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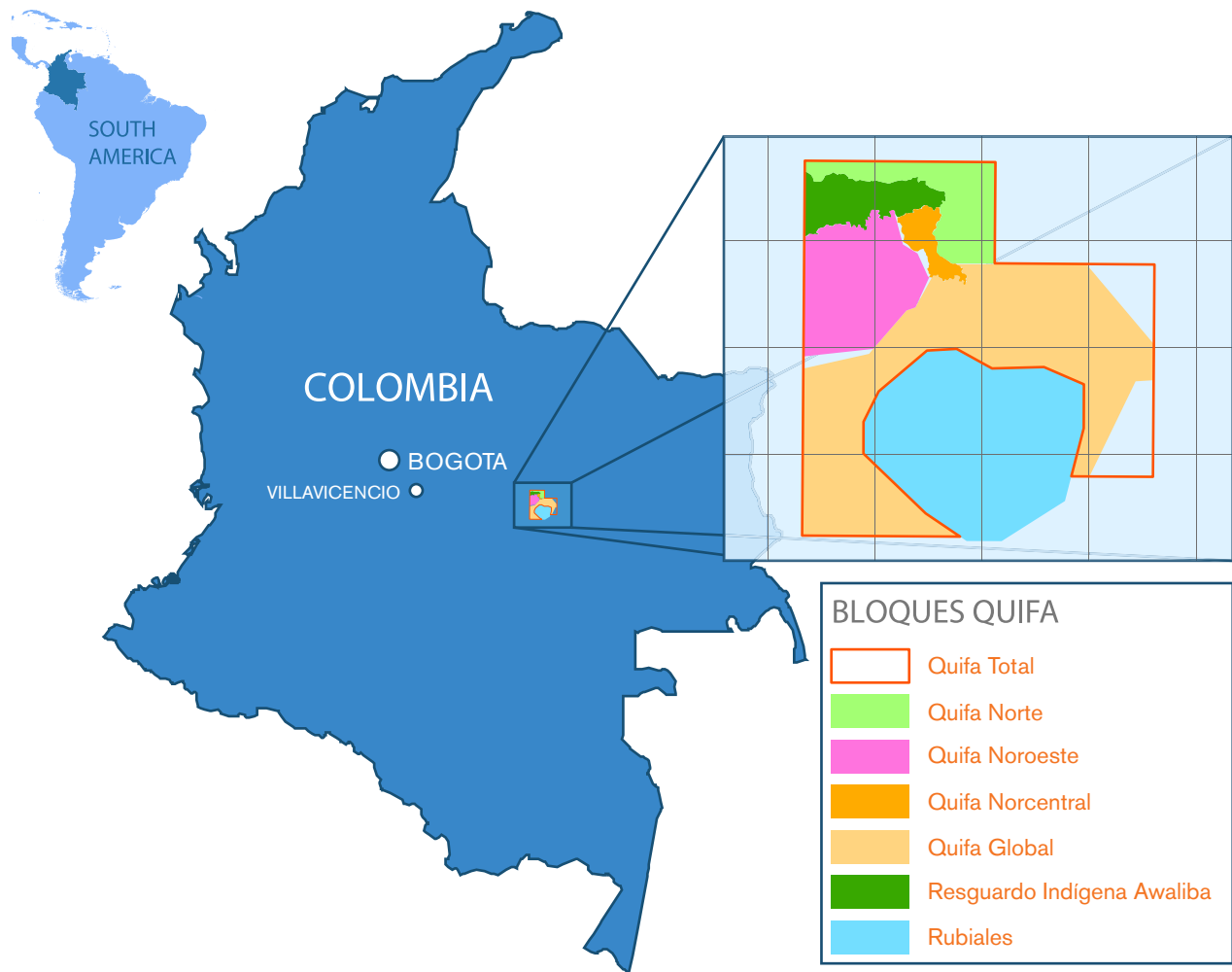
## Certified Site Profile: Quifa and Rubiales Production Fields



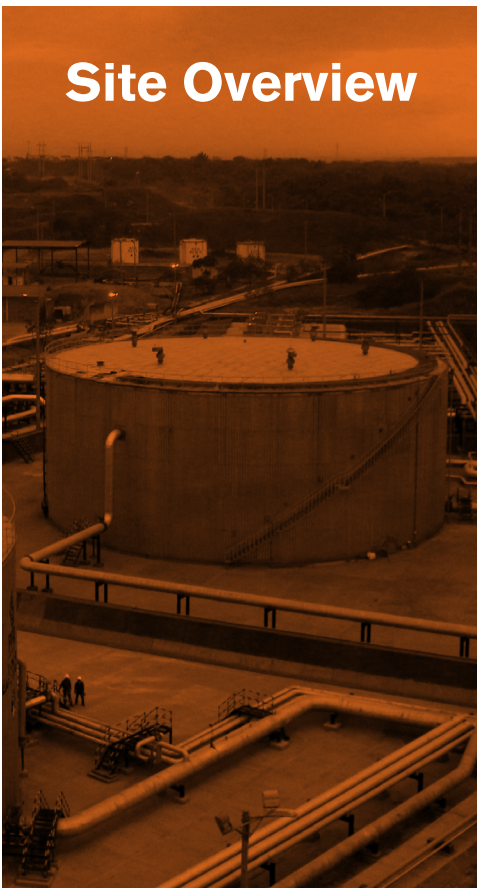
# PACIFIC

Rubiales Energy





## Site Overview



- **Site name:** Rubiales & Quifa Fields
- **Operator:** Pacific Rubiales Energy
- **Location:** Department of Meta, Colombia
- **Area:** 214 hectares (529 acres)
- **Type of production:** Oil
- **Production phase:** Production
- **Number of employees:** Approx. 2,506 (excluding contractors)
- **Date of certification:** August 4, 2014
- **Audit firm:** Deloitte & Touche Ltda., Bogota, Colombia
- **EO Certification Score:** 100%
- **EO Leadership Rating:** Bronze

## Community Profile



The Rubiales and Quifa fields have three Areas of Direct Influence ([Área de Influencia Directa](#) [AID]): Vereda Rubiales, [St. Helena](#), and [Puerto Triunfo](#). The three communities have diverse profiles. In Vereda Rubiales, residents are engaged mainly in agricultural activity and small service and retail businesses. The illegal settlement of El Porvneir is located nearby. The permanent population of St. Helena, featuring large estates of non-resident owners, consists mainly of the estate managers and their families. Puerto Triunfo's economic activity is centered on the area known as "The Oasis," where a largely transient workforce

is engaged in exchanges of goods and services. Indigenous Peoples within the Quifa field area of influence are Resguardo Indígena Vencedor Piriri, Resguardo Indígena Awaliba, and Parcialidad Indígena La Campana. Members of the Achagua and Piapoco indigenous communities live near the Quifa and Rubiales fields as part of the Turpial Reserve.

PRE engaged these groups in its prior consultation process.

## Environmental Profile

The Quifa and Rubiales fields are located in Orinoquia Region, a vast, inter-tropical savannah intersected by relatively high-biodiversity gallery forests. The savannahs are generally considered to be of low biodiversity; however the forests function as biogeographic corridors that have enabled the dispersal of fauna typical of the Amazon throughout, and these areas support large concentrations of wildlife. Although none of the operations take place in designated conservation areas, the forests have been excluded from operations activity in consideration of the high density and diversity of species in forested areas. Although the habitats of several endangered species – including the [yellow-footed tortoise](#), the [giant armadillo](#), and the [giant otter](#) – overlap the area, no encounters with these animals have been recorded on site.

## Certification Summary

PRE committed to adopt the EO100™ Standard at the Quifa and Rubiales fields in 2012 and spent more than 18 months implementing its provisions in preparation for a certification audit. This audit was conducted over two weeks in late the spring and early summer of 2014 by a team assembled by the EO-approved Certification Body Deloitte & Touche Ltda., Bogota, Colombia. The audit team consisted of two auditors and one lead auditor who, in addition to reviewing policies & procedures, observing operations, and speaking with workers, contractors, and management, also spent significant time in the field, interviewing representatives from local NGOs, churches, union leaders, members of surrounding communities, and Indigenous Leaders in order to verify and contextualize findings on site. The audit results

verify that the Quifa and Rubiales sites meet 100% of Performance Targets 1 and therefore qualifies for certification. The audit also showed that operators at the sites have implemented leading practices in several areas, achieving Performance Targets 2 and/or 3 for the following standard provisions:

- 1.4 Bribery and Corruption
- 1.5 Money Laundering/Terrorism
- 2.2 Human Rights Performance Disclosure
- 2.5 Fair, Inclusive Engagement and Consultation
- 3.4 Freedom of Association and Collective Bargaining
- 3.5 Discrimination
- 3.6 Occupational Health and Safety
- 3.7 Emergency Preparedness and Response Planning
- 4.2 Engagement and Participation of Indigenous Peoples

The audit findings and assurance procedures were reviewed by the Equitable Origin Assurance Oversight Committee before the certification decision was made final by the Equitable Origin Standards Board.

# EO100™ Certification Summary Audit Report

**Certificate Issuer:** Equitable Origin Standards LLC, New York, USA

**Operator:** Pacific Rubiales Energy Corp., Bogota, Colombia

**Unit of Certifiable Production (UCP):** Rubiales and Quifa fields

**Location of certified site(s):** Meta Department, Colombia

**Certification date:** 4 August 2014

**Expiration date:** 3 August 2017

**Certification Standard:** EO100™ Standard (2012)

**Certification Body:** Deloitte & Touche Ltda., Bogota, Colombia

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## I. Introduction:

The purpose of this report is to document the initial EO100™ Certification audit conducted at the Quifa and Rubiales sites in Colombia operated by Pacific Rubiales Energy Corp (herein referred to as “the operator”). The audit scope included the Quifa and Rubiales fields, which were treated as a single Unit of Certifiable Production, as the fields are adjacent, are operated under the same management system, and affect the same stakeholders. Audit activities were carried out at the head office on January 9<sup>th</sup>, 17<sup>th</sup>, 28<sup>th</sup>, 29<sup>th</sup> and May 13<sup>th</sup> and at the site level from April 7<sup>th</sup> to 10<sup>th</sup> and May 10<sup>th</sup>. Document review took place between January and April, 2014.

The report presents a summary of the findings of the independent Certification Body audit team who evaluated the operator’s systems and performance against the EO100™ Standard. The report reflects the findings at the time of the audit for the year preceding the year of the audit (2013).

Section III of this report provides the EO100™ Certification Score and Certificate Generation Rate calculations. Section IV of this report provides the audit conclusions for each Provision and applicable Performance Target 1 requirements and any Performance Target 2 or 3 indicators requested for inclusion in the scope. Section V of this report provides the corrective action plan submitted by the operator for the areas of partial conformance.

All supporting audit documents will remain confidential.

Dispute resolution: Formal complaints or concerns should be sent in writing. If organizations or individuals have concerns or comments about the operator’s EO100™ Certification, these parties are strongly encouraged to first contact the Certified Operator directly: <http://www.pacificrubiales.com/corporate/corporate-governance-practices/ethics-and-conflict-of-interests.html>

For more information on Equitable Origin’s Certification System Comments, Complaints & Appeals processes, please visit our website: <http://www.equitableorigin.com/eo100-standard/dispute-submission/>

## II. Certification Body Certification Recommendation Letter:



Bogotá, 1 July 2014

Subject: CERTIFICATION RECOMMENDATION FOR PACIFIC RUBIALES ENERGY UNDER THE EO100 STANDARD

In April 2014 the firm Deloitte & Touche served as the certification body for providing verification services for the EO100 Standard as applied to Pacific Rubiales. For this verification, Deloitte followed the ISO 19011:2011 standard, which was prepared by the International Standards Organization (ISO), the ISO/TC 176 Technical Committee, Quality Assurance Management and Subcommittee SC3, Supporting Technologies, as well as EOP-202 Procedure developed by Equitable Origin™ that constitutes the Certification Guide.

Compliance of the principles, provisions and levels of performance targets achieved by Pacific Rubiales were analyzed and evaluated during the audit process. Visits to the operations were made to determine the company's certification under the EO100 Standard, finding a partial fulfillment of the following performance targets:

- 2.1 Commitment to Human Rights
- 2.2 Human Rights Performance Disclosure
- 2.9 Uncontrolled Settlements
- 2.10 Grievance Mechanism
- 4.1 Free, Prior & Informed Consent

These performance targets are included in an action plan made by Pacific Rubiales, which complies with the provisions of the Standard. Accordingly, Deloitte recommends the certification of Pacific Rubiales Energy under the EO100 Standard.

### III. EO100™ Certification Score:

The Quifa and Rubiales sites were considered as one Unit of Certifiable Production. The sites achieved conformance to 100% of applicable Performance Target 1 requirements for certification. The sites achieved 14% of Performance Target 2 indicators and 14% of Performance Target 3 indicators.<sup>1</sup>

This resulted in a Certificate Generation Rate of 37% based on achieving 131 weighted points out of a total possible 357 weighted points taking into account all applicable PT1, PT2 and PT3.<sup>2</sup>

	Achieved Performance Target 1	Achieved Performance Target 2	Achieved Performance Target 3
Principle 1 Corporate Governance, Accountability & Ethics	6	2	2
Principle 2 Human Rights, Social Impacts & Community development	15	1	2
Principle 3 Fair Labor & Working Conditions	26	3	2
Principle 4 Indigenous Peoples' Rights	10	2	1
Principle 5 Climate Change, Biodiversity & Environment	31	0	0
Principle 6 Project Life Cycle Management	6	0	0
EO100™ CERTIFICATION SCORE:	<b>100%</b>	<b>14%</b>	<b>14%</b>
EO CERTIFICATE GENERATION RATE:	<b>37%</b>		
EO LEADERSHIP RATING	<b>BRONZE * (see chart below)</b>		

Having a site certified under the EO100 Standard is a process of adaptation and alignment with industry best practices. Equitable Origin created the EO Leadership Rating to recognize the efforts of operators to reach EO100 Performance Targets 2 and 3. The EO Leadership Rating ranks companies according to their compliance with PT2 and PT3 as follows:

Certificate Generation Rate (weighted score)	Leadership Rating
33 to 49	Bronze
50 to 66	Silver
67 to 83	Gold
84 to 100	Platinum

<sup>1</sup> Performance Target 1: Industry international good practice

Performance Target 2: Exceeds industry good practices

Performance Target 3: Leads industry best practices

<sup>2</sup> For more details on EO scoring methodology visit <http://www.equitableorigin.com/get-certified/certification-process/scoring>



## IV. Audit Report Summary:

PROVISION (Performance Target 1 unless otherwise indicated)	GENERAL CONFORMITY EVALUATION
PRINCIPLE 1 CORPORATE GOVERNANCE, ACCOUNTABILITY & ETHICS	
<b>1.1 LEGAL COMPLIANCE:</b>	<b>Compliance.</b> The operator has a regulatory compliance matrix, which ensures that there is effective enforcement. The organization also has a website and public documents on which their policies and committees are mentioned.
<b>1.2 GOVERNANCE, POLICIES &amp; CODES OF CONDUCT:</b>	<b>Compliance.</b> The operator has a code of conduct, public and available to all direct and indirect workers. It is available in English and Spanish.
<b>1.3 FIDUCIARY COMPLIANCE &amp; DISCLOSURE:</b>	<b>Compliance.</b> The operator formally supports the EITI. Colombia is in the process of applying for Extractives Industries Transparency Initiative (EITI) membership.
<b>1.4 BRIBERY &amp; CORRUPTION:</b>	<b>Compliance.</b> The operator has an anti-corruption policy, which is publicly available.
<b>Performance Target 2:</b>	<b>Compliance.</b> The operator, in their Code of Conduct, describes steps taken to prevent corruption.
<b>Performance Target 3:</b>	<b>Compliance.</b> The operator conducts internal audits on the most sensitive areas of the company (purchasing and contracting) to check that there are no deviations from issues of bribery and corruption.
<b>1.5 MONEY LAUNDERING/ TERRORISM:</b>	<b>Compliance.</b> The operator's code of conduct includes a chapter on policies to combat money laundering and/or terrorist financing.
<b>Performance Target 2:</b>	<b>Compliance.</b> The operator, in its code of conduct, outlines the steps taken to prevent cases of money laundering and terrorist financing.
<b>Performance Target 3:</b>	<b>Compliance.</b> The external audit conducts around 600 Sarbanes Oxley control tests.
<b>1.6 TRANSPARENCY &amp; DISCLOSURE:</b>	<b>Compliance.</b> The operator has a publicly available annual sustainability report, which reflects policies, activities and information related to the operator's social and environmental performance. The Pacific Rubiales 2012 sustainability report has been externally verified by Deloitte.

PROVISION (Performance Target 1 unless otherwise indicated)	GENERAL CONFORMITY EVALUATION
PRINCIPLE 2 HUMAN RIGHTS, SOCIAL IMPACTS & COMMUNITY DEVELOPMENT	
<b>2.1 COMMITMENT TO HUMAN RIGHTS:</b>	<b>Partial compliance:</b> Within the operator's sustainability strategy and materiality analysis, a Human Rights commitment has been demonstrated. The operator includes Human Rights specific related topics within their Code of Conduct and Corporate Ethics, and conducts capacity building activities with their stakeholders at the field and at the corporate offices. This was also evidenced through the interviews held with workers and communities, and it is publicly disclosed in the operator's GRI Sustainability Report. Although significant efforts have been made towards developing an adequate Human Rights Management system, the Human Rights policy is still under construction.
<b>2.2 HUMAN RIGHTS PERFORMANCE DISCLOSURE:</b>	<b>Partial Compliance:</b> The Operator has a procedure to monitor complaints and incidents that could be related to human rights violations, and publicly reports the number of complaints. However, the system is generally applied, and a more specific human rights taxonomy is lacking in the Operator's complaints and appeals system, required to achieve full compliance.
<b>Performance Target 3:</b>	<b>Compliance.</b> The operator has reported its human rights performance in its sustainability reports. Sustainability reports, since 2011, have been externally verified by Deloitte.
<b>2.3 HUMAN RIGHTS VIOLATIONS:</b>	<b>Compliance.</b> The operator has not been convicted for violations of human rights in the last three years.
<b>2.4 ENGAGEMENT &amp; CONSULTATION POLICY</b>	<b>Compliance.</b> The operator has designed and implemented a policy, strategy and management system consultation processes and involvement of Stakeholders.
<b>2.5 FAIR, INCLUSIVE ENGAGEMENT &amp; CONSULTATION:</b>	<b>Compliance.</b> The operator has documented the needs of stakeholders and developed a continual process of consultation with all stakeholders.
<b>Performance Target 2:</b>	<b>Compliance.</b> The Operator assures a communication with communities and Indigenous Peoples through dialogue roundtables and the social responsibility department has a stakeholder relations office.
<b>Performance Target 3:</b>	<b>Compliance.</b> It is evident that the operator is in constant communication with stakeholders to have a better understanding of their needs and to reach agreements for community development projects.
<b>2.6 RISK MITIGATION, MANAGEMENT:</b>	<b>Compliance.</b> In its Environmental Impact Assessments, the operator has included the implementation of measures that aim to control, mitigate and compensate for any adverse impacts generated by its operations.
<b>2.7 FAIR PARTICIPATION &amp; REPRESENTATION:</b>	<b>Compliance.</b> The operator has a gender policy, which "recognizes Diversity and Inclusion". This was confirmed during interviews with stakeholders, during the visit of Quifa and Rubiales fields.
<b>2.8 RESETTLEMENT:</b>	<b>Compliance.</b> The operator implements actions to avoid resettlement. At the time of the audit, the operator had found no involuntary resettlement as a result of the operations.
<b>2.9 UNCONTROLLED SETTLEMENTS:</b>	<b>Partial Compliance.</b> The operator has designed strategies to control settlements and continues to apply actions to address these issues, however, the proposed strategy was rejected both by the ANLA (National Authority for Licensing) and the Municipal Government, which prevented the Operator from being able to implement this strategy.

<b>2.10 GRIEVANCE MECHANISM:</b>	<b><i>Partial compliance.</i></b> Although the Operator has implemented mechanisms for reporting and resolving grievances, at the time of interviewing, some of the contractors, although they knew the mechanism existed, were not aware of how to file a complaint.
<b>2.11 COMMUNITY HEALTH &amp; SAFETY:</b>	<b><i>Compliance.</i></b> During the meeting with the Coordinator of Occupational Health in the Rubiales field, it was evident that the operator catered to all types of patients from the community.
<b>2.12 SUSTAINABLE COMMUNITY INVESTMENT:</b>	<b><i>Compliance.</i></b> The operator has been involved with the community to implement productive projects, constructing buildings for the public good (schools) and infrastructure (roadways). Additionally, the operator has contributed to reducing the digital gap within the community by implementing Internet services.
<b>2.13 ECONOMIC &amp; SOCIAL OPPORTUNITIES:</b>	<b><i>Compliance.</i></b> The operator monitors the proportion of employment opportunities available to members of the community, through both the operator and its contractors.
<b>2.14 COMMUNITY DEVELOPMENT AGREEMENTS (CDAs):</b>	<b><i>Compliance.</i></b> The operator has taken actions for distributions, delivery and distributions of benefits.
<b>2.15 REPORTING &amp; DISCLOSURE:</b>	<b><i>Compliance.</i></b> The operator has been publishing an annual sustainability report since 2009, which contains the environmental and social risks and impacts on communities within the area of influence. Since the 2011 sustainability report, subsequent reports have been externally verified.

PROVISION (Performance Target 1 unless otherwise indicated)	GENERAL CONFORMITY EVALUATION
PRINCIPLE 3 FAIR LABOR & WORKING CONDITIONS	
<b>3.1 LABOR AND WORKING CONDITIONS POLICY:</b>	<b>Compliance.</b> The labor policy of the operator is available and published and is aligned with Principle 3 of the EO100 Standard.
<b>3.2 CHILD LABOR:</b>	<b>Compliance.</b> Workers observed at the field were of legal age. Documents evidenced that the operator maintains policies to prohibit child labor and declares publicly its position to explicitly prohibit child labor. These policies are applied to contractors and are available to all stakeholders.
<b>3.3 FORCED LABOR:</b>	<b>Compliance.</b> In the documents submitted by the operator it is evidenced that they prohibit forced labor.
<b>3.4 FREEDOM OF ASSOCIATION &amp; COLLECTIVE BARGAINING:</b>	<b>Compliance.</b> The operator provides for freedom of association for its employees and its contractors.
<b>Performance Target 3:</b>	<b>Compliance.</b> The operator proactively supports the UTEN union.
<b>3.5 DISCRIMINATION:</b>	<b>Compliance.</b> According to what was evidenced in the audit process, the company does not discriminate against employees or contractors in the areas of contracting, compensation, overtime, access to training, promotion, termination or retirement based on race, ethnicity, caste, national origin, religion, disability, gender, sexual orientation, union membership, political affiliation, marital status, pregnancy, physical appearance, HIV-related condition, age or any other discriminatory basis prohibited by law.
<b>Performance Target 2:</b>	<b>Compliance.</b> The Operator has internally established a system whereby employees can report and complain about discrimination in the workplace.
<b>3.6 OCCUPATIONAL HEALTH &amp; SAFETY: Management System:</b>	<b>Compliance.</b> The operator has a management system for Health and Safety recognized by the EO100 Standard.
<b>Training:</b>	<b>Compliance.</b> The operator implements a training system for employees and contractors in the areas of Health, Safety and Environment.
<b>Performance Target 2:</b>	<b>Compliance.</b> The operator has established an internal system to apply, monitor and follow up on requests for training.
<b>Refusal to Work:</b>	<b>Compliance.</b> The operator has established a system for workers to report unsafe behaviors and tasks and can stop these actions to reduce risks.
<b>Incident Reporting:</b>	<b>Compliance.</b> The operator records incidents of employees and contractors.
<b>Worker Safety Equipment:</b>	<b>Compliance.</b> According to what is evidenced, the company delivers personal protection to its employees in agreement with the work performed to ensure that its contractors also comply with the provision of PPE according to the work to be performed.
<b>Worker &amp; Family Wellness:</b>	<b>Compliance.</b> The operator provides health services to employees, their families and community and indigenous peoples.

<b>Risk Assessments:</b>	<b>Compliance.</b> The operator has implemented a health and safety risk management system.
<b>Working Conditions:</b>	<b>Compliance.</b> The operator provides employees and contractors safe and healthy workplaces.
<b>Health &amp; Safety Committee or Equivalent:</b>	<b>Compliance.</b> The operator has a Joint Committee on Health that ensures the health and safety of employees.
<b>Health &amp; Safety Information:</b>	<b>Compliance.</b> The operator disseminates information on occupational health and safety of their employees and contractors in an understandable manner and in appropriate languages.
<b>Procedures:</b>	<b>Compliance.</b> The operator has adequate procedures in place to prevent accidents and injuries resulting from work-related activities and operations on site.
<b>Facilities:</b>	<b>Compliance.</b> The medical infrastructure that is provided for employees, contractors and the community is appropriate.
<b>3.7 EMERGENCY PREPAREDNESS &amp; RESPONSE PLANNING: Planning &amp; Response Training:</b>	<b>Compliance.</b> The operator demonstrates that they have implemented their plans, have the proper equipment and permanent monitoring points to respond to emergencies in such a way that prioritizes the health and safety of workers, and compliance with national laws and international standards.
<b>Performance Target 2:</b>	<b>Compliance.</b> The operator demonstrates the use of best practices to coordinate their response plans with government entities.
<b>Performance Target 3:</b>	<b>Compliance.</b> The operator conducts training and drills together with contractors.
<b>Equipment:</b>	<b>Compliance.</b> The operator has installed appropriate alarms, warning systems and fire control mechanisms.
<b>Evacuation Plans &amp; Procedures:</b>	<b>Compliance.</b> The operator has developed and implemented plans and evacuation procedures that reasonably cover all foreseeable emergencies.
<b>Documentation &amp; Investigation:</b>	<b>Compliance.</b> The operator properly and formally documents health and safety accidents.
<b>3.8 DISCIPLINE &amp; GRIEVANCES: Employee Grievances:</b>	<b>Compliance.</b> The operator has developed and implemented an effective and transparent complaints mechanism and adequate investigation process.
<b>Corporal Punishment:</b>	<b>Compliance.</b> There was no evidence that the operator uses corporal punishment against employees or contractors.
<b>3.9 WORKING HOURS &amp; LEAVE:</b>	<b>Compliance.</b> The operator complies with work schedules established by the contractors working in the same way that safe work schedules are respected for their contractors.
<b>3.10 PAYMENT, WAGES, DOCUMENTATION &amp; FEES: Wages:</b>	<b>Compliance.</b> Wages paid by the operator are higher than the legal minimum wage in Colombia. Contractors also earn higher than the legal minimum wage.
<b>Documentation &amp; Fees:</b>	<b>Compliance.</b> The operator demonstrates that it does not retain personal information from employees, not requiring any form of deposit, tax or other bond or cash advance to ensure equipment provided to the employee, either directly or through employment agencies.

PROVISION (Performance Target 1 unless otherwise indicated)	GENERAL CONFORMITY EVALUATION
PRINCIPLE 4 INDIGENOUS PEOPLES' RIGHTS	
<b>4.1 FREE, PRIOR &amp; INFORMED CONSENT (FPIC):</b>	<b>Partial compliance.</b> The operator has policies such as the Protocol for Stakeholder Engagement and for prior consultation. However, the policy is in development and the additional documents are not yet publicly available.
<b>4.2 ENGAGEMENT &amp; PARTICIPATION: Policy:</b>	<b>Compliance.</b> The operator has a protocol that directs its stakeholder engagement activities with affected communities and with Indigenous Peoples.
<b>Engagement:</b>	<b>Compliance.</b> The operator has conducted a mapping of Indigenous Peoples and communities and has developed mechanisms to ensure their engagement.
<b>Performance Target 2:</b>	<b>Compliance.</b> The operator demonstrates the participation of Indigenous Peoples involved in all phases of the project.
<b>Participation:</b>	<b>Compliance.</b> The operator has developed procedures to ensure that the criteria and expectations of Indigenous Peoples are considered in the decision-making processes.
<b>Performance Target 3:</b>	<b>Compliance.</b> The operator demonstrates that Indigenous Peoples are satisfied with the procedures of participation.
<b>Government Agents:</b>	<b>Compliance.</b> The operator collaborates with government agencies to coordinate on matters relating to Indigenous Peoples.
<b>Performance Target 2:</b>	<b>Compliance.</b> The operator has developed a procedure that details its requirements and responsibilities under the prior consultation process.
<b>4.3 CULTURAL IMPACTS:</b>	<b>Compliance.</b> The operator recognizes, respects and complies with the rights of Indigenous Peoples to use, develop and control the lands, territories and natural resources found in their possession.
<b>4.4 VOLUNTARY ISOLATION:</b>	<b>Not applicable</b>
<b>4.5 USE OF TRADITIONAL NATURAL RESOURCES:</b>	<b>Compliance.</b> The environmental impact studies conducted by the operator include environmental and social issues that deal with Indigenous Peoples near the operations
<b>4.6 CULTURE-BASED INTELLIGENCE:</b>	<b>Not applicable</b>
<b>4.7 TRANSPARENCY &amp; DISCLOSURE:</b>	<b>Compliance.</b> The operator publicly reports the activities with Indigenous Peoples.



PROVISION (Performance Target 1 unless otherwise indicated)	GENERAL CONFORMITY EVALUATION
PRINCIPLE 5 CLIMATE CHANGE, BIODIVERSITY & ENVIRONMENT	
<b>5.1 ENVIRONMENTAL POLICY:</b>	<b>Compliance.</b> The operator has published a health, safety, environment and quality (HSEQ).
<b>5.2 MITIGATION HIERARCHY:</b>	<b>Compliance.</b> The operator has prioritized its potential environmental impacts, through an assessment of impacts and their matrix of environmental aspects and impacts.
<b>5.3 CLIMATE CHANGE: Inventory of GHG Emissions:</b>	<b>Compliance.</b> It is evident that the operator has an inventory of GHG emissions under the ISO 14064-1 methodology and has been updated every year since 2008. The operator accounts CO2 equivalencies for Scope 1 GHG: CH4, N2O, CO2, HFC's, SF6, SO; Scope 2: energy consumption in Joules; Scope 3 GHG's for the oil transport chain.
<b>Reduction of GHG Emissions:</b>	<b>Compliance.</b> GHG emission reductions of 9.2% are evidenced in a combined calculation between the Quifa and Rubiales Fields.
<b>5.4 BIODIVERSITY &amp; ECOLOGY: Biodiversity and Ecosystem Management:</b>	<b>Compliance.</b> The operator has identified and assessed the significance of the project related impacts on biodiversity and ecosystem functions, which is evident in the specific chapters of the Environmental Impact Assessment, as well as in the field visit.
<b>Protection and Conservation of HCVAs and Critical Habitat:</b>	<b>Compliance.</b> It is evident that the operator does not operate in critical (vulnerable) habitats according to the environmental impact study and interviews with the community.
<b>5.5 LAND: Area of Cleared Land:</b>	<b>Compliance.</b> The operator takes into account measures that minimize clearing, selects areas with affected stakeholders (environmental communication roundtables) and conducts Environmental Impact Assessment and environmental management programs which include land management.
<b>Soil Quality and Conservation:</b>	<b>Compliance.</b> The Environmental Impact Assessment of Quifa and Rubiales fields takes into account the current land use, physical and chemical characteristics, the type and volume of removed soil, mitigation measures implemented and areas of collection and reuse of topsoil.
<b>Area Affected by Sedimentation:</b>	<b>Compliance.</b> As evidenced by the EMP (Environmental Management Plan) and Quifa and Rubiales field visit, best practices are implemented to prevent and limit soil sedimentation within the boundaries of the project.
<b>Area Affected by Erosion:</b>	<b>Compliance.</b> The operator takes appropriate measures to prevent soil erosion although the lands of the Quifa and Rubiales fields are very acidic and do not have much vegetation.
<b>Ongoing Land Restoration:</b>	<b>Compliance.</b> A permanent restoration process is conducted to minimize the area of the affected field. The process is conducted throughout the year.
<b>5.6 WATER: Water Quantity:</b>	<b>Compliance.</b> It is evident that a preliminary assessment of the ecological flow, specified in the Environmental Management Plan for each of the fields and under the recommendations of the environmental licenses is performed.
<b>Water and Aqueous Discharge Quality:</b>	<b>Compliance.</b> The operator performs both physical and chemical analyses of industrial waste water, meeting the parameters contained in the current environmental legislation and in accordance with the provisions of the Environmental Management Plan.
<b>Water Use:</b>	<b>Not applicable.</b>
<b>Sedimentation:</b>	<b>Compliance.</b> The operator has an Environmental Manage Plan which includes specific activities to prevent sedimentation in surface waters, clean their water treatment systems.

<b>5.7 AIR:</b>	<b>Compliance.</b> According to reports by entities external to the operator, the quality of the piping in the petroleum activities are kept within the permissible limits of the Colombian legislation.
<b>5.8 NOISE, LIGHT &amp; HEAT: Noise:</b>	<b>Compliance.</b> It is evident that the operator has integrated prevention and noise reduction in their environmental impact studies and management plans.
<b>Light:</b>	<b>Compliance.</b> It is evident that the operator has integrated light control considerations in hygiene studies conducted for different jobs in the field and in the administrative office.
<b>Heat:</b>	<b>Compliance.</b> The operator and its contractors identify sources of heat and the sites have visible signs of caution in the local language (Spanish).
<b>5.9 VISUAL:</b>	<b>Compliance.</b> The operator has identified landscape resources in its Environmental Impact Assessment and its Environmental Management Plan and has assessed landscape sensitivity and possible effects as well as controls and compensation measures through analysis studies.
<b>5.10 OZONE DEPLETION: Inventory of ODS:</b>	<b>Compliance.</b> The operator maintains an inventory of Ozone-Depleting Substances and performed in line with the ISO 14064-1 methodology.
<b>Reduction in the Use of Ozone Depleting Substances (ODS):</b>	<b>Compliance.</b> The operator demonstrates their initiatives to control emissions of ODS, as well as the recovery of R22 Gas. Emissions reported since 2008 have not significantly increased.
<b>5.11 WASTE PRODUCTION &amp; MANAGEMENT:</b>	<b>Compliance.</b> It is evident that the operator has developed and implemented a comprehensive plan for waste and uses best industry practices.
<b>5.12 SPILL PREVENTION &amp; EMERGENCY PREPAREDNESS: Spill Prevention:</b>	<b>Compliance.</b> The operator has developed and implemented a contingency plan, proper equipment and permanent control points to minimize the risk of spills.
<b>Emergency Preparedness and Response Planning:</b>	<b>Compliance.</b> The operator prepares and trains for emergencies and has appropriate equipment and permanent monitoring points to respond to emergencies, as well as plans with contractors and local authorities.
<b>5.13 FLARING:</b>	<b>Not applicable.</b>
<b>5.14 MONITORING:</b>	<b>Compliance.</b> The operator has a comprehensive program to monitor water, air and soil emissions and discharges. The operator complies with the parameters required by current environmental regulations and environmental permits for the fields.
<b>5.15 REPORTING &amp; DISCLOSURE:</b>	<b>Compliance.</b> The operator reports the results of its monitoring activities to the environmental authorities and makes the results available to the public through its sustainability report as well as on the company website.
<b>5.16 REMEDIATION OF ENVIRONMENTAL LIABILITIES:</b>	<b>Compliance.</b> The operator has no pre-existing environmental liabilities, however, has identified potential environmental liabilities at the sites.
<b>5.17 CLOSURE: Financial Mechanisms for Closure and Restoration:</b>	<b>Compliance.</b> The operator has estimated the financial costs for the decommissioning and restoration phase of the project.
<b>Closure Plan:</b>	<b>Compliance.</b> Under Colombian law, the evaluation of abandonment of projects is required, which the operator has identified within its Environmental Impact Assessment. The company has set a budget for this activity.

PROVISION (Performance Target 1 unless otherwise indicated)	GENERAL CONFORMITY EVALUATION
PRINCIPLE 6 PROJECT LIFE CYCLE MANAGEMENT	
<b>6.1 INTERNATIONAL INDUSTRY STANDARDS:</b>	<b>Compliance.</b> The operator has established and maintains procedures to implement standards related to good industry practices.
<b>6.2 RECOGNIZED MANAGEMENT SYSTEMS:</b>	<b>Compliance.</b> The operator complies with the requirements of a management system based on ISO 9001, ISO 14001, OHSAS 18001 and ISO 50001.
<b>6.3 SCOPE OF SYSTEM:</b>	<b>Compliance.</b> The certifications obtained in the integrated management system, are referred to in the exploration, production, transportation, and marketing of hydrocarbons and strategic support processes.
<b>6.4 INCLUDED ELEMENTS:</b>	<b>Partial Compliance.</b> At the time of the audit, the operator did not have a memorandum of intent or a similar declaration signed by senior management specifically incorporating the elements of EO100 Standard.
<b>6.5 ECONOMIC, ENVIRONMENTAL &amp; SOCIAL IMPACT ASSESSMENTS:</b>	<b>Compliance.</b> An external entity produced an environmental, economic and social impact report for the operator and the Quifa and Rubiales fields.
<b>6.6 SECONDARY &amp; CUMULATIVE IMPACTS:</b>	<b>Compliance.</b> The operator has conducted a study to identify the cumulative impacts of its operations, and has also established plans of action to mitigate environmental impacts in the Environmental Management Plan.

## V. Pacific Rubiales Energy Comments on the Final Audit Report:

Equitable Origin recognizes that operators that have chosen to certify sites can sometimes implement rapid changes to their operations to comply with EO100 provisions during the assurance process or even before the final audit report is published.

Since its first EO100 audit, PRE has advanced towards strengthening their sustainability performance and management through the EO100 provisions and requirements to voluntarily comply completely with provisions that were partly met at the time of the audit.

In keeping with the principles of credibility and transparency, comments made by PRE on the audit report are in the table below. The comments describe actions taken by PRE before the completion of this final audit report to further comply with EO100 Standard provisions.

	
<b>1. Alignment with GRI</b>	All policies and documents that have been disclosed as public information mentioned in the audit report are in alignment with internal and external reporting standards, Ex. GRI report
<b>2. Human Rights Policy Development</b>	The sustainability policy approved by the board of directors, and now public on the company's website, states their commitment to the protection, respect and promotion of human rights.
<b>3. Free, Prior, Informed Consent procedures and protocols</b>	The Company's Sustainability and Stakeholder Engagement policies are now publicly available on the company's website. They were reviewed and approved by the company's board of directors on May 29. Furthermore, the specific protocols for ethnic and native community engagement are also applied internally and known by employees.
<b>4. Included elements</b>	A letter signed by PRE CEO was delivered to EO ratifying the inclusion of the EO100 Standard and its elements into PRE management.

## VI. Corrective Action Plan:



### ACTION PLAN FOR CONCLUDING FINDINGS EO100 STANDARD

Principal	Performance Target	Action	Responsible Parties	Deadline	Monitoring Indicator
Principle 2. Human Rights, Social Impacts, & Community Development	2.1 Commitment to Human Rights	A1: Final review of the Policy and the Human Rights action plan A2: Internal and external disclosure of Human Rights action plan on intranet and on our website. A3: To comply with the PT2 and for continuous improvement, we implement awareness and training workshops for our employees	Sustainability Management. Valeria Santos and Diana Castillo	Dec-2014	% of new and existing personnel who understand the new policy. Number of personnel trained under the new Human Rights policy
	2.2 Human Rights Performance Disclosure	A1: Preparation of report referencing best practices in public reporting of cases handled, addressed in reference to the audit A2: Implementation of an information system that allows detailed Human Rights complaints to be individually tracked and reported for comprehensive management reports.	A1: Sustainability Management. Valeria Santos and Management Ethics and Compliance, Enrique Gotera A2: CSR Management, Jhon Freddy Moya. Sustainability Management, Johanna Rojas	Dec-2014	Presentation of reference report. Implemented information system. Number of complaints related to Human Rights and management reports.
	2.9 Uncontrolled Settlements	A1: Preparation of prevention protocol of Uncontrolled Settlements, to comply with PT1. A2: To encourage continuous improvement and to comply with PT2, we will develop strategic alliances with municipal, departmental, and national institutions	CSR Manager, Jenny Parra. Sustainability Manager, Johanna Rojas	Jun-15	Baseline for the current state of human settlements. Prevention protocol that initially includes activities that can be under the direct control of the Company and take action where possible, however the protocol will explicitly state our commitment to managing partnerships with the public sector to provide a comprehensive response.
	2.10 Grievance Mechanism	A1: Strengthening of disclosure channels A2: Implementation of an information system that allows detailed HR complaints to be individually tracked and reported for comprehensive management reports.	CSR Management, John Freddy Moya. Compliance and Ethics Official. Enrique Gotera Sustainability Management, Diana Castillo	Dec-14	Support communications campaigns to strengthen the dissemination of ethical channels, especially in the field. Implemented information system. Number of complaints related to Human Rights and management reports

Principal	Performance Target	Action	Responsible Parties	Deadline	Monitoring Indicator
Principle 4. Indigenous Peoples' Rights	4.1 Free, Prior & Informed Consent	<p>A1: Dissemination of Protocol on relations with Indigenous Peoples.</p> <p>A2: Design and implementation of a section on the process of Prior Consultation, on our web page for external stakeholders</p> <p>*Important to emphasize that in the processes of prior consultation, there are some requirements that must be strictly complied with under Colombian legislation. According to this legislation, the consultation process necessarily involves seeking consent.</p>	Manager of CSR, Claudia Hernandez. Sustainability Management, Diana Castillo	Dec-14	Support communications campaigns. % of employees (responsible for relations with local communities) who understand the Protocol for relations with Indigenous Groups.
Principle 6. Project Life Cycle Management	6.4 Included Elements	A:1 Signed referral memo	Sustainability Management. Valeria Santos and Diana Castillo	Jun-14	Published memo



## VII. Assurance Oversight Committee Review Summary:

The Assurance Oversight Committee (AOC)<sup>3</sup> performed a review of the Certification Body (CB) approval process of Deloitte and the certification decision of the Quifa and Rubiales fields in order to give a critique and an opinion as to the rigor of the processes.

As a result of the review, the AOC suggested a series of recommendations on EOS processes:

- Rec 1. That the auditor qualification criteria are reviewed to ensure that
- a. At least one team member meets qualification criteria on the basis of experience rather than training.
  - b. There be a requirement that at least one team member has significant experience (five plus years) in *third party* assessment of social and environmental matters.
- Rec 2. That when EOS is undertaking a witness assessment, a checklist be developed to assist the individual doing the witnessing. This could be based in part on the Accreditation Audit Practice Group guidance on witnessing.
- Rec 3. That the EOS consider contracting an experienced assessor with five plus years accreditation audit experience to be team leader for office audits, and possibly undertake some aspects of the witnessing assessment.
- Rec 4. That the EOS adopt a process to sample then critically evaluate audit team performance against critical criteria within the standard (recognising it may be impractical to do this for all).
- Rec 5. That EOS checklists and reporting formats force the assessor(s) to justify their assertions of conformity / performance by providing evidence of the same.
- Rec 6. That EOS reports are revised, advice is not provided in any form, and reports are finalised as soon as practicable after each assessment activity. A maximum report finalisation time might also be considered.

The AOC makes two recommendations on the specific audit:

- Rec 7. That Deloitte be invited to critically review the partial non-conformities to verify that this grading is justified, and if not adjust the scoring.
- Rec 8. That, should a certificate be issued to the auditee, the EOS witness the first surveillance and pay critical attention to those areas where Deloitte has made findings of partial conformity. EOS may consider bringing this surveillance visit forward in time.

EOS has reviewed the AOC report and agrees with the AOC recommendations on EOS processes. The recommendations will be addressed in the forthcoming updates to EOS assurance procedures following an ISEAL<sup>4</sup> peer review of those procedures that is due to be completed in November 2014.

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<sup>3</sup> <http://www.equitableorigin.com/about-us/governance/assurance/>

<sup>4</sup> Equitable Origin is a full member of the ISEAL Alliance, the member association for sustainability standards: [www.isealliance.org](http://www.isealliance.org)