigenous peoples, including International Labour Organization (ILO) Convention No. 169 concerning Indigenous and Tribal Peoples in Independent Countries. These courses were held in Bolivia, Ecuador and Peru, with the participation of all community relations team members in these countries (42 people in total)..

Participation in domestic and international human rights discussions

In 2013, Repsol played an active role in various domestic and international events with representatives of government, companies and civil society, contributing to discussions and knowledge and awareness of the importance of respect for human rights by companies. In August 2013, we took part in the **First Latin American and Caribbean Regional Forum on Businesses and Human Rights**, organized by the United Nations Business and Human Rights Working Group, the Regional Bureau for Latin America and the Caribbean (UNDP) and the Government of Colombia. This forum provided a regional multi-party platform for constructive discussion of the implementation of the United Nations Guiding Principles on Business and Human Rights. The forum attracted global, regional and local representatives of companies, industrial associations, governments, international and regional bodies, civil society, national human rights bodies, unions and others. In addition to attending, we also sat on the United Nations Guiding Principles and Standards in Extractive Industries in Latin America and the Caribbean Panel, as a company operating in the region, together with representatives of the United Nations, the government of Colombia and civil society.

For the second year running, in December 2013 we took part in the **2nd Annual United Nations Forum on Business and Human Rights** in Geneva. The forum attracted over 1500 representatives of governments, civil society and companies from all sectors. This year, over 400 representatives of companies attended. Repsol addressed the forum at the session on "Indigenous Peoples And Business Operations Taking Steps Towards Implementing the United Nations Guiding Principles".

We also shared our commitment to human rights at various events to raise awareness and promote the relevance of respect for human rights in business activities.

- In May 2013, we shared our experience at a roundtable discussion organized by the Carlos III University on "Application of the United Nations "Protect, Respect and Remedy" Framework for Business and Human Rights" together with the Spanish Office of Human Rights and the non-profit Amnesty International.
- In June 2013, we helped organize and host a conference on "Private sector experiences in the implementation of the United Nations Guiding Principles on Business and Human Rights", as coordinators of the Human Rights Working Group of the Global Compact Spanish Network. This conference aimed to share the experiences and lessons learned by private sector companies in implementing the Guiding Principles.
- In October 2013, we took part in the workshop "Trends and tools in Business and Human Rights", organized by the Corporate Excellence - Centre for Reputation Leadership, the sponsors of which are companies representing 65% of the Ibex-35.
- In November 2013, we participated in an International Congress on "Implementation of the United Nations Guiding Principles on Business and Human Rights in Spain" organized by the University of Seville.

National Business and Human Rights Plan

In 2013, we played an active part in writing the draft National Business and Human Rights Plan, prepared by the Spanish Government through the Ministry of Foreign Affairs and Cooperation's Human Rights Office. The National Business and Human Rights Plan is a major instrument for awareness and implementation of the Guiding Principles in Spain.

We participated actively in all the private-sector consultations carried out, submitting comments at every stage in the process.

Respecting the rights of our stakeholders

Repsol has identified aspects of human rights that we consider to be priorities for our stakeholders.

Our Policy of Respect for Human Rights sets the guidelines for our relations with our stakeholders.

Repsol works to ensure that its activities do not negatively impact any human rights, and handles any consequences that, despite our best efforts, may occur. We consistently strive to prevent and mitigate negative consequences directly related to the activities of our partners, suppliers and contractors.

As expressly stated in our regulations, Repsol does not employ underage workers, nor does it use forced labor. We do not discriminate on any grounds against the people who work for us, our contractors, suppliers or customers, in any of the countries in which we are present, at any time during their employment.

In 2013, we did not identify any activities carried out by Repsol employees, major suppliers or contractors, as posing a potential risk of forced labor or child labor.

We respect and support the right of our workers to free association and collective bargaining in all of the countries in which we operate. We have no record of any incidents during 2013 that infringed these rights, either in our activities or in those of our major suppliers and contractors.

Respecting the human rights of our employees

Repsol undertakes to respect the human rights of its employees, and will establish the necessary mechanisms to safeguard these rights in all the countries in which it operates.

We investigate all incidents of discrimination or harassment that could affect the people who work for us.

In 2013, there were three cases of alleged harassment in Spain. Two of these cases have been investigated and closed, and one is pending. No evidence of harassment was identified in the cases that were closed. If any evidence had been discovered, the case would have been passed on to the Labour Relations unit.

There was one complaint of discrimination in Bolivia. However, the investigation carried out found no evidence of the alleged illegal acts cited, and the complaint was therefore closed in our administrative channels.

One complaint was received in Brazil alleging discrimination against the disabled. This was resolved favorably for the company. The recommendation adopted by the area responsible for managing differently-able people is to continue investing in adapted equipment and to train managers in receiving new recruits. It has also been recommended that Repsol Sinopec Brasil should prepare a "white paper" on this subject. We currently have nine differently-able employees, and are actively seeking a tenth.

Further information about Repsol's employee relations can be found in the "<u>Team Repsol</u>" chapter.

Respecting the human rights of local communities

Repsol has pledged to respect the human rights of people in the communities in which we operate. We specifically undertake to respect the human rights of people belonging to the most vulnerable groups and populations, such as children, women and indigenous communities.

In 2013, we continued rolling out our corporate responsibility coordination system at operating center level in four industrial complexes in Spain.

Further information about Repsol and its community relations can be found in the "Local communities" chapter.

Respect for human rights in our commercial relationships

Repsol considers it vital that our partners, suppliers, commercial distributors and all other government and non-government bodies directly related to our commercial operations, products and services should respect internationally-recognized human rights in all their activities worldwide. In that regard, we practice due diligence in relation to human rights before establishing any commercial relationships: we do this by rating, controlling and assessing potential suppliers and contractors, and by establishing contractual obligations with them and with our partners.

In 2013, we continued to enhance our supply chain relationships, extending our human rights requirements throughout our value chain. As such, we were able to use our influencing capacity and prevent the risk of human rights violations. With regard to our relations with public and private security services, we have formally adhered to the recommendations of the Voluntary Principles on Security and Human Rights.

We make all reasonable efforts to prevent or mitigate any negative impacts on human rights directly related to our commercial relationships, even where we play no part in causing such violations.

Repsol includes clauses requiring compliance with human rights standards in the joint operating agreements sent to our operating partners.

Further information on human rights in our commercial relationships can be found in the "Corporate security" section of this chapter and in the "<u>Partners</u>" and "<u>Suppliers and contractors</u>" chapters.

We continued to apply human rights aspects in all of our supplier and contractor assessment processes in 2013. Further information can be found in the "Suppliers and contractors" chapter.

Progressing with the sector

IPIECA, the global oil and gas industry association for environmental and social issues, is working actively in the field of business and human rights. Since 2002, IPIECA's efforts have focused on helping its member companies improve various aspects of the social and human rights performance of their management systems.

Since the 2011 ratification of the Guiding Principles, the association's human rights working group has been focusing on due diligence and effective grievance mechanisms at the operational level, encouraging the sharing of experiences and continuous improvement in companies.

In 2012, IPIECA developed a guide on integrating human rights into environmental, social and health impact assessments, which it presented at the international Forum on Business and Human Rights in Geneva in December 2013, which Repsol actively participated.

Corporate security

Repsol is supported by specialist security companies who implement appropriate preventative measures to enable us to carry out our activities in a safe environment that respects human rights.

We have formally adhered to the Voluntary Principles on Security and Human Rights.

Comprehensive corporate security management

Repsol's systematic approach ensures that it has the tools it needs to guarantee the safety of its assets and people.

We identify and assess the security risks we face in our activities, in strict compliance with our policies, regulations, procedures and guides. This involves a common, standardized methodology.

For several years, Repsol has applied the recommendations of the Voluntary Principles on Security and Human Rights (VPSHR). We have now formally signed up to this initiative, having applied for membership in 2013 and undertaken this commitment in our 2013-2014 Corporate Sustainability Plan.

Adherence to the Voluntary Principles on Security and Human Rights

Attending the Plenary Session of the <u>Voluntary Principles on Security and Human Rights</u> (VPSHR) in March 2013, as invited participants, helped us advance in our membership process.

We also attended meetings with IPIECA and with participants of the initiative and its Secretariat.

In October 2013, we completed the action plan, complying with all the criteria required by the VPSHR for our membership request. This plan disclosed our policies, regulations and procedures to ensure respect for human rights in the protection of our personnel and facilities. The plan also detailed the implementation of these requirements at country level and the lessons learned to date.

In December 2013, we were informed that our application had been approved by the VPSHR. In January 2014, we began actively participating in the initiative.

Under its draft Business and Human Rights Plan, which is expected to be approved in the coming months, the Spanish Government also commits to adhering to this initiative.

Some of the major actions undertaken in 2013 are as follows:

- Peru: We monitor and check compliance with training programs relating to human rights and the Voluntary Principles.
- Colombia: We incorporated a specific requirement to submit a training plan or program to improve employees' knowledge of human rights and to promote implementation of the Voluntary Principles into our contract with our private security company.
- Ecuador: Following our 2012 assessment of the use of non-lethal weapons, we have implemented use of non-lethal munitions in our operating areas, for security purposes.

We have signed 12 contracts with private security companies including human rights clauses: four in Peru, two in Mauritania, two in Algeria, two in Bolivia, one in Angola and one in Colombia. We also added such clauses to existing contracts in Brazil and Bolivia.

The general risk matrix used in our risk assessments includes human rights risks, paying particular attention to field activities in new areas or where communities live nearby.

In 2013, we performed these risk assessments in Peru, Bolivia, Brazil, Colombia, Ecuador, the Russian Federation and Mauritania. We used the results of these assessments to prepare emergency, crisis and assessment plans. The plans set out the recommendations to be applied in critical situations, such as measures for employees to protect themselves if they are taken hostage or are victims of extortion, protocols for dealing with bomb threats or the seizure of facilities, evacuation plans and the setting up of crisis committees.

We reviewed and updated evacuation plans for expatriates in five countries in 2013, namely Algeria, Bolivia, the UAE, Libya and Colombia. We also prepared evacuation plans for five new countries (Peru, Brazil, Ecuador, the Russian Federation and Mauritania).

Human rights training for security services

The capacity of security force personnel to respond in unpredictable situations is closely linked to human rights training and awareness. Training is critically important for ensuring that the actions of external security personnel adhere to current national and international legislation, to prevent arbitrary or discriminatory conduct or abuses that involve physical or psychological violence against individuals. For this reason, Repsol requires all security contractors to receive such training.

The main training actions carried out in 2013 are as follows:

- Peru: All external personnel have been made aware of human rights and specific codes of conduct and ethics for the private security sector, and the Voluntary Principles on Security and Human Rights.
 We also provided human rights training programs and content for contractor security companies, complementing the training, courses and talks they give to their employees.
- Bolivia: All security personnel in the city received specific and complementary human rights and VPSHR training. In 2014, this will be extended to all security personnel in the field, by training the new recruits for the new Margarita facilities and the Mamoré field (the remaining 20%). Throughout the year, physical security personnel in both the offices and the field also received weekly security inductions into Repsol's corporate security regulations, including Repsol's commitment to human rights and the VPSHR.

- Colombia: All security company employees have taken the online human rights course. 100% of employees involved in our corporate security have completed this training.
- Ecuador: All external personnel received 12-hours human rights training on issues such as the VPSHR and Repsol's security procedures. A VPSHR workshop was also held for physical security personnel. All corporate security personnel received human rights training.

Operations in socially-sensitive settings

In some countries, governments require that public security forces participate in the protection of critical facilities, such as energy facilities. This is because the strategic importance of these facilities, which are vital parts of national infrastructure, makes them vulnerable to the risk of terrorism and armed conflict.

At operations of this type, Repsol takes all measures appropriate to the situation in the area and the country, emphasizing the security of personnel when they are traveling and the security of our facilities.

Repsol formalizes relationships with public security forces in collaboration agreements that define and frame the company's responsibilities, so that our relationship is impartial and not interpreted as supporting any particular side in a potential domestic armed conflict.

Governments are responsible for managing the protection provided by public security forces. We use our influencing capacity to ensure that the agreements we enter into include explicit references to protecting human rights and the minimum training required of the forces of order protecting our facilities.

In 2013, we entered into agreements with public security forces in Peru, Algeria, Ecuador, Libya, Mauritania and Venezuela.

In protecting our facilities, the Repsol Policy on Corporate Security generally rejects the use of firearms by private security contractors, except in areas of serious risk or where this a requirement under national legislation. Private security personnel are armed with firearms in five countries where we operate, while in a sixth they are exclusively armed with non-lethal munitions. Armed public security forces are present in six countries.

Security costs

Public and private security expenditure							
Millions of dollars	2011	2012	2013				
Private security	80.6	37.36	41.37				
Public security	6.3	3.25	2.74				
Total	86.9	40.62	44.11				

There was an increase in **private security** costs in Spain due to higher prices charged and investment in upgrading video-recording equipment and installing security systems at service stations. In Ecuador, costs increased under the terms and conditions of the new security contract tender, which included salary raises for security personnel after three years at the same level. Increased costs in Bolivia were due to the increase in the number of security posts needed for physical surveillance of the Margarita facilities.

In contrast, private security expenses fell in Venezuela, due to changes in the legal status of the company in Quiri Quire. In that regard, contracted personnel moved to a new company and Repsol ceased being responsible for paying this cost.

The decrease in **public security** costs from 2012 to 2013 was primarily because the duration of operating campaigns in Algeria was roughly half that of the preceding year, reducing the need for protection by public security forces.