

SUSTAINABILITY
REPORT
2014



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**Red Pacto Global
Colombia**

We thank all the employees who participated in the construction of our Sustainability Report 2014.

For further information on sustainable management of Organización Terpel S.A. please visit:

<http://www.terpel.com>

<http://www.fundacionterpel.org>

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**MESSAGE FROM
THE PRESIDENT
VI SUSTAINABILITY
REPORT 2014**



Terpel, throughout its 47 year history, has transformed and adapted to new contexts to continue fulfilling the purpose that gave rise to the company: to serve Colombians. This is why our business strategy has as premise and first purpose to be the number one brand in the hearts of people. This means, being recognized and preferred by each student, by each driver, by each employee, by each traveler and, in general, by all who come into contact with our brand. This also means sustainability: with every action and decision we make and adopt today, we seek to be preferred in the future to create value in the long run.

In forums and conferences to which we were invited to participate during the year, we have reiterated our assertion that we do not sell gasoline, we sell memorable experiences. The most important thing is not what we do, but how we do it: with a clear guiding criteria of warmth, sustainability and responsibility.

A balance of our integrated vision of sustainability allows us to communicate today to our stakeholders the progress and results of our commitments to the social, economic and environmental areas.

Economically, during 2014, in addition to reporting strong financial results, we arrived to the Colombian Stock Exchange (BVC), and for the second consecutive year received recognition IR, which highlights our practices with investors.

Environmentally, we continue working to provide products increasingly friendlier to the environment through our strategy of responsible consumption. We have also established ourselves as leaders in the distribution of natural gas vehicle, a cleaner and environmentally friendly fuel.

At Organización Terpel we talk every day of our social

strategy and the importance for us to be a Country Partner in all regions of Colombia. This year we emphasize that the Terpel Foundation celebrated 10 years of working committed to improving the quality of education in Colombia: a decade contributing to the formation of tomorrow's leaders, benefiting more than 400,000 children across the country.

More education create more opportunities, more opportunities helps closing social gaps, fewer social gaps mean less poverty. Feeding this virtuous circle will remain the roadmap of Terpel Foundation.

Moreover, in 2015 we will assume the challenge of measuring ourselves with the standard of Dow Jones Sustainability Index (DJSI), recognized for assessing the performance of leading companies in sustainability worldwide. I count on our team to take on this challenge with responsibility and excellence.

Thanks team Terpel, thanks strategic allies for being part of the achievements we present today in our sustainability report VI.

Your dedication, your discipline and your constant work allow us to continue to build the future of a Colombian company committed to the development and welfare of this country.

Sylvia Escovar Gómez
President Terpel

ABOUT THE REPORT

In our sixth corporate sustainability report, we present to our stakeholders the achievements, goals reached and challenges, sustainable management of Terpel in Colombia, Panama, Ecuador, Peru, Mexico and Dominican Republic and in each of our businesses: Service Stations (EDS), Natural Gas Vehicle (NGV), Complementary Services, Lubricants, Aviation, Marine and Industry.

About the report. General Aspects. G4-17 in GRI table

The report shows the principles that guide our activities. We continue with the chapter structure, this time we have five, where all our stakeholders will find answers to their concerns and topics in particular.

In the chapter on sustainability, we present information about our competitive strategy within the concept of "Country Partner". This concept has allowed a comprehensive management of all aspects of the business, we generate progress and promote development in a comprehensive manner in a harmonious environment. The sustainability model and obtaining materiality, allows knowing the issues relevant to our stakeholders and respond to them through a clear strategy.

"What we do", allows our customers to find information about business lines, with a description of the characteristics of products and services, and aspects that differentiate us in the market. In this chapter we make an overview of all the countries where Terpel operates, knowing more about the service network and its excellence, which makes us feel prouder every day.

The team Terpel can be identified in "Who we do it with." Our employees, affiliates and suppliers, are paramount and this section their development, training and performance is evident. Moreover, the benefits of belonging to the company and health and safety standards we have, always thinking of our environment, will be known.



Committed to ethics and transparency in the process and decision making, we created the chapter “How we do it”. This reveals the structure of corporate governance. Also, we will present commitments to the environment; respect and promotion of human rights.

Finally, in the chapter “Why we do it”, we recognize that our purpose is to work as Country Partner and show that we are committed to the development, reconciliation and social causes through Terpel Foundation and our social programs that benefit community, thinking in building a better country.

All figures are reported in Colombian pesos, identified in the tables as “figures in COP, also, and to have parameters to compare with those achieved in previous years, we make the conversion of US dollars to Colombian peso, according to Representative Exchange Rate (TRM for its acronym in Spanish) of each year (TRM 2012: 1,798 pesos; TRM 2013: 1,868.895 pesos; TRM 2014: 2,000.99 pesos).

This report was prepared according to the methodology of the Global Reporting Initiative in its G4 version, with essential choice “in accordance” with the guide, and includes our materiality process. Additionally it has the endorsement by GRI that certifies that our sixth report responds to the material affairs of the company (Materiality Disclosures). The information contained in the printed version as well as the comprehensive one has been verified by the auditing firm Deloitte & Touche.



To read the entire report visit our website: www.terpel.com

SUSTAINABILITY

Terpel grows in a responsible, profitable and sustainable way through strategies that allow us to care for the environment and meet the expectations of our stakeholders. We deploy our efforts to be the number one brand in the heart of consumers, which are the core of our competitive strategy.



RELEASE SUSTAINABILITY REPORT 2013

During 2014 we made the second regional tour, in which we present the results of the 2013 sustainable management, giving continuity to the exercise of more direct approach and accountability with our stakeholders.

With this tour we showed our stakeholders that we are fulfilling the promise of revolutionizing the fuel market in the country, through a competitive strategy that creates value for everyone.

COUNTRY PARTNER

As a leader in the distribution of fuels in Colombia, we intend not only to be a solid and profitable company, but also a company that promotes comprehensive development of individuals, trains its workers, contributes to the welfare of its neighbors and contributes to the future of Colombia with quality educational programs and leadership that is undertaken by Terpel Foundation.

As Country Partner, social responsibility is part of our philosophy and motivation that inspires us in the development of all the operations we carry out. We believe that the success of a sustainable organization is passion and dedication to serve.



SUSTAINABLE MANAGEMENT MODEL

Our sustainable management model is framed in the purpose of being a Country Partner. Therefore, we developed an operation aimed at achieving a balance between the economic, the social and the environmental. Articulating our competitive strategy, we guide our daily activities, because what concerns us is not what we deliver but how we do it.



WHAT DO WE DO AT TERPEL?

We have a broad portfolio of services and products (EDS, NGV, Lubricants, Aviation, Industry and Marine), with which we guide daily activities to the satisfaction of the needs of our stakeholders.

HOW WE DO IT?

We intend to be the best option for our stakeholders, incorporating the best Corporate Governance practices as guarantee of integrity and transparency.

WHY WE DO IT?

We are a Country Partner and we work to go beyond the quality in the products and services we offer, with the purpose of contributing to the growth and welfare of the company, by balancing the economic, social and environmental aspects.

WHO DO WE DO IT WITH?

The main recipients are our stakeholders.

We generate pleasant experiences, through which we satisfy to the most the needs of our customers and all the stakeholders with whom we interact.

We impassion the team Terpel with our values and strategy, thus having a motivated workforce, respected and committed beyond expectations.

We work to consolidate a unique, efficient and homogeneous network that provides the best service, thanks to the relationship of trust with our business partners.

We conduct an operation with high quality standards, which minimizes and prevents any risk to the environment and is characterized for its safety.

We grow hand in hand with our strategic partners: our suppliers, to create value and mutual benefits that strengthen our organizations.

We strive to be the best option for our shareholders and investors, incorporating the best Corporate Governance practices as guarantee of integrity and transparency.

We work to be good corporate citizens, contributing to economic growth, welfare and development of the communities.



MATERIALITY

Materiality. General aspects.
G4-18 in GRI table

For the definition of the content of this Sustainability Report, in 2014 the Organization validated with suppliers and transport affiliates the material issues that were prioritized with our management team during the 2013 period.

The internal prioritization process was carried out in three steps:

1. We identify the topics taking into account the context (comparative analysis of marketing of fuel, gas and lubricants sector), our competitive strategy and issues suggested in international standards.
2. We conducted meetings with our managers where issues were prioritized.
3. Finally, we crossed the scores evaluated by our senior managers with relevant issues that are being handled in our sector, in order to synchronize the management of corporate sustainability with industry trends.

Materiality. General Aspects.
G4-19 in GRI table.

Country Partner: We work with sustainability criteria, which has allowed us to grow in a responsible manner and consolidate us as a partner in the countries where we operate



Materiality. General Aspects.
G4-20 and G4-21 in GRI table

ASPECT	MATERIAL ISSUE	CHAPTER	INTERNAL STAKEHOLDERS	EXTERNAL STAKEHOLDERS
	Country Partner	Sustainability	Shareholders and Investors, employees	Community, customers (consumers and affiliates), government and suppliers
	Citizenship: Quality education, social investment and reconciliation	Why we do it / citizenship	Employees	Community
ECONOMY	Profitability	What we do / Economic performance	Shareholders and investors, employees	Suppliers, Customers (consumers and affiliates), Community and Government
	Accompaniment to affiliates, suppliers, customers and consumers	What we do / Network Consolidation, Suppliers management	Shareholders and investors	Customers (consumers and affiliates), Suppliers
CORPORATE GOVERNANCE	Corporate Governance, transparency	How we do it / Good Governance	Shareholders and investors	Government and Suppliers
ENVIRONMENTAL	Environmental commitment: Spills, Carbon Footprint, and waste	How we do it / Environmental Commitment	Shareholders and investors, employees	Environment, Government Community, Customers (consumers, affiliates), Suppliers
LABOUR	Fair job relationships and conditions	Who we do it with / Team Terpel	Employees	Environment and Government
	Human capital development			
	Safe operating conditions			
HUMAN RIGHTS	Respect and promotion of human rights	How we do it / Human Rights	Shareholders and investors, employees	Suppliers, Customers (consumers, affiliates), Community Government o
ECONOMIC AND ENVIRONMENTAL	Technology and innovation	What we do /		Customers (consumers, affiliates)
ECONOMIC, ENVIRONMENTAL AND SOCIAL	Risk management	Who we do it with / Team Terpel, How we do it / Corporate Governance	Shareholders and investors, employees	Environment, Government Community, Customers (consumers, affiliates), Suppliers

RELATIONS WITH THE STAKEHOLDERS

Relations with Stakeholders.
General Aspects. G4-26 in
GRI table

Much of the success of the companies is due to the good relationship they have with their stakeholders, so we work in keeping an open and participatory dialogue with our customers, suppliers, shareholders, employees, communities and government agencies with whom trust is the basis of the relationship.

In 2014, with the purpose of optimizing the processes of the value chain of the organization and establish win - win business models in the medium and long term, we conducted an exercise of dialogue with transport suppliers,

who are our strategic partners and with the affiliates. The dialogues enabled to capture the expectations and concerns in order to strengthen the relationship and improve the management of the company.

These sessions showed the commitment we made to the growth of our value chain to build a strong brand and a sustainable service network in the long-term.

28
SESSIONS

263
PARTICIPATING
COMPANIES

16
CITIES

298
ATTENDEES

In 2014 we launched a new communication channel, "Sustainable Terpel". It is a digital and quarterly publication that aims to strengthen

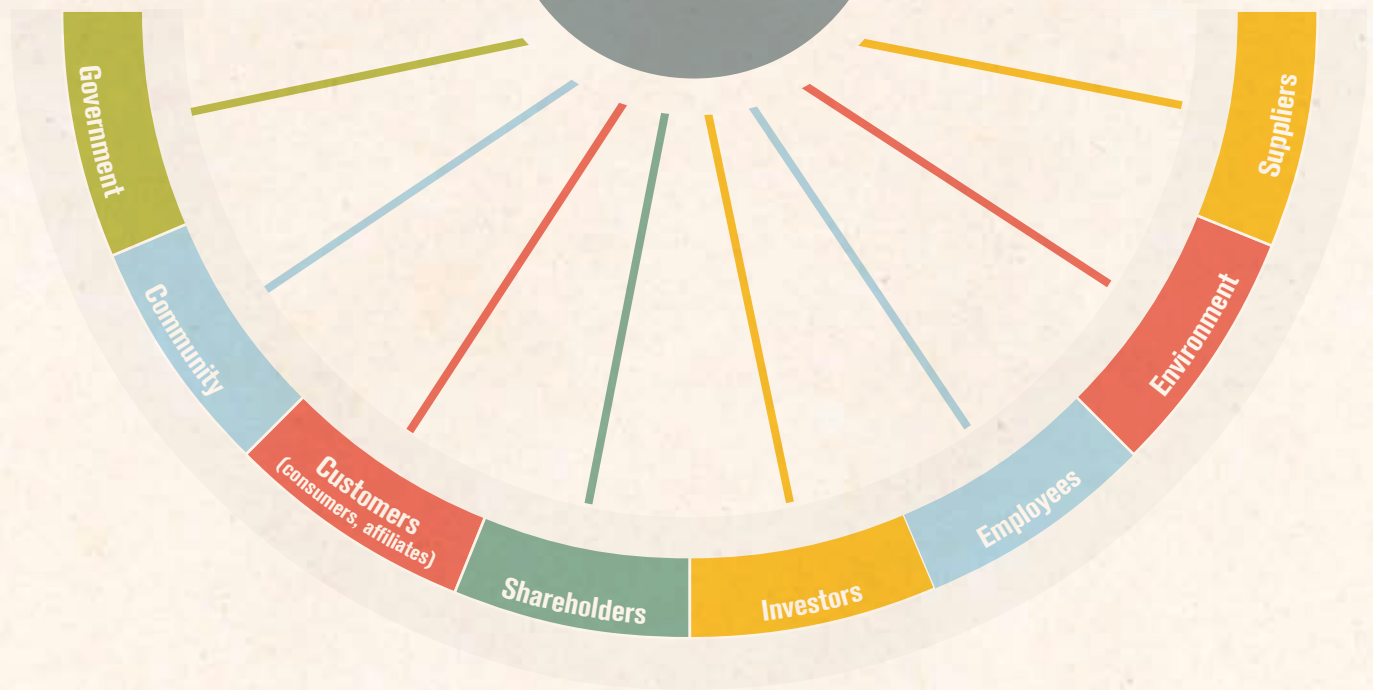
communication and relationship between the company and its stakeholders. For more information visit www.terpel.com

OUR STAKEHOLDERS

In an internal process led by the Vice President of Corporate and Legal Affairs, we defined our stakeholders, taking into account the lines of business (liquid fuel and NGV) and the dimensions of sustainable management (economic, social and environmental).

TERPEL

Stakeholders. General Aspects. G4-24 and G4-25 in GRI table



INTERNAL EXTERNAL

SUPPLIERS

They are our strategic partners to optimize the processes of our value chain and establish win-win business models in the medium and long term.

CUSTOMERS

Consumers: They are the heart of our strategy and the reason for our business, for them we evolve and work hard to offer the best service.

Affiliates: They are our allies and our main channel for positioning the strategy: "Terpel at your service", and so become the number one brand of consumers.

GOVERNMENT

Institutional guarantor of our business activity. It is a strategic partner regarding political and legal conditions of our operation.

COMMUNITY

Residents and communities around our plants, service stations and cities where we operate.

SHAREHOLDERS AND INVESTORS

Direct interest in the profitability of the company. They own the capital of the company. They are divided into investors, majority and minority shareholders.

EMPLOYEES

We understand that organizations are people, therefore team Terpel is the engine of our operation.

WHAT WE DO

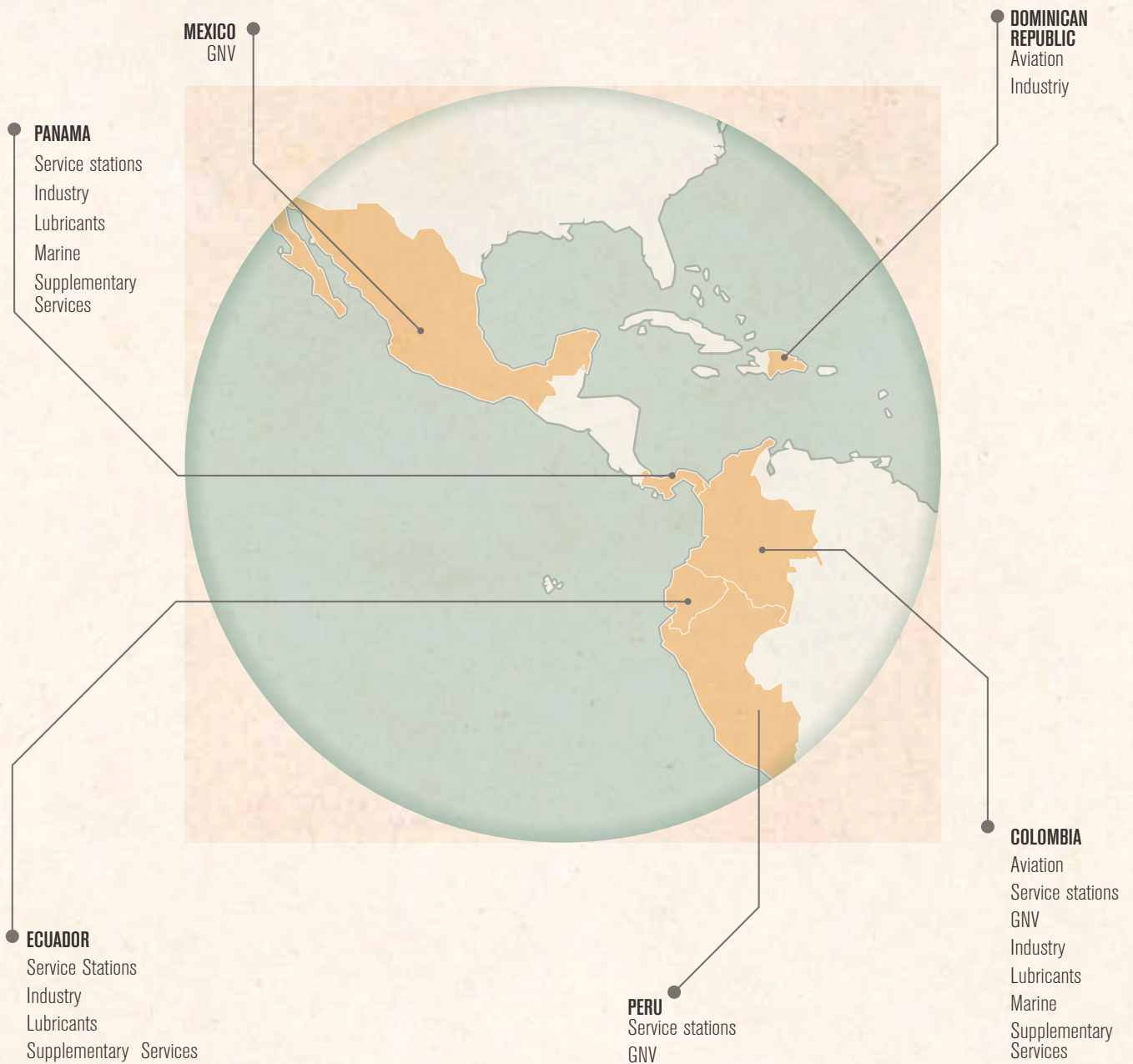




At Terpel we work for people. Each contact with the company becomes a pleasant experience for our customers and consumers, through our seven business segments

OUR LINES OF BUSINESS

Lines of Business



Plants in Colombia

- River Transportation
- Land Transportation
- Multi-purpose pipeline



Division by regions in Colombia

ANTIOQUIA

Antioquia
Choco

NORTH

Atlántico
La Guajira
Magdalena
Bolívar
Sucre
Córdoba

BUCARAMANGA

Santander
Norte de Santander
Arauca
Casanare
South Cesar
South Bolívar

HEADQUARTERS

Bogotá

CENTER - West

Caldas
Risaralda
Quindío
North Valle
North Tolima
West Cundinamarca
Magdalena Medio
Valle del Cauca
Cauca
Nariño

SAVANNAH - South

Cundinamarca
Boyaca
Vichada
Guainia
Meta
Guaviare
Vaupes
Amazonas
Caqueta
Huila
Tolima
Putumayo

OUR CORPORATE CULTURE

PURPOSE

We generate pleasant experiences to our customers in all our lines on business

VISION

In 2017, with a highly effective team, we will be leaders in market share, with the best brand positioning, recognized as the number one in services and our commitment to the country.

VALUES

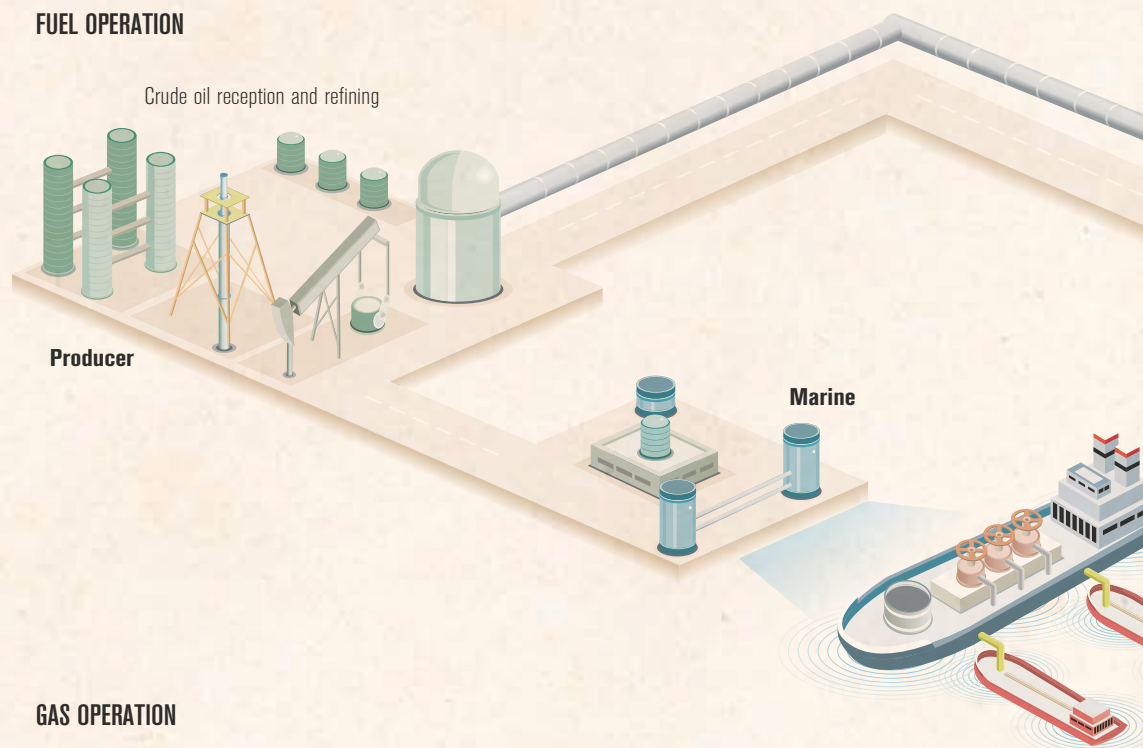
Integrity
Respect
Trust

BEHAVIOR

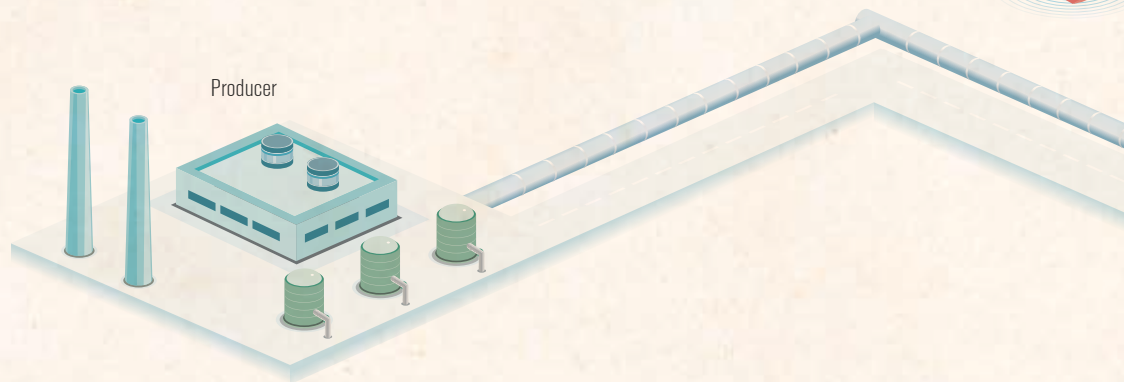
Service attitude
Result-oriented
Strategic discipline

OUR VALUE CHAIN

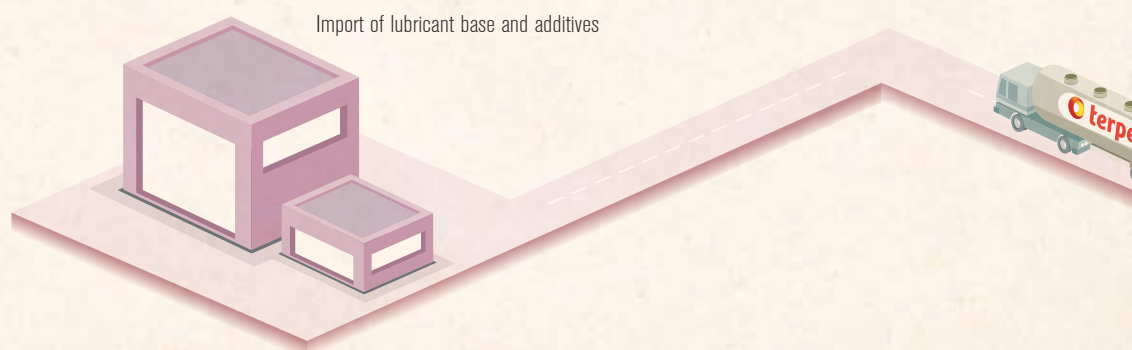
FUEL OPERATION

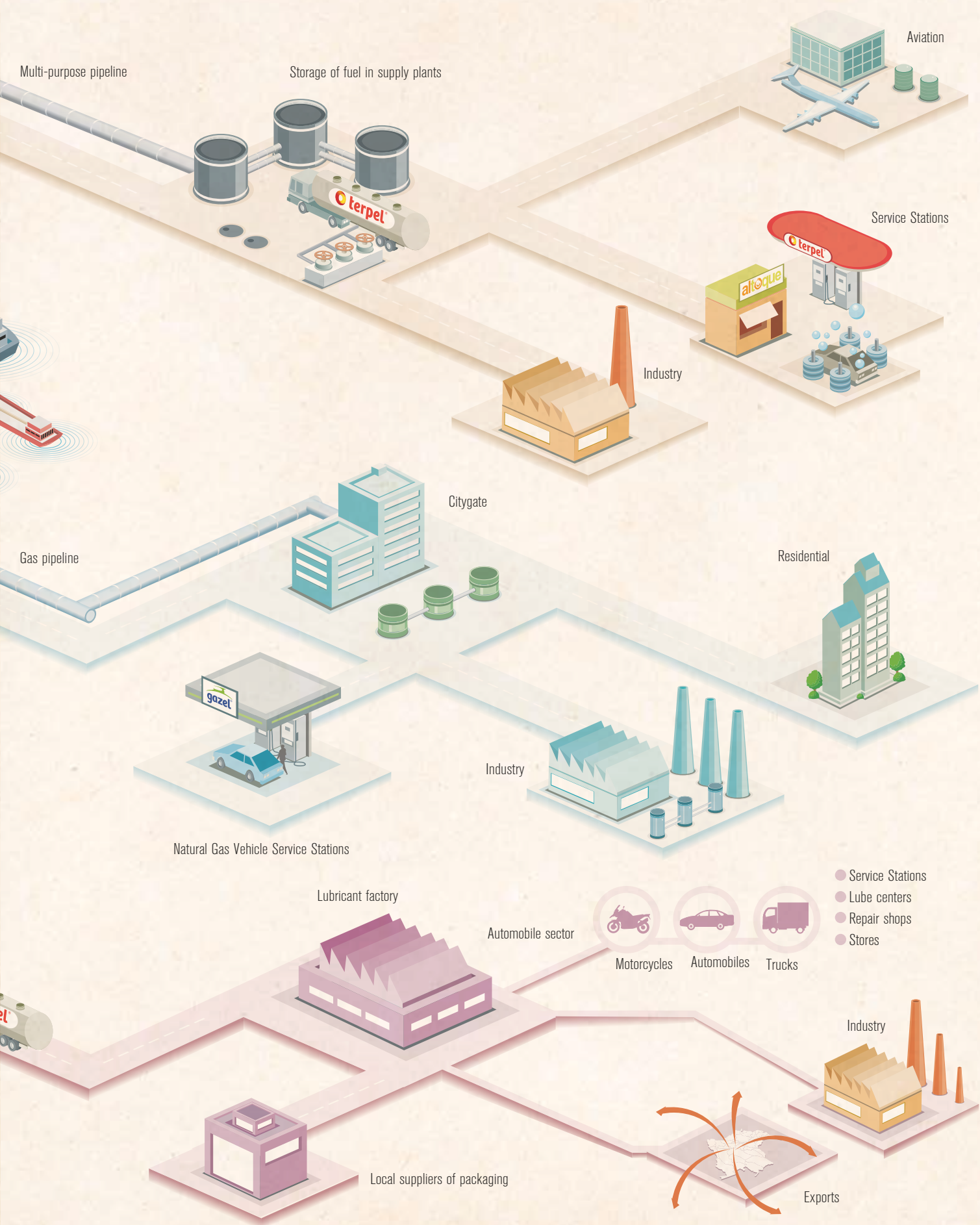


GAS OPERATION



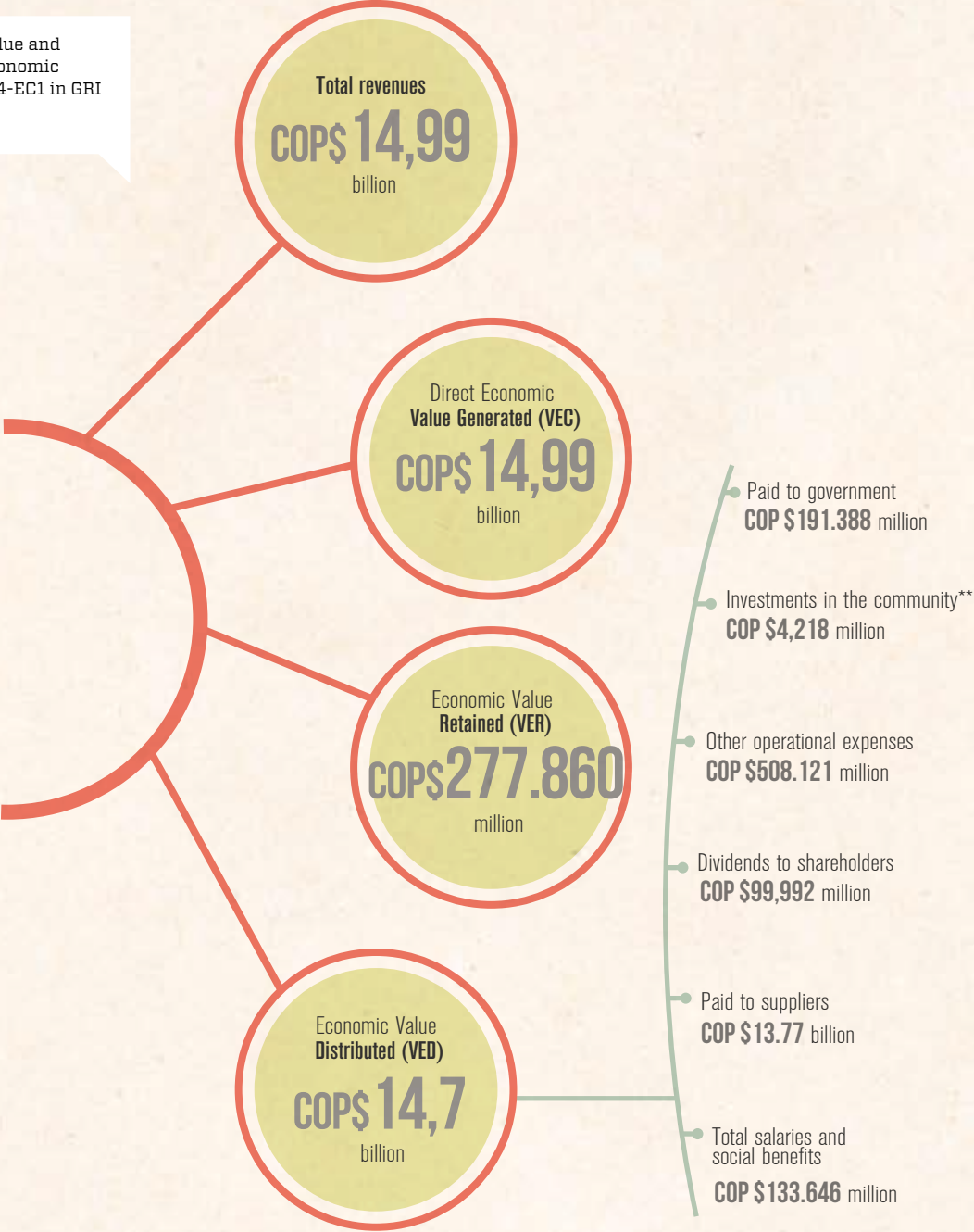
LUBRICANTS OPERATION





WE GENERATE
VALUE AND
DISTRIBUTE IT IN
LATIN AMERICA

We generate value and distribute it. Economic performance. G4-EC1 in GRI table



**Investment figures in the community Terpel Colombia

PLEASANT EXPERIENCES

We want Colombia to dress as Terpel, therefore our network has over 2,000 service stations, 29 supply plants and a lubricant factory with the highest quality standards. We also operate in 20 airports, 14 seaports and 3 ports Terpel, thus contributing to the mobility of Colombian by land, sea and air.

Framed by the value proposition to be the best service, the best infrastructure and the most competitive market price, in 2014 launched the institutional campaign in which we announced our new competitive strategy, coming closer to all our stakeholders, involving them in this new challenge.

For the organization is important to interact with our stakeholders, especially with end consumers, so in 2014 we decided to create a new communication channel that enables us to strengthen the relationship with users. In Terpel we have humanized our social networks, through four characters that generate proximity to users thanks to a warm and familiar language. Our users can know about our promotions through Facebook and Twitter.



10.579
FOLLOWERS IN TWITTER
@TERPELCOLOMBIA

21.248
FOLLOWERS IN FACEBOOK
/TERPELCOLOMBIA

TERPEL SERVICE STATIONS NETWORK: WE GENERATE PLEASANT EXPERIENCES

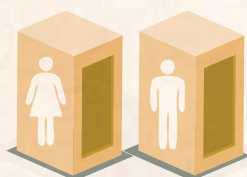
We have over 2,000 service stations throughout the country, in which not only do we supply fuel to our customers, but in the main corridors of the country we offer a whole portfolio of supplementary services designed to meet the needs of travelers and drivers.

Relations with Stakeholders.
General Aspects. G4-26 in
GRI table

5 Ziclos car washes in Cali, Barranquilla and Ibaguè



200 Remodeled bathrooms



More than
2.000
Service stations

10%
Own Service stations

400
Remodeled Service stations



90%
Affiliates

9.774
people trained in the School of Island Attendants

23
Nev Service stations

41.512
Tarjetas de crédito



2
Masterlub Lube Centers in Cali



244
People trained in the School of Managers



2 **toque** points installed in Bogota



14 **altoque** stores located in Cali, Tenjo, Cogua, Medellin, Bogota, Manizales, Melgar and Barranquilla



4 **deuna** kiosks located in Cali, Medellin, Bucaramanga and Barranquilla



OUR FIGURES

The growth in the network of service stations is the result of the consolidation of our customer-oriented competitive

strategy, which is focused on offering the best service, the best infrastructure and the most competitive market price.



PERU

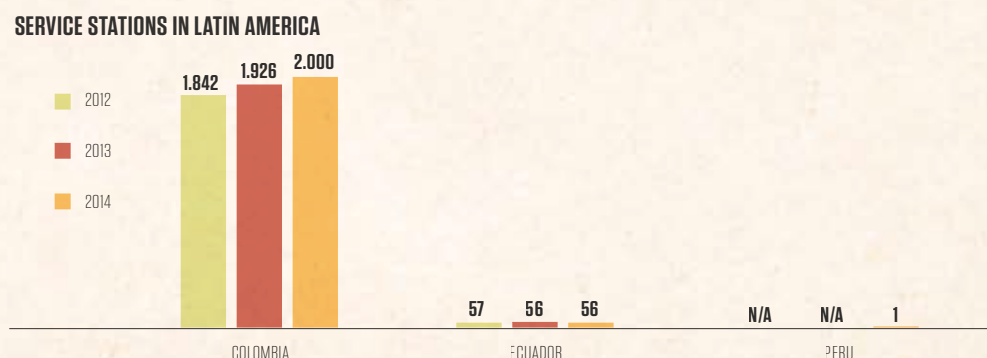
2014 was an important year for the Organization in Peru, in mid-year we

started the operation of the first liquid fuels with Terpel brand.

SERVICE STATIONS IN LATIN AMERICA

The network of service stations is operated under three types, 90% of service stations are property of our business partners, who play a key role in reaching each one of the Colombians who consider Terpel as their best option

when filling the tank. The remaining 10% is divided between service stations in the form of franchises to independent entrepreneurs and stations that are managed by OPESE, an independent company.





SUPPLEMENTARY SERVICES

ALL IN ONE PLACE

Among the new services offered by the network of stations, are more than 400 service stations with the new image, 200 bathrooms remodeled and gardens of native flora in each of the areas.

Currently, in the Terpel service stations Colombians have the Altoque stores, a friendly place to take a break and find fast food and typical dishes from each region. Additionally, at the Ziclos car wash, they can wash their cars in three and a half minutes with the most competitive market price, excellent quality and without getting wet!

TRAINING SCHOOLS FOR ISLAND ATTENDANTS AND MANAGERS

TRAINING TO OFFER THE BEST SERVICE.

To strengthen the skills and competence of our island attendants and managers is a priority for the company, since through them we are closer to fulfilling our promise to provide the best service.

So we designed a training program with specialized modules with aspects of business management, customer service and safe operation inside the service stations.

Training schools for island attendants. Material issue: Human capital development. G4-LA9 in GRI table

		Number of people trained		Average training hours		Training hours
		Men	Women	Men	Women	Total
Colombia	School for island attendants	7,211	2,563	8	8	78,192
	School for managers	108	136	7,16	7,38	1,931
Ecuador	School for island attendants	270	30	12	12	3,600

PITS: THE NUMBER ONE IN SERVICE

Work teams of service stations are the basis for our customers to have the best experience when filling up the tank at our service stations. In order to keep them motivated, we have a recognition program that seeks to

achieve the highest standards of quality and service, promote among teams the characteristics that differentiate the Terpel brand and strengthen professional development.

TRAINING	RELATIONSHIP	RECOGNITION	MEASUREMENT
<p>Talks aimed at generating service culture in island attendants at service stations.</p> <p>Conferences on teamwork.</p>	<p>Special dates.</p>	<p>According to the achievement of goals, points are accumulate to redeem for prizes and benefits.</p>	<p>Basics aspects such as sales, service and image.</p> <p>Specific as fidelity and supplementary services.</p>

In 2014 we conducted the event Rise without limits PITS in seven cities with the presence of more than 2,500 participants, in order to motivate island attendants from different regions through life stories told by the Juan Felipe Gómez Escobar Foundation.

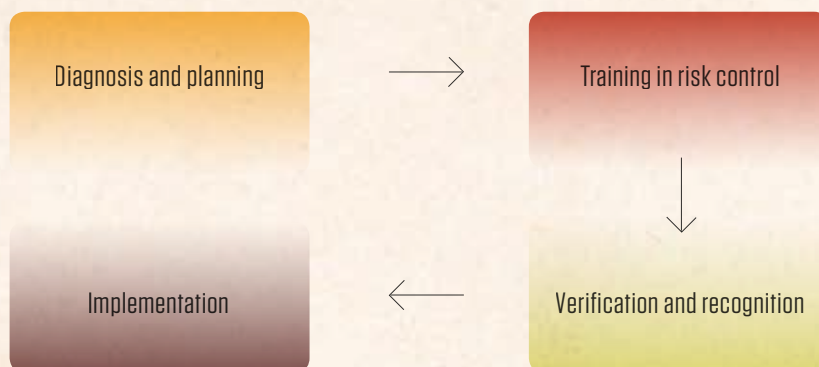
RELIABLE SERVICE STATIONS

Reliable Service Stations.
Material issue: Safe operating conditions. Own indicator, GRI table

Being aware of the importance of environmental protection, safety at stations and excellent product quality, we have procedures to reduce, minimize and control the impact that service stations can cause to the environment

and customers. These practices are part of Reliable Service Stations program, which enable us to advise, accompany and qualify our affiliates in the operational management of their service stations.

STAGES OF THE RELIABLE SERVICE STATIONS PROGRAM



In 2014 we conducted working days of induction, training and inspection visits to service stations where tools were given to improve their management with the Reliable Service Station

Manual and environmental logbook. Subsequently the management of each one of them was scored and an action plan for its improvement was designed.

539
AUDITS IN
SERVICE STATIONS

7
REGIONS
VISITED

TERPEL CREDIT CARD, WE SAVE WHEN FILLING UP THE TANK

In April 2013 we launched the credit card Terpel- Colpatria, designed so that our customers can save when filling up the tank at service stations of the Terpel network and associated facilities.

During 2014 we extended the benefits offered, we went from 2% to 5% savings on all purchases made on the Terpel

service stations. Additionally the 20th day of each month we had a 20% discount.

At the end of 2014 we had over 41,000 active cards, which confirms the confidence our customers have in this form of payment.

AT TERPEL WE THINK AT ALL TIMES IN OUR CONSUMERS

We want to be present in the lives of our consumers to create an emotional bond with the brand by offering promotional products intended for home and to share in family.

In 2014 we made three promotions in our network of stations in order to come closer to our consumers.



106.063
Units Sold



1.502.400
Units Sold



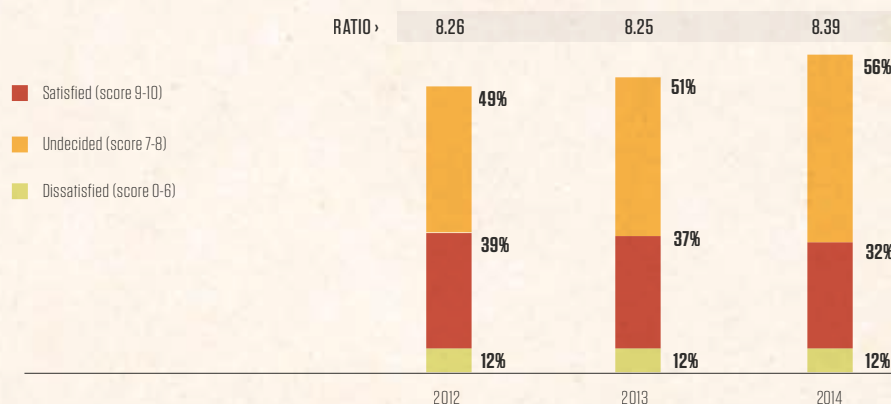
360.000
Units Sold

OVERALL SATISFACTION LEVEL IN COLOMBIA

For Terpel is important that our customers have the best experience every time they visit a service station, at the same time we want to know

how satisfied they are with our service, in order to improve day by day and keep our value proposition, which is to provide the best service.

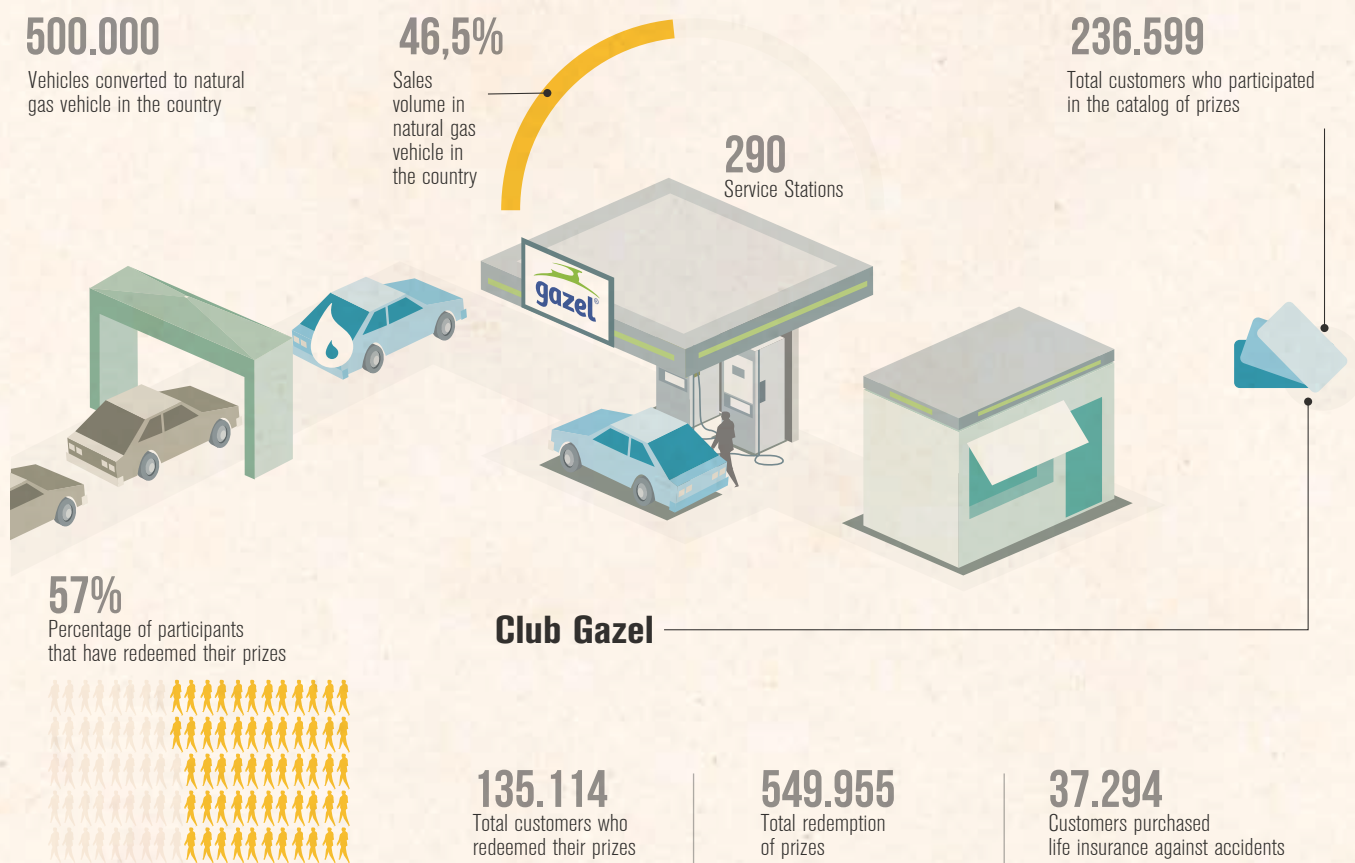
OVERALL SATISFACTION LEVELS IN SERVICE STATIONS



Niveles de satisfacción general en las EDS.
Asunto material:
Acompañamiento a afiliados,
proveedores, clientes y
consumidores. G4- PR5
en la tabla GRI.

NATURAL GAS VEHICLE: A FRIENDLY MOBILITY CHOICE

With an investment of nearly \$ 700,000 million, we are the company that has wagered more strongly to the development of NGV sector in Colombia.

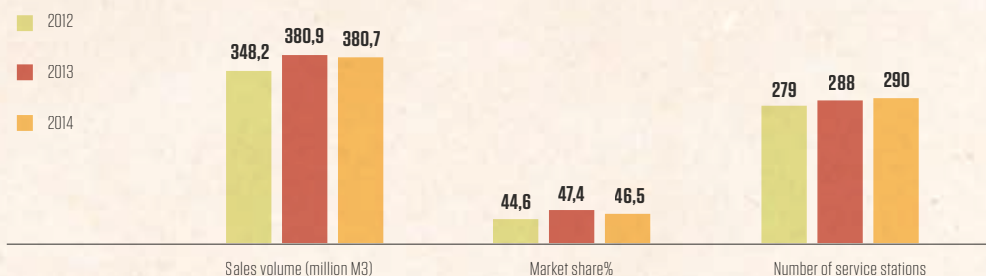


Because NGV is a cleaner fuel, we contribute to environmental care through our network of Gazel service stations in Colombia, Mexico and Peru. Gazel is a pioneer and market leader in natural gas vehicle in Colombia, with 46.5% of sales volumes of NGV and about 45.5% of the service station (290 of 637). Terpel through its brand Gazel makes presence throughout the national territory, taking NGV to over 45 cities.

Reaching the 500,000th vehicle gas is a sample of how the natural gas vehicle in Colombia has become a real alternative for consumers, given the savings and environmental benefits its use brings.

OUR FIGURES

NGV COLOMBIA

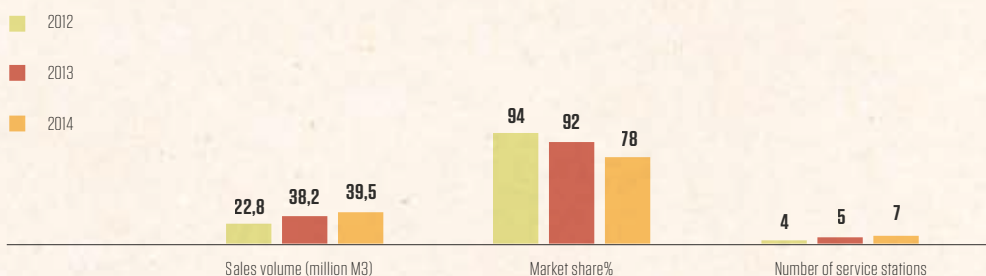


In Colombia we are leaders in the NGV, market, we have positioned ourselves in the heart of our consumers thanks to our excellent service, care and experience in the market.

Currently, there are in the country more than 600 Service Stations for natural gas vehicle. Of these, over 290 belong to Terpel-Gazel, which makes the company the largest network in the country and the only one with national coverage.

We have contributed and supported the consolidation of hundreds of repair shops in the country, and the development of NGV technology with several automotive companies, which allows us today to have more than 10 brands of new vehicles that have NGV with factory warranty.

GNV MEXICO

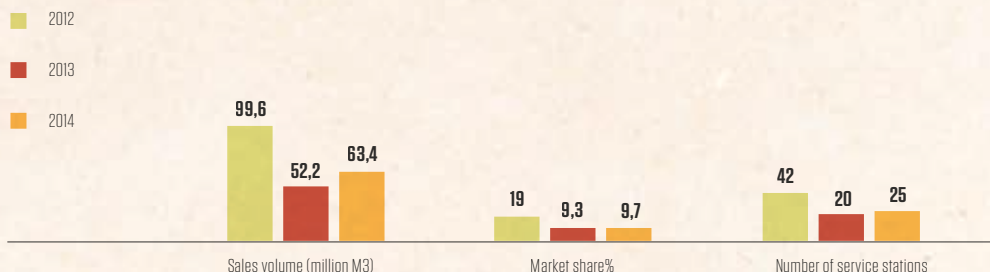


In Mexico, during 2014 we had a 3% increase in sales of NGV compared to the previous year. We had a slower growth due to the closure of the Balbuena service station and CEDA, mainly.

- There was a positive impact on sales volumes due to the entry of new industrial customers.

- Purchasing policy was applied with new suppliers through which tenders and invitations were carried out to quote with five suppliers.
- The safety and environment program was developed with five suppliers who work at service stations.

NGV PERU



NGV: A CLEANER AND MORE ENVIRONMENTALLY FRIENDLY PRODUCT

In Terpel we have boosted the industry with greater investment in the network of stations, funding of conversions, supply of kits and NGV cylinders, economic contribution to incentive conversions programs and implementing various marketing plans and fidelity.

At the end of 2014 we opened the first Gazel station in La Guajira.

The combustion of NGV produces up to 40% less CO2 emissions, contributing to the reduction of the greenhouse effect and is lighter than air, so any leak is dispersed in the environment.

BENEFITS OF NGV:

- Reduce the amount of CO2 released into the atmosphere by up to 40%, according to the intergovernmental panel on climate change.
- Emissions of NGV vehicles are virtually free of particulate matter (PM 10).
- The use of natural gas vehicle allows savings of 50% compared to traditional fuel, without affecting engine conditions.
- The average savings of a vehicle converted to gas is close to \$400,000 monthly.

CLUB GAZEL

Through Gazel Club loyalty program, we want our consumers in Colombia and Peru to have pleasant experiences every time they visit a Gazel service station.



CLUB GAZEL COLOMBIA:

**OUR CUSTOMER
CAN REDEEM
PRIZES OR
BENEFITS THROUGH
THE CATALOGUE OF
AWARDS**

**236,599
CUSTOMERS
PARTICIPATED
IN THE CATALOGUE
OF AWARDS**

**135,114
CUSTOMERS
REDEEMED
AWARDS**

**549,955
AWARDS
REDEEMED**

**EVERY
CUSTOMER
REDEEM IN AVERAGE
4
AWARDS**

**37,294
CUSTOMERS ACQUIRED
LIFE
INSURANCE
AGAINST ACCIDENTS**

INNOVATION IN LUBRICANTS

In a changing market like the one of car engines, lubricant manufacturers must work at the same speed to provide products with the highest technology and quality.

Terpel lubricants are characterized for providing security and confidence when using our products in your vehicles.

Products that are licensed by the API label:

Terpel Maxter 15W40
Avanzado, Terpel Maxter
15W40 Progres, Terpel Oiltec
Titanio, Tergas 10W40

Official authorizations with engine manufacturers:

Cummins, General Electric, Electromotive,
Mercedes-Benz, Volvo, Renault and Mack.

250 Drums recycled per month

Product launching:

Cambio Exacto, Terpel Cerelity 10W40
Sintético and Terpel Maxter 15W40 Gas

Recertified standards in plant:

ISO 14001, ISO 9001 and OHSAS 18001

2

Masterlub lube centers in Cali



QUALITY: OUR STARTING POINT

The lubricant used by the vehicle is the soul of the engine, it is responsible for keeping it in good conditions and extending its life, thus, during 2014 we invested in technological advancements to fulfill the promise to our customers to look after their engines.

In 2014 our lubricants for heavy vehicles, Terpel Maxter 15W40 Avanzado, Terpel Maxter 15W40 Progres, and our lubricants for light vehicles Terpel Oiltec 10W40 Titano, Terpel Oiltec 20W50 Titano and Tergas 10W40, were certified by the American Petroleum Institute (API). This recognition positions our lubricants as

products of superior quality, with world class technology and innovation.

Regarding the official authorization with engines from original manufacturer (OEM) engines, we obtained the approval of Cummins (CES20081) and Mercedes-Benz MB-Approval 228.31, for our lubricants for heavy vehicles Terpel Maxter 15W40 Avanzado; and from General Electric and Electromotive for Terpel Maxter RD 40, lubricant for the railroad segment. Obtaining these approvals positions us as a superior quality lubricant, with world level technology and innovation.

QUALITY CONTROL LABORATORY

We have a modern laboratory, with high-tech equipment, accredited under ISO/IEC 17025 standard which conducts over 35 trials for quality control of lubricants and analysis of oils in services, by which diagnoses

are made to improve the performance of our customers' equipment. Also, research is conducted to develop new lubricants, consistent with the needs and expectations of our customers.



NEW PRODUCTS OF INTERNATIONAL LEVEL

We launched two new products with state-of-the-art technology that allow improving the performance of vehicles and motorcycles that use it.

- Terpel Celerity 10W40 Sintético: is the first 100% synthetic lubricant with the highest world level quality in Colombia, designed with a unique formula that is patent pending and certified by JASO1.

Terpel Celerity 10W40 Sintético is created for high performance street and competition motorcycles. In chassis dynamometer testing, it was found that the product has 5% more power compared to market leading synthetic lubricants.

- Terpel Maxter 15W40 Gas: is a premium lubricant special for heavy transport vehicles dedicated to gas. Formulated with clean calcium salicylate technology, high resistance and low ash content. Its characteristic of multi-grade oil provides greater protection in cold start, also ensuring a better flow of the lubricant on critical engine parts, protecting against wear and helping its cooling.

1. JASO: Japanese Automotive Standard Organization



TECHNOLOGY AND INNOVATION IN THE PLANT

Innovation and quality move us. In 2014 we recertified under ISO 9001 (Quality), ISO 14001 (environmental), ISO/IEC 17025 (laboratory tests) standards and we certified under OHSAS 18001 standard for industrial safety and

occupational health, also achieving a score of 95.33% in NORSOK, always seeking continuous improvement in processes and products. Also, we kept 29 product references with ICONTEC quality labels.



LUBRICANTS MARKET

In 2014 the market size of lubricants in Colombia was estimated at 43 million gallons, distributed between the automotive and general industry. This market shows a gradual decrease in

demand, given the strict environmental regulations that require increasingly efficient engines and more advanced and longer lasting lubricants

TERPEL LUBRICANTS CONTINUE EVOLVING

Satisfaction of customers and consumers is one of the

premises under which we operate. We have developed lubricants with world class state-of-the-art features, with new packaging and labels designed to provide safer and economic products that have direct advantages in quality and performance.

In this regard in 2014 we continue to innovate with the introduction of our products and services. Below we describe the progress in these aspects:



CAMBIO EXACTO

In 2014 we launched a new and unique presentation in the Colombian market, called “Cambio Exacto”, offering the ideal measure for oil change in small

and compact cars. Cambio Exacto is the most modern and safe package containing three quarters and a half gallon.

masterlub



MASTERLUB

Based on the strategy of creating pleasant experiences for our customers, Masterlub offers a specialized service for oil change at service stations where the proposition is outlined in the confidence and experience through service, visibility of the whole process of oil change and service with highly

qualified personnel. Our experts are the premise of the Masterlub brand.

In 2014 we continued to expand our specialized lubrication centers, Masterlub. Currently, we have two Premium points in Cali.

Under the contest 7 ideas were received, of which 3 were shortlisted, and from there the 2 winning projects were chosen.

“YOUR SEAL IN THE FACTORY”

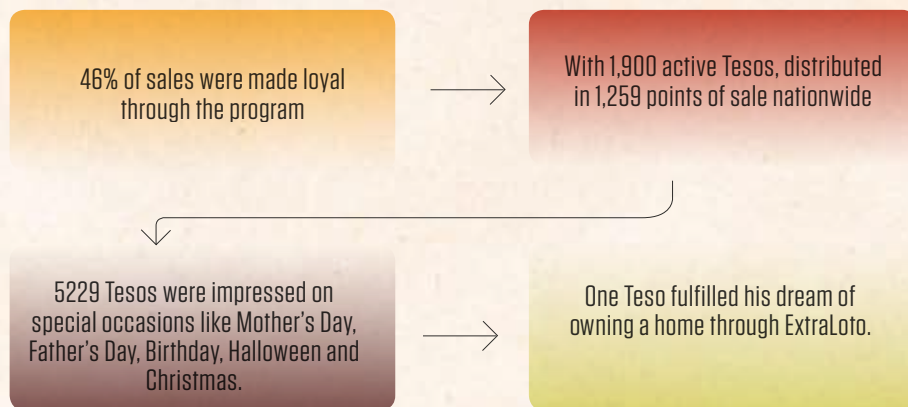
A contest was implemented in order to motivate workers of the Factory to be an active part in the improvement and optimization of processes, in order to optimize costs, environmental impacts and improvements in safety and occupational health.

The winning project was “Optimization in handling and transporting drums packed in the area of bombs”, and the second place project was “Purges line”.

TESOS PROGRAM

Tesos is a loyalty program aimed at oilers and/or mechanics to recommend Terpel lubricants, created in 2008. It is managed under three main themes: Economic, Education and Welfare, providing benefits and accompaniment focused on their personal development.

Thanks to the promise of emotional nature in 2014 and due to the excellent recommendation and commitment to the brand, among Tesos a house was raffled in the promotional activity Extraloto, resulting an oiler as a winner.



“Since we entered Tesos my life has changed for the incentives given, for all the new programs. Being in Tesos has been a blessing from God, Tesos is very helpful for one”

Oiler - Santa Marta

GREEN LUBRICANTS

People are the center of our actions, in order to meet the needs of consumers, the environment and society, we create lubricants much friendlier to the environment. We sell oils that help save fuel and extend periods of change.

Environmental benefits of our lubricants

- Reduction of waste in used oil
- Less emission of particulate matter
- Reduction of consumption of energy production

Green lubricants. Material issue: Technology and information. Own indicator, in GRI table

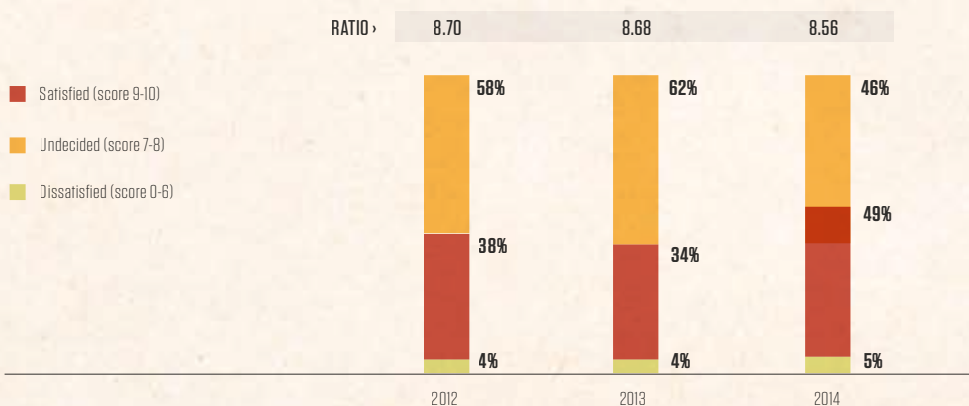
***Lubricants with environmental benefits:** Terpel Maxter 15W40 Progres and Terpel Maxter 15W40 Avanzado; Terpel Celerity Bioantihumo, Terpel Oiltec 10W40 Titania, Terpel Oiltec 20W50 Titania, Tergas 10W40, Terpel Oiltec 5W40 Sintético, Terpel Celerity 10W40 Sintético.

CUSTOMER SATISFACTION

Fulfilling one of the pillars of our competitive strategy: offer the best service in the market, annually we conduct a customer satisfaction survey, which allows us to identify what aspects we must strengthen and improve day after day.

The results from the survey conducted in 2014 for the segment of lubricants are presented below.

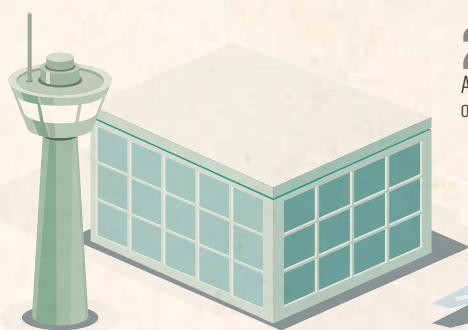
OVERALL SATISFACTION LEVELS IN SERVICE STATIONS



Overall customer satisfaction levels. Material issue: Accompaniment to affiliates, suppliers, customers and consumers. G4-PR5 in GRI table.

AVIATION: WE ARE YOUR PARTNERS IN LAND

With 74.4% market share, day after day we offer the best service and excellent quality in our product, fulfilling our responsibility towards our customers. In 2014 we obtained for the fifth consecutive year recertification in standards: ISO 9001 (quality), ISO 14001 (environment), OHSAS 18001 (industrial safety and occupational health) and NORSOK S-006 (99%).



20
Airports
operated



319
Employees of our
customers trained
in the School of Aviation

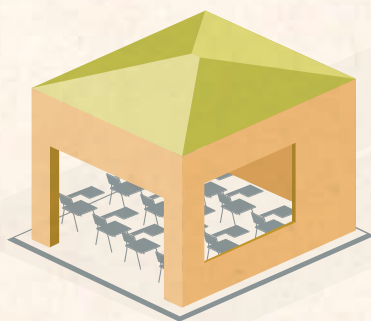
**Overall Satisfaction
Rate**
8,33/10



8.932
Training hours
in the School of Aviation

4*

Level of
satisfaction in the
School of Aviation



74,4%
Market Share

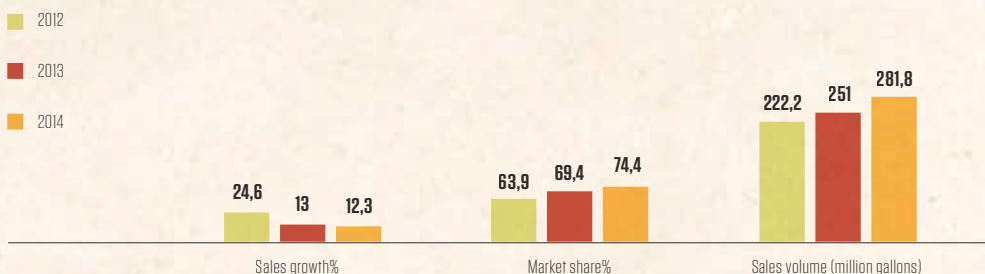
28
Average
training hours



*This level is measured from 1 to 5

OUR FIGURES

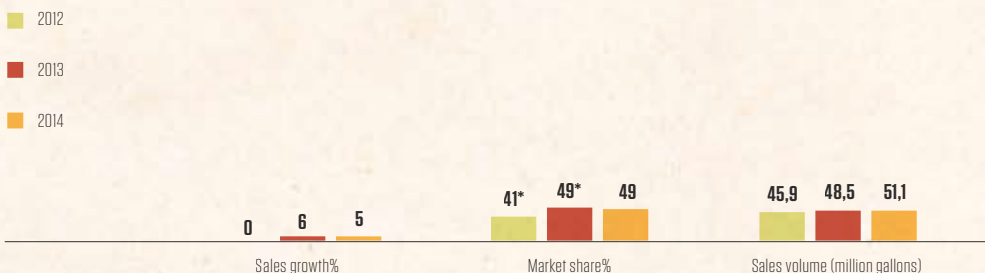
COLOMBIA



In Colombia we currently have operations in the airports of Riohacha (it began operating in February 2014), Santa Marta, Barranquilla, Cartagena, Valledupar, Monteria, Medellin, Rio Negro, Apartadó, Cartago (where we restarted the operation), Pereira,

Palanquero (air base), Bucaramanga, Cúcuta, Barrancabermeja, Arauca, Bogotá, Cali, Guaymaral (operated by a third party) and Leticia. We also supply fuel through 10 supply plants across the Colombian territory, bound for mobile military bases and airfields.

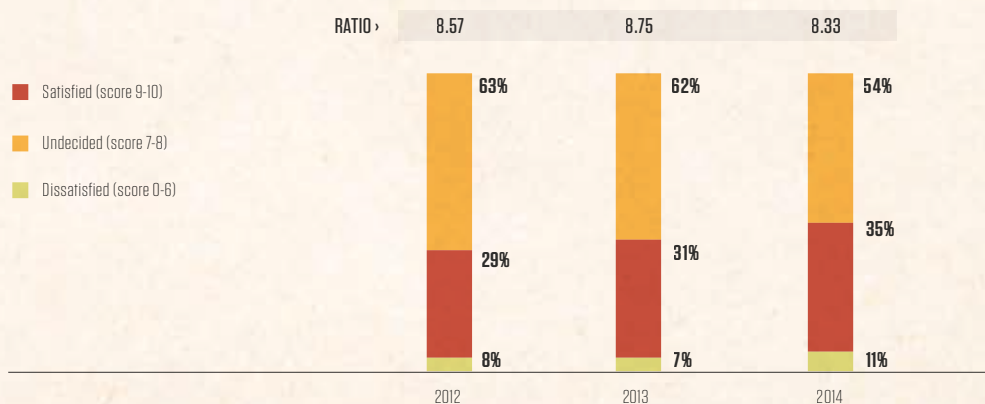
DOMINICAN REPUBLIC



* Data on market share is corrected due to an error in the 2013 diagramming process

OVERALL CUSTOMER SATISFACTION LEVELS

Overall customer satisfaction levels. Material issue: Accompaniment to affiliates, suppliers, customers and consumers. G4-PR5 in GRI table.



SCHOOL
OF AVIATION

Created to provide training in the handling and disposal of fuels for aviation, the school allows our customers to minimize risks in their operations, while they are updated on the regulatory framework of the sector.

In 2014 we structured the training activities carried out in the school of aviation according to priority aspects in the aviation industry.

319
EMPLOYEES
OF CUSTOMERS
TRAINED

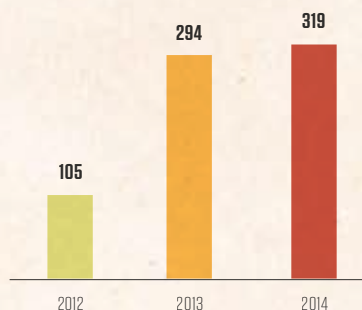
8.932
TRAINING
HOURS

28
AVERAGE
TRAINING HOURS
PER PERSON

School of aviation. Material issue: Accompaniment to affiliates, suppliers, customers and consumers. Own indicator in GRI table.

Module	Contents	People trained
Fundamentals	Origins and product cycle Uses and characteristics of Terpel products	127
Fuel quality	Characteristics of aviation products Quality tests and trials	70
Environmental	Environmental issues affecting the business Integrated management of contaminated waste Contingency plans Fuel spills	31
Safe operation	Hazards and risks of the operation Preventive controls and mitigation Good security practices	22
Storage	Storage Management Receipt of products characteristics Decantation, drainage and tank gauging	12
Transport	Technical standards Regulations for fuels transport	17
Supply	Dispatch, supply and loading of fuel Filling up tanks and filling of supply vehicles Effective operation	16
Maintenance	Tanks, systems for filtration and calibration of equipment Receipt and dispatch systems in plants Oily water management systems Security systems	24

EMPLOYEES OF CUSTOMERS TRAINED



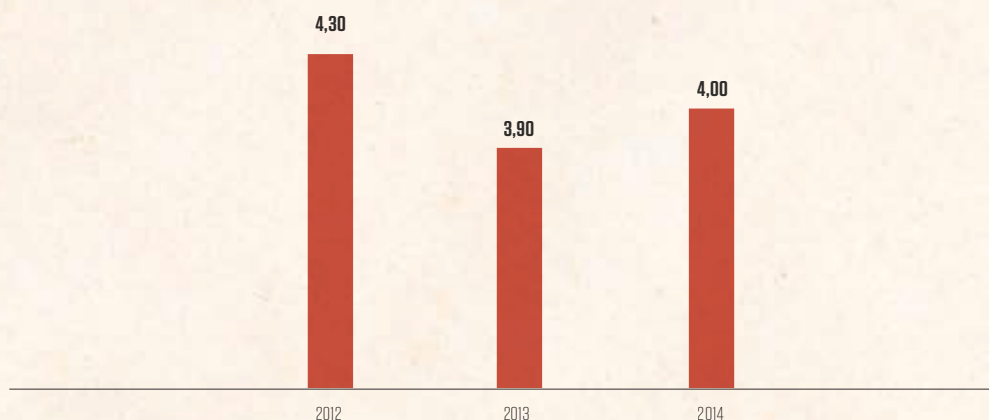
The number of trainees increased by 8.5% due to trainings held on the customers' premises.

Likewise, we offered one more training module than the previous year and implemented two new modules for the supply and maintenance issues.

In order to have a continuous improvement in the quality of the service we provide, the operations and business management team is also part of the group of trainees at the School

Overall customer satisfaction levels. Material issue: Accompaniment to affiliates, suppliers, customers and consumers. G4-PR5 in GRI table.

OVERALL CUSTOMER SATISFACTION LEVELS*



*This level is measured from 1 to 5

MEASURING THE CARBON FOOTPRINT OF AVIATION

Caring for the environment is a priority for the organization. We measured the carbon footprint with a third party, the Colombian Business Council for Sustainable Development - CECODES, who is the Colombian chapter of the World Business Council for Sustainable Development.

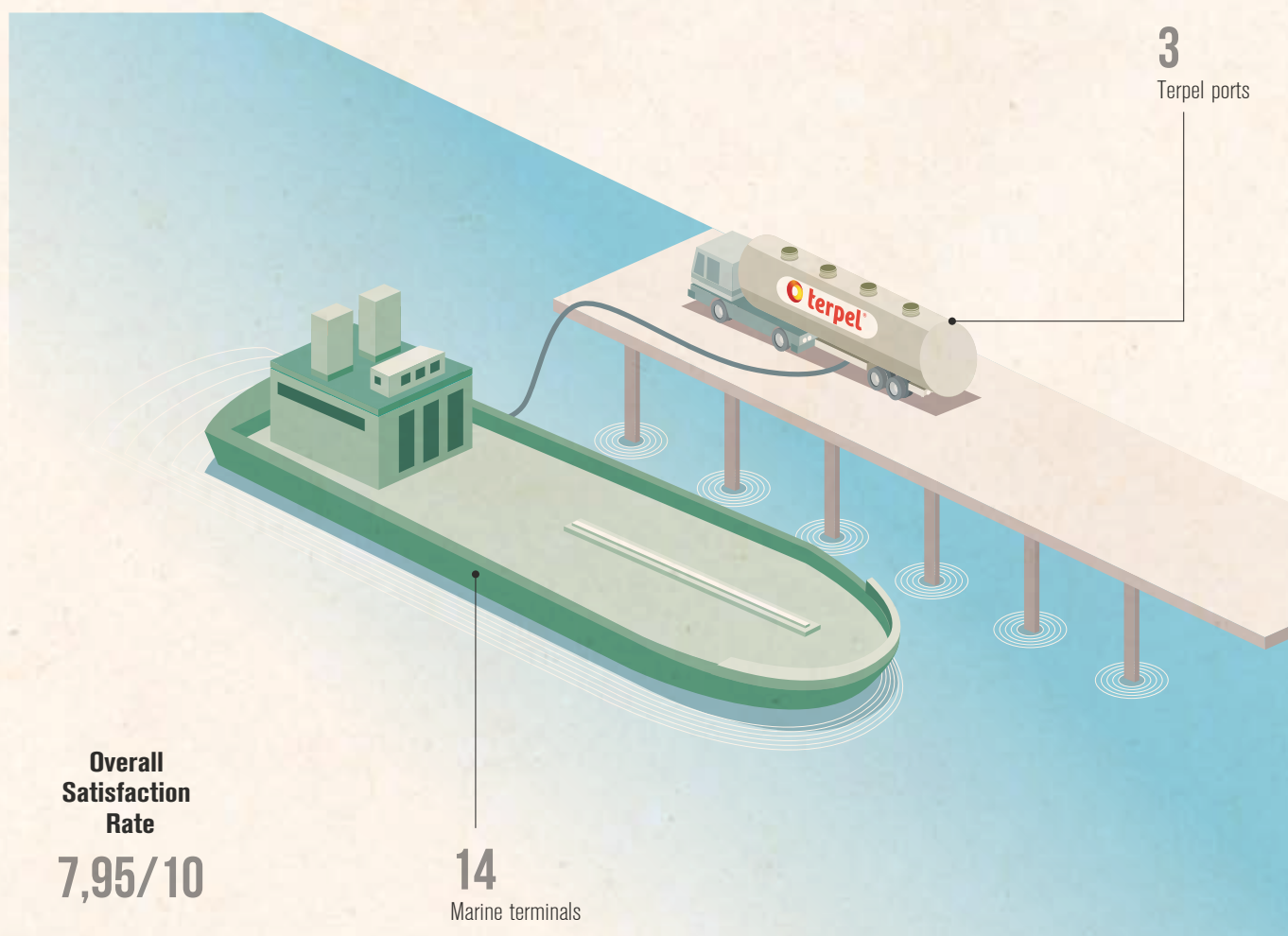
In 2014 the air transport sector had a 38% reduction in CO2 emissions compared to those generated in 2013.

2015 CHALLENGES

- › Achieve that 60% of the customers who started in the school of aviation, have the certification of the nine modules
- › Implement the service module
- › Adapt the environmental module
- › Certify the school before a competent entity

MARINE: CONTRIBUTING TO THE EXPANSION OF THE BUSINESS WITH THE BEST QUALITY AND SERVICE

We have focused on meeting the needs of the local and international market for marine diesel. Complying with environmental specifications, we offer a product that is low in sulfur and helps the environment.

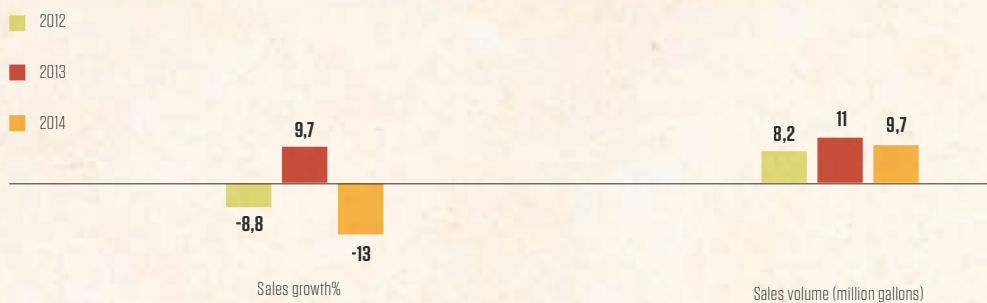


OUR FIGURES

COLOMBIA



PANAMA

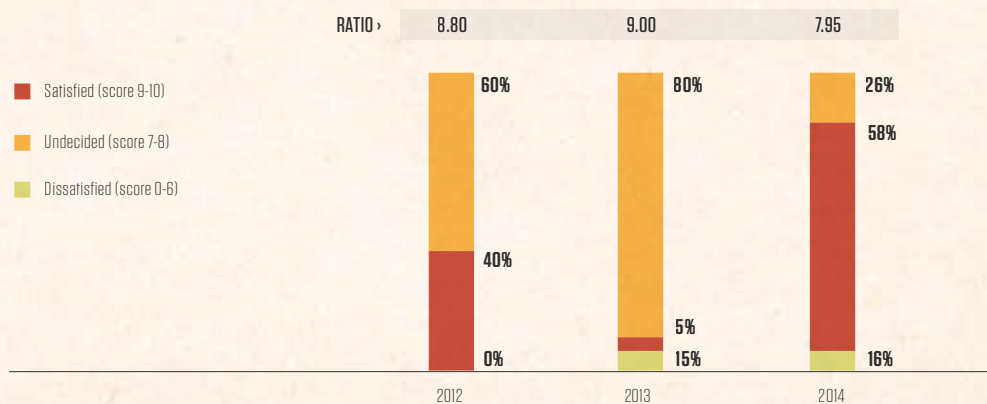


SERVING OUR CUSTOMERS

Every day we work to maintain with our customers a relationship based on the trust gained, as we provide the best

service in the market. In response to the efforts made, we present the results of the customer satisfaction survey.

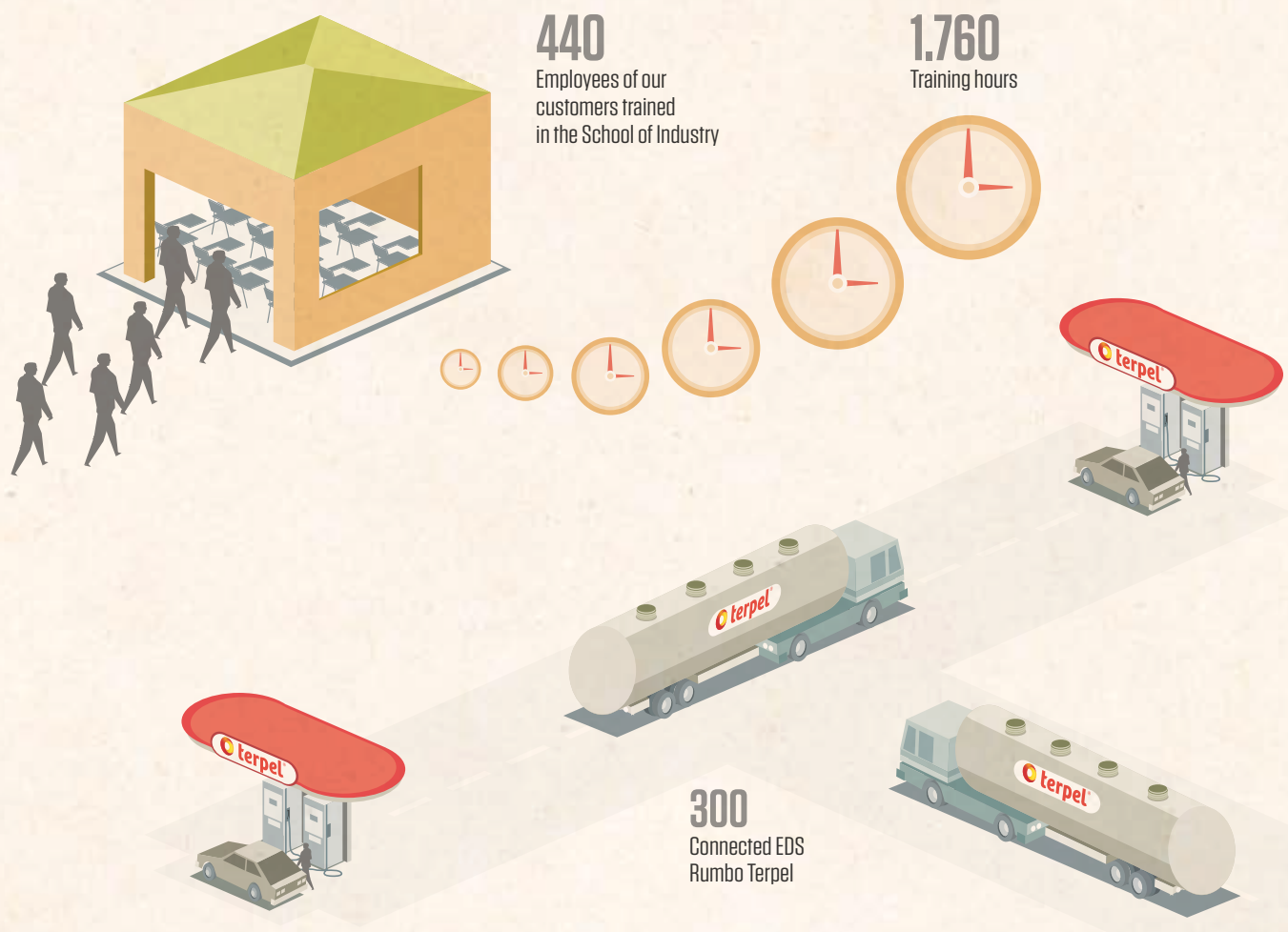
OVERALL CUSTOMER SATISFACTION LEVEL



Overall customer satisfaction levels. Material issue: Accompaniment to affiliates, suppliers, customers and consumers. G4-PR5 in GRI table.

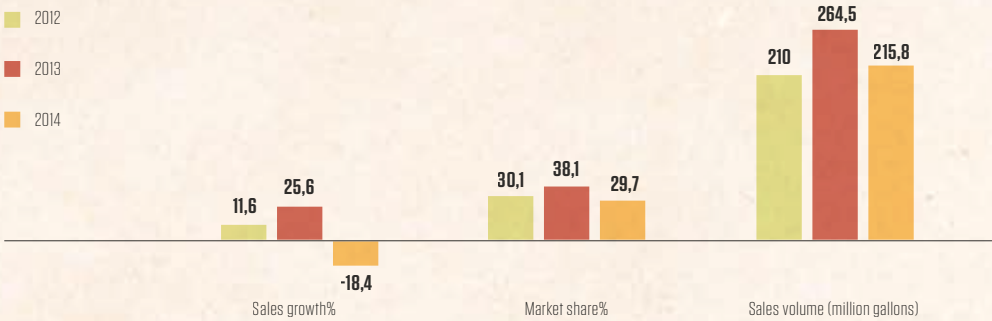
INDUSTRY: PARTNERS IN THE GROWTH OF COMPANIES

In Terpel have a wide variety of consumers among which are the companies, for whom we are more than suppliers, we are their partners through the supply of fuel to successfully meet their operations. As in our other segments, we think about giving answers to the needs of the market, we designed mobile platforms to take the product to the place where the operation is located, especially in the oil, mining, transport, construction and agribusiness sectors.



OUR FIGURES

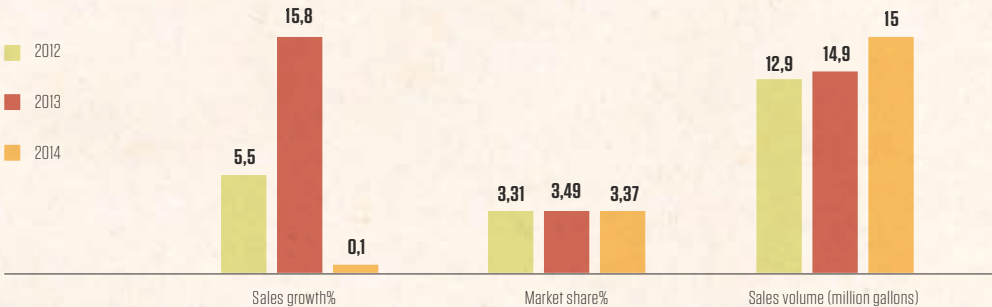
COLOMBIA



In 2014, the industry line of business showed a decrease of 18.4% reaching a market share of 29.7%, since the

consumption of diesel decreased in customers of the hydrocarbons sector.

ECUADOR



Sales volume in millions of gallons reported in 2012 and 2013 referred to the total industry market in Ecuador. The information reported this year for 2012, 2013 and 2014 corresponds to industry sales of Terpel in this country.

PANAMA

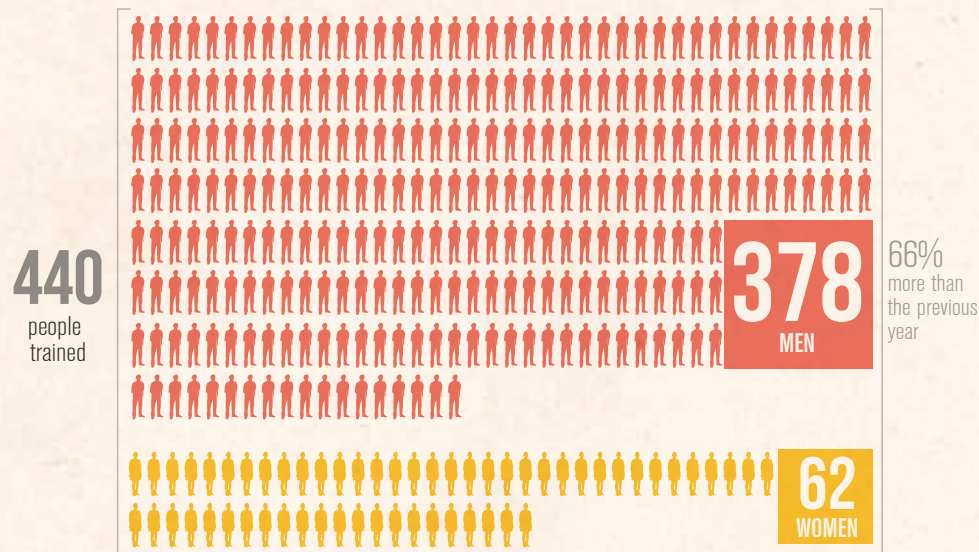


SCHOOL OF INDUSTRY

School of industry. Material issue: Accompaniment to affiliates, suppliers, customers and consumers. Own indicator in GRI table.

Part of the added value of being partners of our customers, is in the School of Industry, designed to prevent and mitigate potential impacts on

the environment through tools that make more efficient our customers' operations.



1.760 training hours

4 average training hours per person

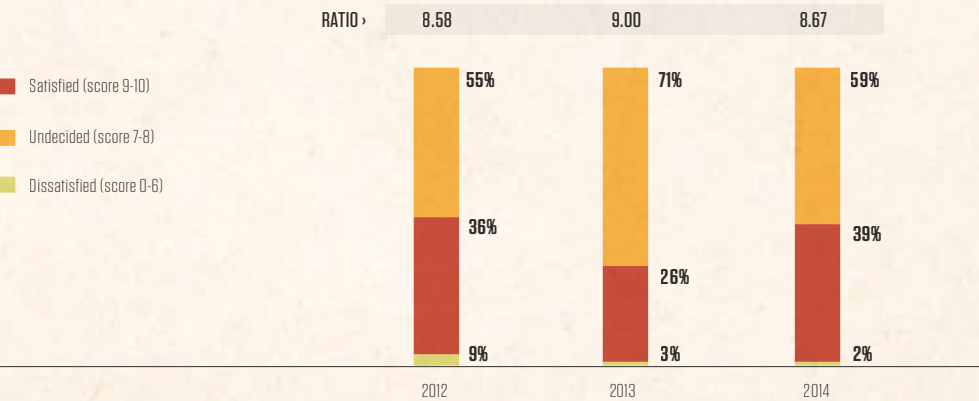
CLEAN INDUSTRY

For four years we have supported the industry segment in the responsible management of fuel through the clean industry program. In this program we

offer operational accompaniment to ensure continuity of the operation, thanks to environmental management tools.

OVERALL CUSTOMER SATISFACTION LEVEL

Overall customer satisfaction levels. Material issue: Accompaniment to affiliates, suppliers, customers and consumers. G4-PR5 in GRI table.



RUMBO TERPEL

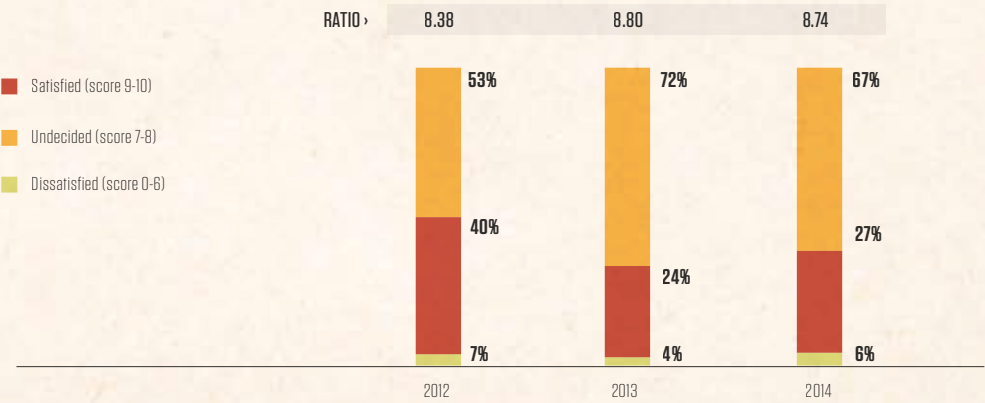
Rumbo Terpel is an innovative program, which, thanks to technological tools, allows companies to control the fuel supply and obtain detailed information on consumption and performance of their fleet vehicles improving its efficiency.

For companies, where fuel consumption is an operational necessity, the biggest benefit offered by Terpel Rumbo is the coverage in the country's largest network, with over 300 connected service stations.

The program has developed specialized lines for two types of corporate customers: Large Fleets, aimed at companies that have high fuel consumption and travel throughout the national territory as conveyors, and My Company, aimed at SMEs who need to control fuel supply in cities where there are passenger transport companies.

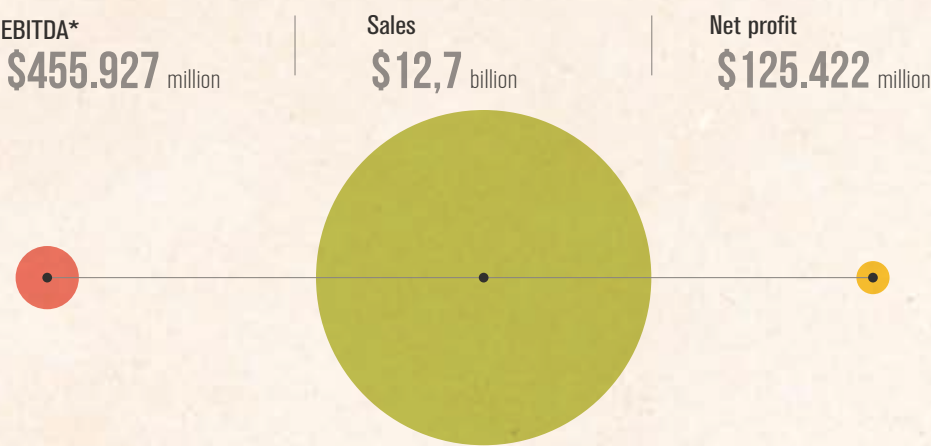


OVERALL CUSTOMER SATISFACTION LEVEL



Overall satisfaction levels: Rumbo Terpel Material issue: Accompaniment to affiliates, suppliers, customers and consumers. G4-PR5 in GRI table.

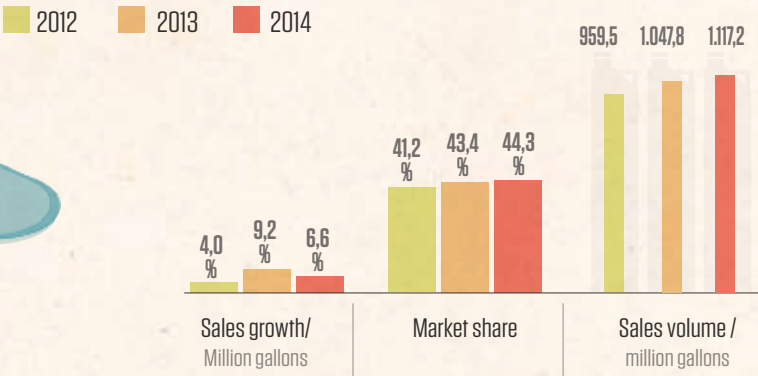
OUR ECONOMIC PERFORMANCE



* This is the consolidated EBITDA of the operation in Colombia and includes adjustments for: (i) Financial Leasing, (ii) Inter-company charges (royalties affiliates abroad and recovery with OPESE S.A.S.)

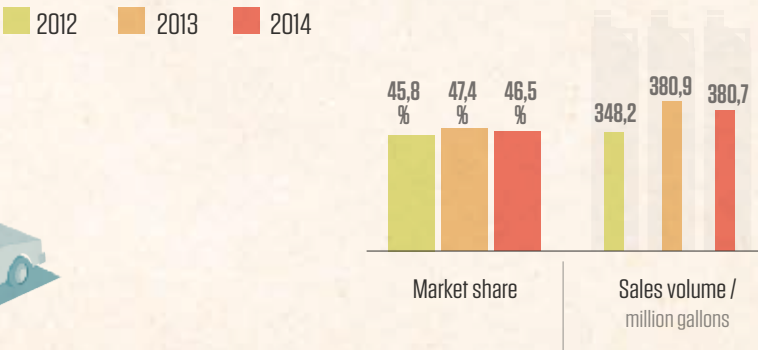
OUR SALES VOLUME IN COLOMBIA

Service Stations



Our sales volume. Material issue: Profitability. G4-EC1 in GRI table.

NGV



Lubricants

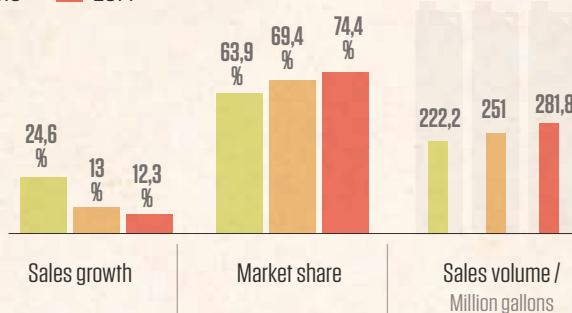
2012 2013 2014



*This figures include exports

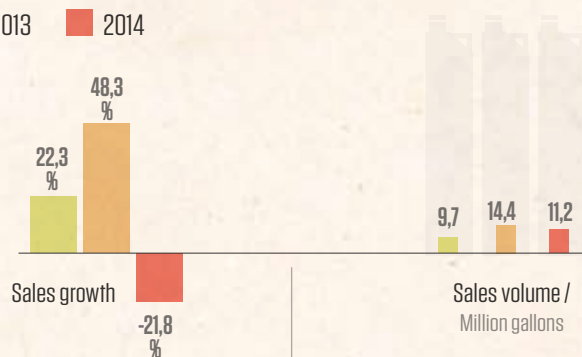
Aviation

2012 2013 2014



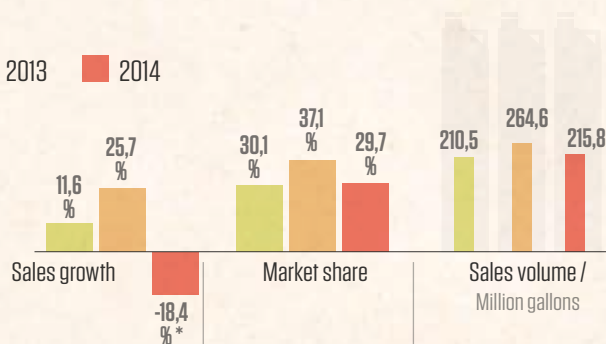
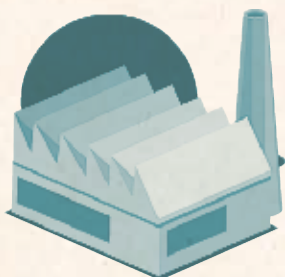
Marine

2012 2013 2014



Industria

2012 2013 2014



*A decreases in sales is registered for 2014 due to the loss of volume for the specific situations of the mining and oil industry

WHO WE DO IT WITH



A photograph of two women in an office. The woman in the foreground is smiling at the camera, wearing glasses and a white top. The woman in the background is focused on a laptop screen, wearing a dark blazer. The image is slightly blurred, giving it a candid, professional feel.

At Terpel we firmly believe that to achieve our goals it is essential to have the best team, working hand in hand with our affiliates, as they are the main partners in our sustainable model and have the backing of excellent suppliers who help us to supply fuel the countries where we operate.

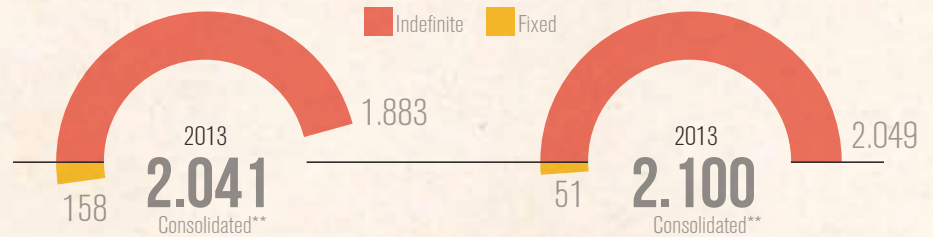
TEAM TERPEL

We support our human resources in their growth, by promoting their professional and personal development,

with plans for welfare and quality of life, training programs, training and integral development

OUR FIGURES

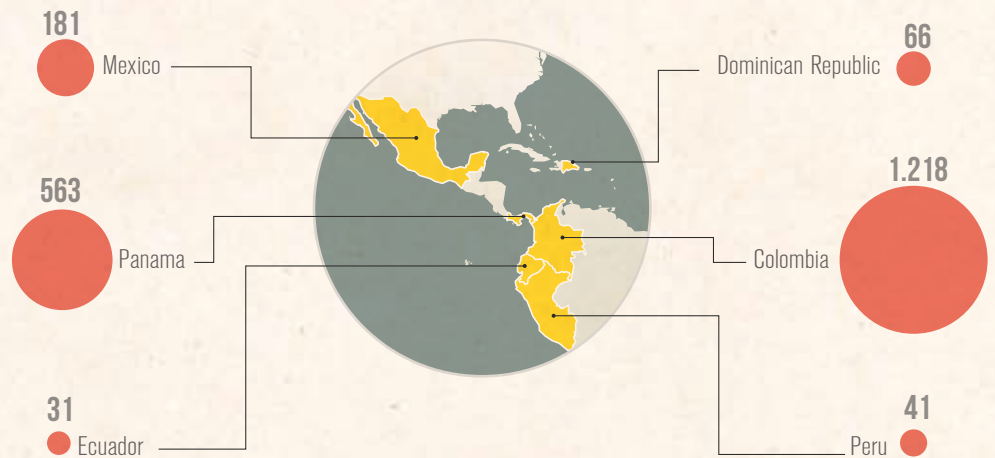
NUMBER OF DIRECT EMPLOYEES BY TYPE OF CONTRACT*



* These figures include all international operations of Terpel and Terpel Colombia.

* The information of Colombia does not include expatriate employees, Terpel Foundation, OPESE, apprentices or temporary.

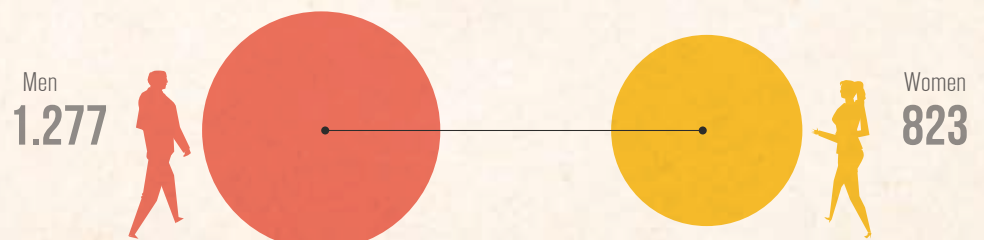
NUMBER OF DIRECT EMPLOYEES PER COUNTRY



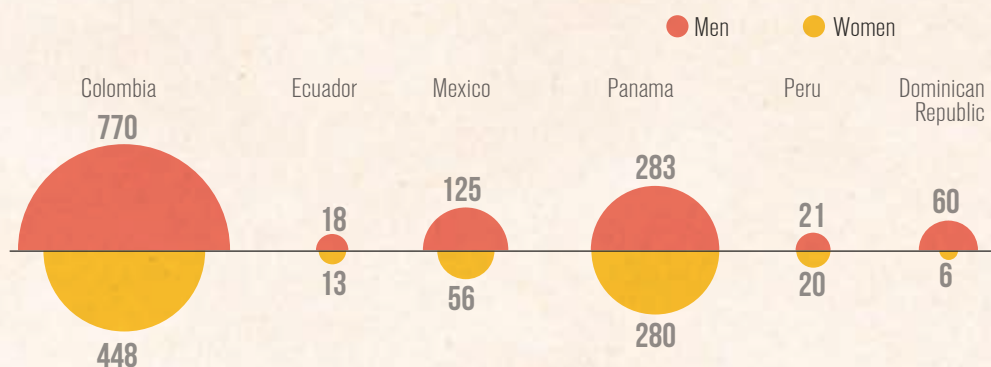
* These figures include all international operations of Terpel and Terpel Colombia.

* The information of Colombia does not include expatriate employees, Terpel Foundation, OPESE, apprentices or temporary.

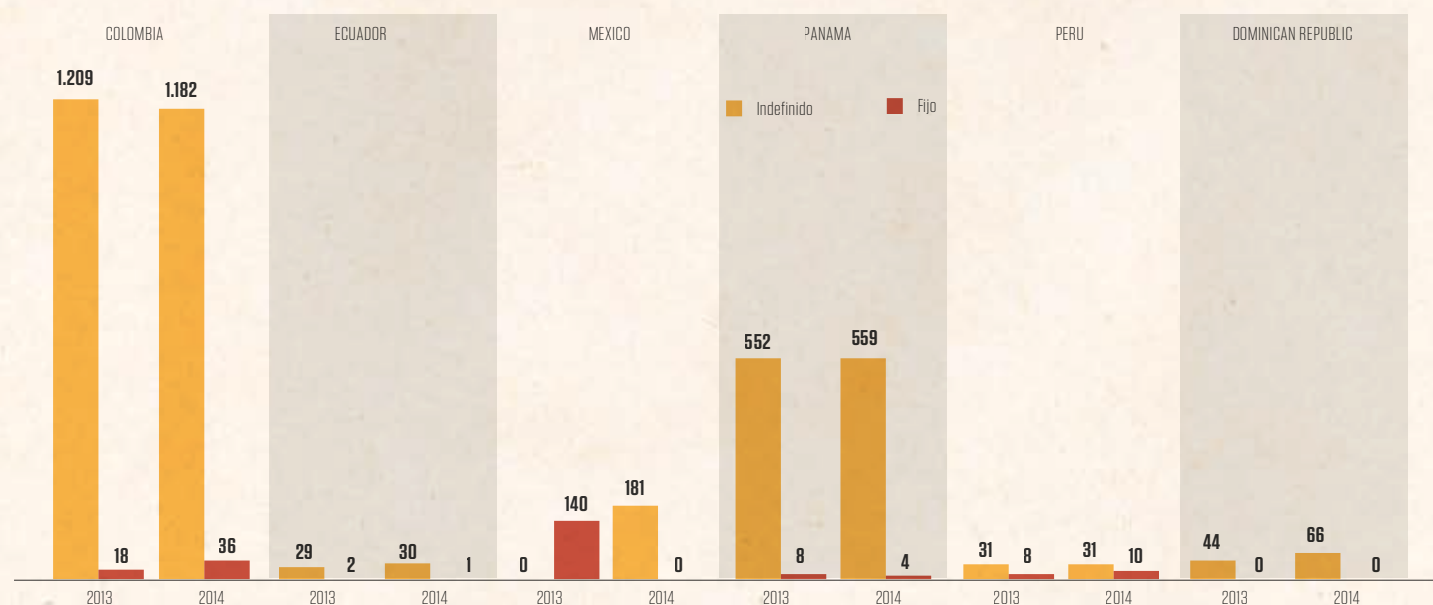
NUMBER OF DIRECT EMPLOYEES CONSOLIDATED PER GENDER



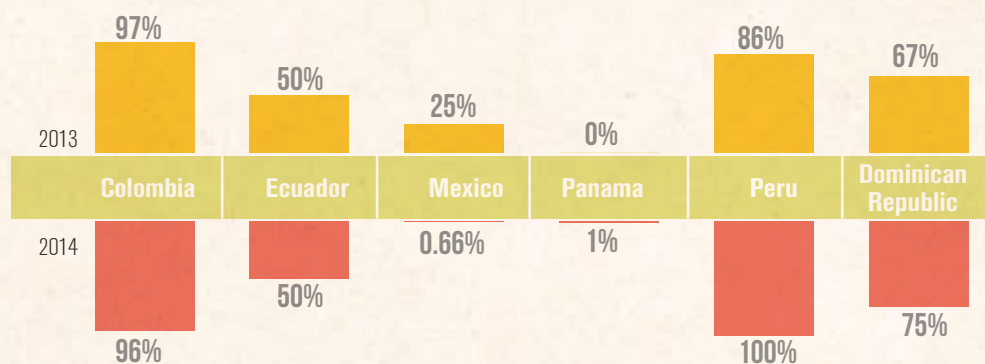
NUMBER OF DIRECT EMPLOYEES PER COUNTRY AND PER GENDER



NUMBER OF DIRECT EMPLOYEES PER CONTRACT AND PER COUNTRY



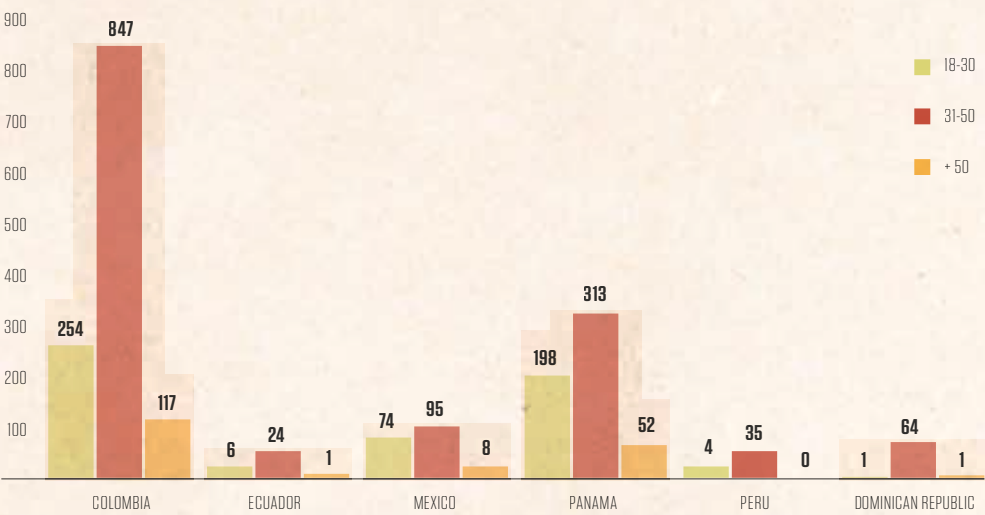
PERCENTAGE OF SENIOR MANAGEMENT* EMPLOYEES OF LOCAL ORIGIN**



Our figures. Material issue: Fair job relationships and conditions. G4-EC6 in GRI table.

* Positions considered senior management: Colombia (President, Vice President, Managers and Directors), Ecuador (Managers, Directors and Headships), Mexico (Managers and Directors), Peru (Managers and Directors), Dominican Republic (Management and Headships). ** Born in the countries where Terpel operates

DISTRIBUTION OF OUR WORKFORCE BY AGE



DISTRIBUTION OF OUR WORKFORCE BY POSITIONS³

	Cargo	Colombia	Ecuador	México	Panamá	Perú	República Dominicana
1	Officers	28	1	4	9	8	1
2	Executive	49	4	20	7	7	0
3	Professionals	540	14	66	67	24	8
4	Other positions	601	12	91	483	2	57

For purposes of uniformity in labour categories of Terpel in their countries, the following will be considered: 1. Officers: President, Vice President and Management. 2. Executives: Directions. 3. Professionals: Headships and Analysts 4. Other Positions: Technicians and operators.

DEVELOPMENT OF OUR HUMAN TALENT

The integral development of our employees is critical for the company growth, so we are confident that the

investment we make in them, will enable the organization to continue to strengthen.

TRAINING OUR TEAM TERPEL

Our employees are the most valuable resource we have, so we carry out internal and external training to enable them to strengthen their knowledge and build skills to facilitate

their work. We have training schools for each line of business, which allows us to offer a specific training with high standards.



All programs facilitated managing the professional careers of employees

104
programs



Conferences, Courses, Modules, Seminars, Workshops and Certificate Courses



Non-formal education programs



\$848.226.334

Total investment

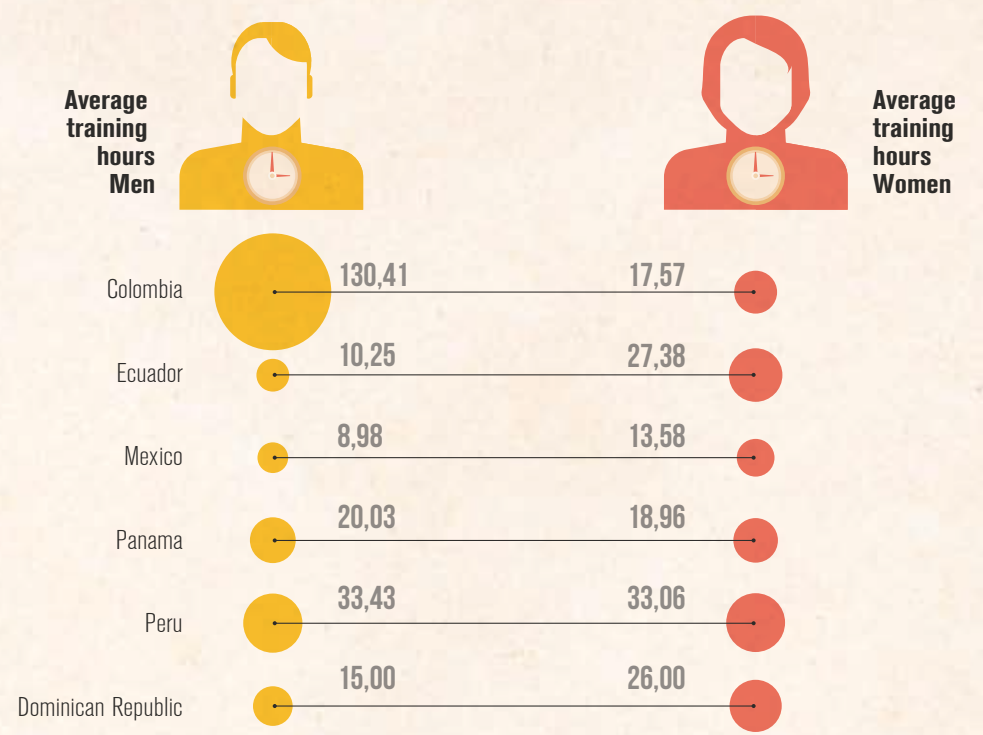
AVERAGE HOURS DEDICATED TO PERSONNEL TRAINING

Country	Category	Average training hours Men	Average training hours Women	Average training hours per participant
Colombia	Officers	35,36	20,00	30,06
	Executive	41,60	30,04	36,52
	Professionals	34,52	23,18	28,76
	Other Positions	195,44	4,63	150,2
Ecuador	Officers	0	0	0
	Executive	9	13	10,33
	Professionals	12,33	32,71	21,25
	Other Positions	8,75	22,8	16,55
México	Officers	23,12	33,87	26,70
	Executive	23	33,87	27,35
	Professionals	16,12	16,33	16,21
	Other Positions	1,77	3,04	2,06
Panamá	Officers	4	4	4
	Executive	4	4	4
	Professionals	4	4	4
	Other Positions	22,68	23,52	23,01
Perú	Officers	18	18	18
	Executive	0	0	0
	Professionals	30	30	30
	Other Positions	30	30	30
República Dominicana	Officers	12	0	12
	Executive	0	0	0
	Professionals	40	40,8	40,5
	Other Positions	12,63	0	12,63

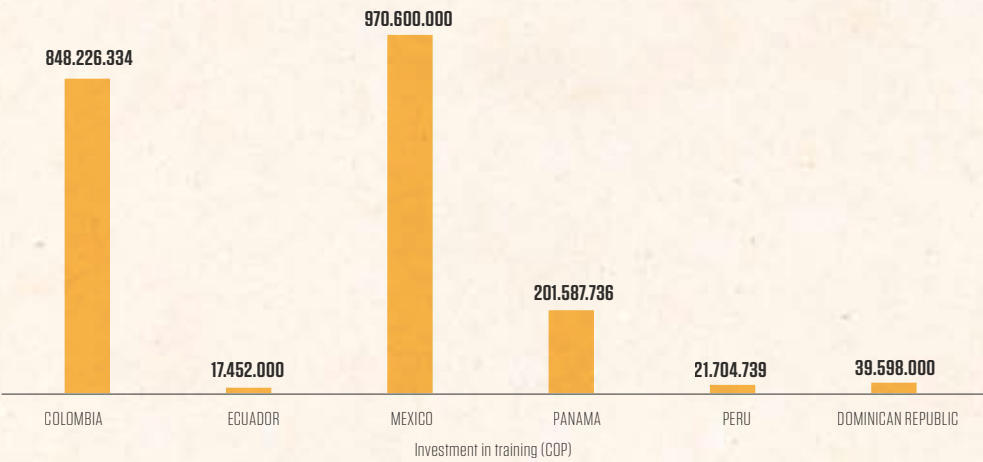
Training team Terpel.
Material issue: Human capital development.
G4-LA9 in GRI table.

WHO WE DO IT WITH

AVERAGE TRAINING HOURS PER GENDER



TOTAL INVESTMENT IN TRAINING PROGRAMS FOR EMPLOYEES



RECRUITMENT AND RETENTION RATE

	Colombia	Ecuador	Mexico	Panama	Peru	Dominican Republic
Number of employees at the end of period	1.218	31	150	563	41	66
Number of employees at the beginning of period	1.224	31	117	560	40	44
Entries	203	2	41	288	8	24
Retirement	209	2	8	285	7	2
Rotation rate	17%	6,45%	3,15%	1%	17%	5%

Recruitment and retention rate. Material issue: Fair job relationships and conditions. G4-LA1 in GRI table.

PERSONNEL THAT LEFT THEIR JOB DURING 2014

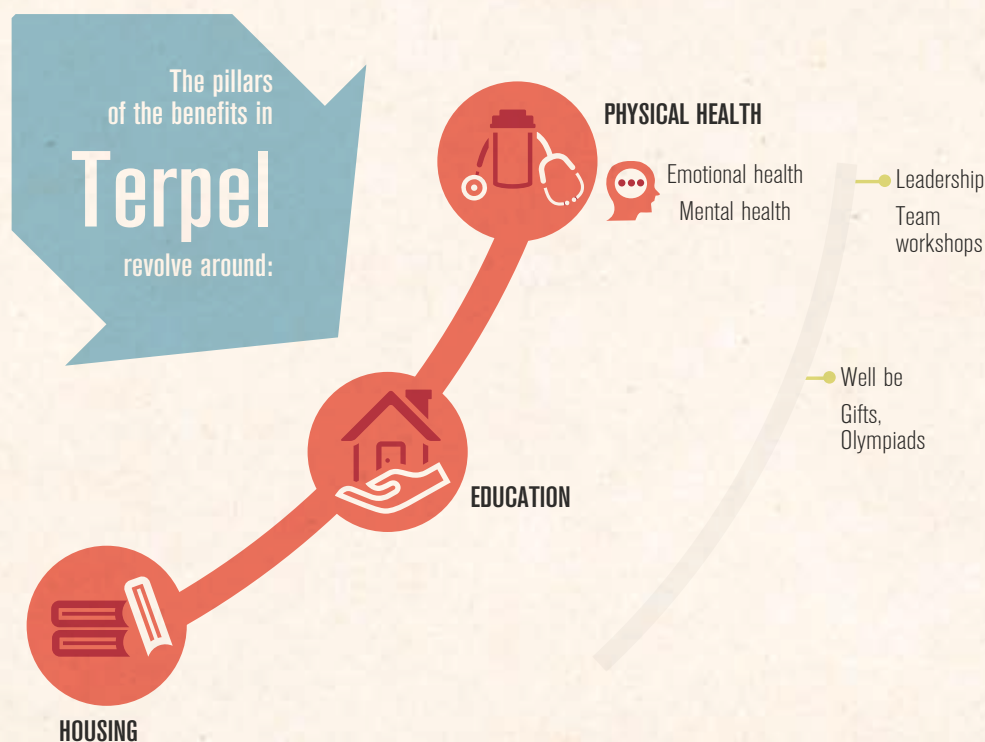
	Total	Colombia	Ecuador	México	Panamá	Perú	República Dominicana
Mutual agreement	104	57	0	0	46	0	1
Quit	293	115	2	17	155	2	1
Retirement	2	2	0	0	0	0	0
Death	2	1	0	1	0	0	0
Others	135	34	0	13	84	5	0
TOTAL	535	209	2	30	285	7	2

WE IMPROVE THE QUALITY OF LIFE OF OUR PEOPLE

Our organization promotes and manages various programs that promote quality of life for our employees and their families. As part of the business philosophy we adopt, we have implemented strategies that create strong ties with those who are part of the company and demonstrate their commitment every day. We

are confident that if we contribute improving the quality of life of our employees, their job performance will too.

We continue to generate spaces where we dialogue closely and directly with employees to hear their opinions and concerns.



MERCER SURVEY

In 2014 we published the results of the Mercer survey, conducted in 2013. We invited 100% of our employees and had a participation of 76%. The results show that the benefits are good, they show the satisfaction of our people and our commitment to them.

The survey allowed us to demonstrate that team Terpel recognizes the values of the company, they consider it a great place to work, there is a good personal and professional treatment within the organization, among others.



24,8%

Growth within the company



8,2%

Personal growth



14,2%

Balanced and happy family life



15,7%

Become homeowners



17,9%

Own study and for the children



15,1%

Travel



4,1%

Own business

WHAT MOTIVATES OUR PEOPLE

This year we wanted to go beyond; contribute to the realization of the dreams of our people and understand what motivates them every day in the company. For this, we asked what their desires are and what they needed to be satisfied with what they are doing.

HOUSING

In 2014 we made alliances with the financial sector to expand the coverage of loans and help more families fulfill this dream. Thanks to the consolidation of a fund exceeding 3,200 million pesos resources, we could benefit more than 120 employees and their families.

PROFESSIONAL GROWTH: CAREER PLAN

We offer several options during the year for our people to progress inside the company, giving priority to internal candidates when opportunities arose. This allowed that in 2014, 87 people were promoted within Terpel.

“I love to serve people, to be someone useful to society and especially I like the customer service I provide in my work every day, it makes my job at Terpel a pleasant experience.”

Receptionist Antioquia Region

EMOTIONAL SALARY

The strategy to compensate our team Terpel goes increasingly beyond. We want our people to feel comfortable at work and that they can make use in the best way of their time, achieving a balance between work and family life.

We have implemented mechanisms that impact their life in a positive way, considering flextime, compressed working day and compensated week in December.

Compressed working day:



two Fridays of each month, our employees in Bogotá to contribute with mobility, work from 7 am to 2 pm in a continuous working day and enjoy the afternoon free for other activities. In the regional offices they have one Friday every month



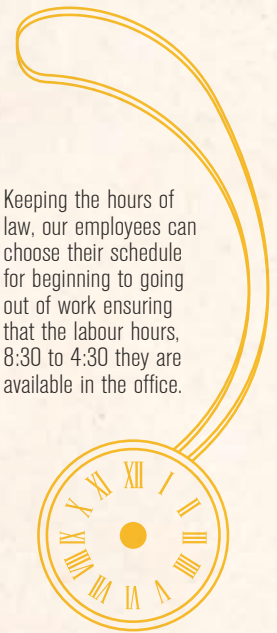
Week of December:



two months before, our employees work an additional hour daily to enjoy the week of December 24 or 31.



Flextime:



Keeping the hours of law, our employees can choose their schedule for beginning to going out of work ensuring that the labour hours, 8:30 to 4:30 they are available in the office.

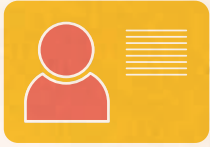
DIALOGUE WITH OUR EMPLOYEES

During 2014 we continued our travels, which consist of listening to employees and know what they think about the organization. In these spaces we come closer again, involving them in the changes and new learning.

In 2014 we dialogued with 58 groups, made up of more than 600 people.

Relations with stakeholders.
General aspects. G4-26, G4-27 in GRI table

WHO WE DO IT WITH



We started training in leadership



We sent brochures on all the benefits to each of our employees



We developed a brochure of gifts, so that each employee had more options when choosing their birthday gift, in accordance with their specific needs or desires.



We give results bonus to all direct employees, according to business results.



These approaches allowed us to identify other areas for improvement, such as communications, integration between areas and training among others.

We are aware that one of our banners is service and we want to have an excellent internal service. For this reason we wager for a clear communication and timely response to questions and concerns that arise within our organization.

“To have the urge to get up every morning to go to my second home, the place where I can develop my skills and where my talents are valued, where every day my service is useful for moving the company, meet goals and objectives. For me Terpel has been a blessing and so each day is pleasant for me to work in this place.”

Commercial Support Analyst –
West Regional

AT TERPEL WE ARE FORMING IN LEADERS

We want to have human beings capable of facing challenges every day, confident that they are the best. To do so, we carry out leadership workshops looking to potentiate their skills and provide the necessary tools to continue growing.

These workshops allow:

- To transform the way of communicating within the team and with other areas of the organization.
- To have new perspectives of people and situations.
- To assess their skills and those of the team to potentiate them.
- To generate effective and creative proposals.
- To generate reflection, awareness and balance of life.

MEASURING OPERATORS

Changes in competitive strategy led us to make a review and analysis of performance measurement. In 2014 we structured the platform and formulated a methodology for measuring performance.

We assessed 75% of the operators (level eight employees) in plants and airports. In 2015 we will continue working in the assessment of performance for the other positions in the organization.

OUR COLLECTIVE AGREEMENT

Relations with our employees are based on two values: honesty and trust. Therefore, in Colombia for all employees of the collective agreement, in 2014 thanks to a close dialogue with

the representatives, we signed the 2015-2016 collective agreement, the terms allow to continue improving the working environment and quality of life for our employees.

Recruitment and retention rate. Material issue: Fair job relationships and conditions G4-LA1 in GRI table

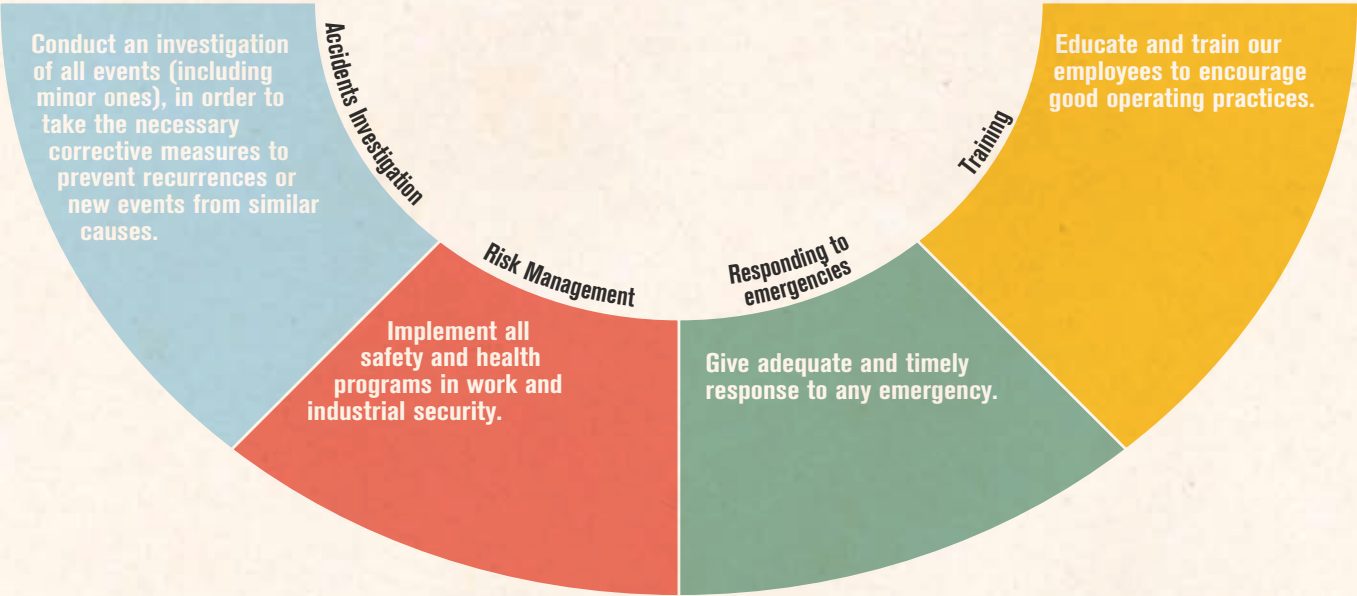
Unionized employees	Employees covered by the collective agreement
Total number: 35	Total number: 1,106
Percentage: 2.85%	Percentage: 90.80%

COMMITTED
TO HEALTH AND
SAFETY AT WORK

In order to ensure the prevention and mitigation of risks associated with activities carried out by our employees, we have procedures and initiatives

which stimulate their care. As our employees are our main engine, we are committed to their health and safety.

RISK MANAGEMENT SYSTEM



Terpel's commitment to health, welfare and safety of our end users and customers, is essential for the development of each of the operations.

We work daily so all our lines of business meet high standards of quality and safety, ensuring to offer the best products on the market.

QUALITY
CERTIFICATES

Plants	Uniform Registry of Contractors RUC
Aviation	ISO 9001 OHSAS 18001 ISO 14001 NORSOK S-006: score 99%
Lubricants factory	ISO 9001 OHSAS 18001 ISO 14001 ISO/IEC 17025 NORSOK S-006: score 95.33% Products quality labels API Licensing
NGV (Gazel)	ISO 9001

QUALITY, SAFETY, OCCUPATIONAL HEALTH AND ENVIRONMENT POLICY

Thanks to the company's quality, safety, occupational health and environment policy, we established commitments and guidelines on these issues, stipulating aspects among which are

emphasized, promoting a culture of prevention among our stakeholders and providing differentiating products and services that meet the needs and expectations of our customers.

HEALTH AND SAFETY COMMITTEES

The health and safety committees are formed under the laws of each of the

countries where we operate.

Country	Committee	Committee description	Employee Participation	Executives Participation	Percentage of workers represented
Colombia	COPASST	Body whose functions are the promotion, dissemination and control of activities within the safety and occupational health management system.	8	8	100%
	Coexistence labour committee	Body created to prevent workplace harassment behaviors within the company.	4	4	100%
Ecuador	Occupational Safety and Health Committee	Joint committee created in accordance with requirements of the Ecuadorian regulation.	6	6	100%
Mexico	Occupational Safety and Health Committee	Agency that oversees the work centers to detect unsafe conditions.	30	2	20,91%
	Civil Protection Brigades	Teams trained to react in case of emergency.	40	2	27,45%
Panama	Emergency brigade	Safety in Administrative Facilities. Evacuation and clearing.	13	0	12%
Peru	Occupational safety and health Committee	Body whose functions are the promotion, dissemination and control of activities within the safety and occupational health management system.	3	3	7%

Health and safety committee. Material issue: Fair job relationships and conditions G4-LA5 in GRI table

Health and safety of direct employees. Material issue: Fair job relationships and conditions G4-LA6 in GRI table

HEALTH AND SAFETY COLOMBIA OF DIRECT EMPLOYEES

	COLOMBIA	
	Men	Women
Fatalities	0	0
Rate of injuries	4,31	0,88
Total number of occupational diseases	0	0
Rate of lost days	13,47	
Severity rate*	0,9	0,8
Frequency rate**	28,7	30,7
Accident rate***	8,93	
Contractors' accident rate	0,0048	
Occupational disease rate****	0	0
Loss rate*****	13,48	

* (No. of absentee in the year / total workforce in the year) x 100

** HHT lost during the year / HHT in year x 100

*** Number of cases / man hours worked) x 1,000,000 hours.

**** (Number of cases / man hours worked) x 1,000,000 hours.

***** (No. of days lost x 100) / Average number of workers

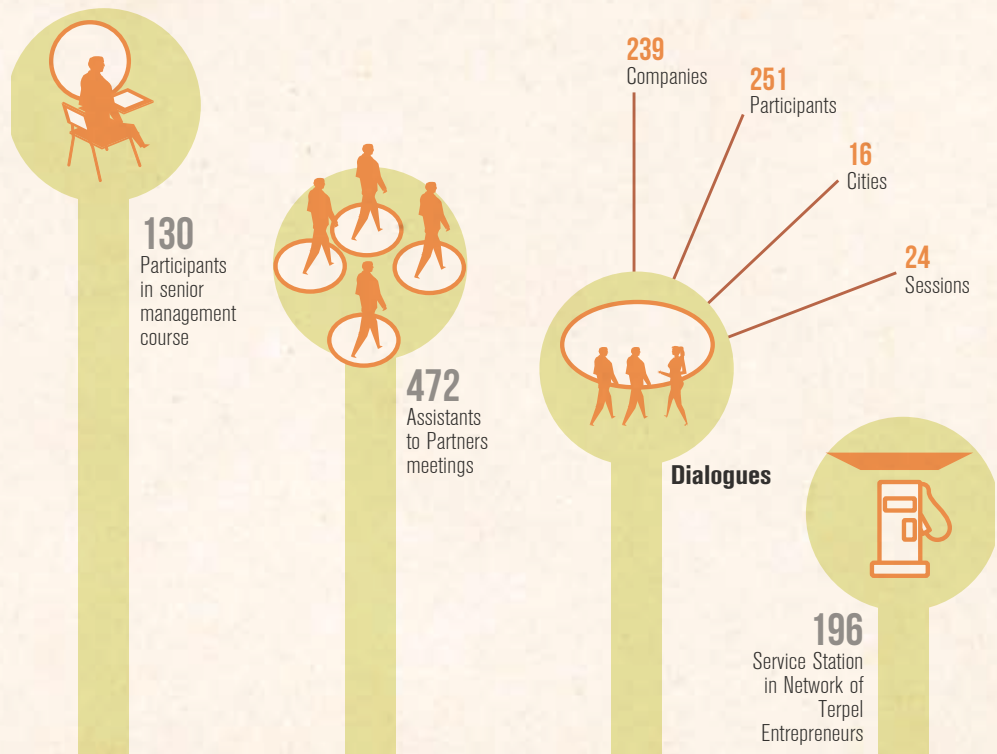
NETWORK CONSOLIDATION

We along with our partners towards achieving a common goal: keep moving forward to be a Country Partner. We

work daily to build better economic, social and environmental opportunities.

“Our partners will always find in Terpel a value proposition higher than that of any competitor and they are at the heart of the strategy, this is an ethical commitment.”

Sylvia Escovar Gomez
President of the Organización Terpel



FIRST MEETING OF TERPEL PARTNERS “THE VALUE OF WHAT WE ARE”

In the second half of 2014 we held the First Meeting of Partners. This event focused on a commercial sample, comprised of approximately 50 stands, which, through their proposals, sought

to generate value to the business of our partners and generate pleasant experiences for each one of the attendees.



“I want to summarize my comments in an **EXCEEDED MY EXPECTATIONS**. I found answers to concerns raised even from the school of franchisees”

La Flora Service Station, RET program participant – Bucaramanga Regional

323
SERVICE
STATIONS

20
LUBRICANT
DISTRIBUTORS

472
PERSONS
REGISTERED



DIALOGUE WITH AFFILIATES

Committed to strengthening our relationships and achieving common goals, at Terpel we have worked for generating open channels and accessible spaces for dialogue and exchange of good practice, called “Building strong relationships with our RET”.

The purpose of these sessions was to know the perspective affiliates have regarding our strategy, their expectations and the benefits they have obtained. We held over 24 dialogue sessions in 16 cities.

Relations with stakeholders.
General aspects. G4-26-27 in
GRI table.

NETWORK OF TERPEL ENTREPRENEURS

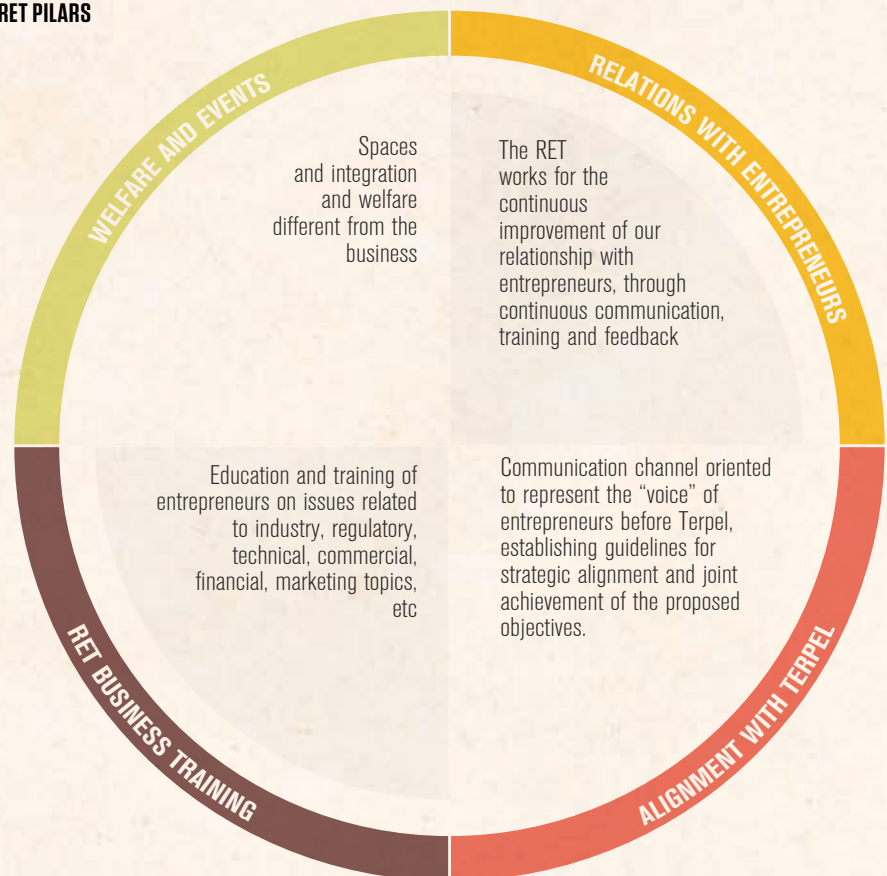
“I want to thank the Organization for the invitation to the course Network of Terpel Entrepreneurs. These are activities that enrich us and form us as professional entrepreneurs educated within the business”

Milenium Service Station, RET program participant -Yopal

The Network of Terpel Entrepreneurs (RET) was created for service stations entrepreneurs to work as a network, generating added value by being a communication channel, consulting, training, integration and innovation among themselves and with the brand.

The RET is supported on four pillars seeking mutual development and growth of the company and of all Terpel Entrepreneurs who are part of it.

RET PILARS



Under the pillars of RET in 2014 we conducted a series of activities to strengthen our relationship with

entrepreneurs, their training, welfare and innovation.

BUSINESS TRAINING RET

In 2014, with support from Los Andes University, we created the program Business Strengthening in managing Service Stations, addressed to affiliates from different regions of the country. The training included

topics in management, creativity and innovation, among others. This program allowed us to continue consolidating our position as a corporate family that provides support and strength to our affiliates.

ALIGNMENT WITH TERPEL

In order to align our entrepreneurs with the company strategy and encourage the achievement of common goals, in 2014 we held the first Steering Committee of the Network of Terpel

Entrepreneurs and the recognition of innovative projects under the Business Strengthening Program in managing Service Stations.



SUPPLIER MANAGEMENT

We ended 2014 with great achievements and new learning, but we did not build this success alone and we must acknowledge the work of our

suppliers who, based on mutual trust and transparent activities, contributed to the results obtained in the year.

AT TERPEL, WE GROW TOGETHER

As Country Partner, we wagered to the growth of our local suppliers, ensuring

a positive impact on local and domestic economies.

DOMESTIC PURCHASES

ANNUAL VALUE OF PURCHASES BY COUNTRY (MILLION COP)

	2013		2014		Percentage of domestic purchases
	Domestic Purchases	Imported Purchases	Domestic Purchases	Imported Purchases	
Colombia	550.348	52.273	535.061	69.720	88,47%
Ecuador	2.442	N/A	5.721	N/A	100%
Mexico	41.880	9.465	36.237	7.239	83,35%
Peru	11.586	N/A	40.715	0.818	98%
Dominican Republic	339.118**	2.045**	345.066	12.530	96,5%
Total	945.374**	63.783**	962.800	89.489	91%

* The title of the table changed with regards to previous years, as the figures reported correspond to the total value of domestic and imported purchases. ** These figures are modified due to a design error in the 2013 Report.

WHO WE DO IT WITH

DOMESTIC SUPPLIERS

	2013			2014		
	Total Suppliers	Domestic suppliers	Domestic percentage	Total Suppliers	Domestic suppliers	Domestic percentage
Colombia ⁴	1.714	1.560	91%	1.624	1.514	93.22%
Ecuador	446	405	91%	220	220	100%
Mexico	346	325	94%	681	643	94%
Peru	226	226	100%	280	271	97%
Panama	N/A	N/A	N/A	1.150	1.094	95%
Dominican Republic	194	181	93%	230	208	90%
Total	2.926	2.697	92%	4.185	3.950	94.38%

At Terpel we grow together. Material issue: Accompaniment to affiliates, suppliers, customers and consumers G4-EC9 in GRI table

4 This data includes domestic suppliers who provided goods or rendered services in 2014 to Terpel in Colombia.

PERCENTAGE OF PURCHASES BY TYPE OF PRODUCT OR SERVICE

	2013					2014				
	Raw Material	Supplies and Services	Civil Works	Transport	Others	Raw Material	Supplies and Services	Civil Works	Transport	Others
Colombia	8%	65%	2%	25%	N/A	8%	51%	9%	32%	0%
Ecuador	N/A	59,8%	5,9%	34,3%	N/A	N/A	63%	11%	26%	N/A
Mexico	26%	38%	8%	1%	27%	36%	51%	11%	1%	1%
Peru	N/A	94,2%	5,4%	0,3%	0,12%	0%	78%	15%	0%	6%
Panama	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1%	93%	6%
Dominican Republic	100%	98%	0%	2%	0%	96%	0%	0%	4%	0%

ANNUAL VALUE OF PURCHASES OF LIQUID FUEL (MILLION COP)

	2013	2014
Colombia	1.148.170	9.578.277
Ecuador	249.615	279.827
Mexico	N/A	N/A
Peru	3.775	11.618
Panama	1.039.105	1.058.485
Dominican Republic	310.705	325.802
Total	2.751.370	11.254.009

ANNUAL VALUE OF PURCHASES OF GAS (MILLION COP)

	2013	2014
Colombia	292.766	300.817
Ecuador	N/A	N/A
Mexico	13.159	16.089
Peru	4.343	12.356
Panama	116	32,58
Dominican Republic	N/A	N/A
Total	310.384	361.842

ENVIRONMENTAL COMMITMENT TO OUR SUPPLIERS

ANNUAL VALUE OF PURCHASES OF LUBRICANTS AND ADDITIVES (MILLION COP)

	2013	2014
Colombia	46.292	78.701
Ecuador	N/A	N/A
México	N/A	N/A
Panamá	5.232	1.040
Dominican Republic	N/A	N/A
Total	67.423*	79.741

*Total value of 2013 is corrected due to typing error.

ANNUAL VALUE OF TRANSPORTATION AND MOBILIZATION OF FUEL (MILLION COP)

	2013	2014
Colombia by land	151.941	188.735
Colombia by multi-purpose pipeline	N/A	N/A
Colombia by gas pipeline	N/A	69.389*
Ecuador by Land	1.240	1.536
Mexico by Land	N/A	N/A
Peru by Land	N/A	N/A
Panama by Land	17.193	20.410
Panama by multi-purpose pipeline	1.136	2.000
Dominican Republic	2.839	5.116
Total	174.349	287.186

*Transport values are approximate, since in some areas of the country the rates are not discriminated. Additionally, this value excludes the costs of transport trailers for virtual gas operations.

In 2014 we had 1,548 suppliers of which 307 are new. In the interest of facilitating our work and improving our relationship, we have created mechanisms of control and supervision putting before our environmental commitment with our suppliers.

All suppliers are committed to comply with:

1. Contractor's Manual: establishes the efficient use of natural resources, management of spills, emissions, pollution to soil and groundwater.

2. Cover Letter of Environmental Management: contains the technical specifications of the bidding process for contracting works.
3. Contractual Liability Policies: An environmental coverage aimed for damages caused by the accidental sudden and unforeseen pollution and damages to underground pipes and underground operations.

On the other hand, we also perform audits to hazardous waste managers in different regions nationwide to ensure its proper handling, treatment and disposal.

DEVELOPMENT OF SUPPLIERS:

For Terpel is important that our suppliers strengthen as strategic partners and are constantly growing. That is why we work to have ongoing communication and implemented several tools that help us achieve this goal. All information in our programs,

communications of news related to processes or regulations, are available on the website of suppliers. Additionally, we have the Partners Bulletin and the hotline # 462 which operates 24 hours a day.



2014 PROGRAMS IN COLOMBIA

ASSESSMENTS TO SUPPLIERS	SUPPLIERS OF TRANSPORT
Accounting closing information via email from gestion.proveedores@terpel.com	All Suppliers
Suppliers' Page Consultation payments Withholding Certificates	
Excellence of Suppliers	
	Qualified suppliers

SCHOOL FOR DRIVERS

Thinking of our contractors, we have implemented the School for Drivers oriented to train the staff who transports fuel by tankers. In 2014, 1,006 people were trained with a total of 4,024 training hours.

CERTIFICATE COURSE FOR DRIVERS

At the end of 2014 began the certificate course "High performance for driving", achieving a participation of 162 drivers from 15 companies that are customers of Terpel. In 2015 the program will have continuity; it is expected to increase in number of hours and level of participation.

School for drivers. Material issue: Accompaniment to affiliates, suppliers, customers and consumers. Own indicated in GRI table

DIALOGUE WITH SUPPLIERS OF TRANSPORT

In 2014 we conducted dialogues with our transport providers seeking to strengthen the relationship Terpel - carrier. We sought to identify strategic issues for the company and this stakeholders and meet their expectations.

The overall perception of the participants is a positive relationship with the organization, recognizing that there are opportunities for improvement, without ignoring there is good communication between their companies and Terpel.

Their main expectations are focused on the rules of engagement, control and management of shrinkage in volumes of fuel and the definition of freight rates.

Relations with stakeholders. General aspects. G4-26, G4-27 in GRI table

4
DIALOGUE
SESSIONS

24
SUPPLYING
COMPANIES

47
PARTICIPANTS

5
CITIES

"RUMBO PYMES – INTEGRAS Y TRANSPARENTES"

We joined the "Rumbo Pymes – Integras y Transparentes" program designed by Transparency for Colombia. The program has a self-management tool for managerial handling, which serves small and medium enterprises to enforce ethical practices that strengthen relations with all its stakeholders.

Rumbo Pymes consists of three basic modules: Measuring Ethical Climate, Ethical Commitment and Business Principles for Countering Bribery.



AUDITS AND SAAC

This year we continue with the assessment methodology to transporters, consisting of an assessment based on the guidance of security, occupational health and environment system for contractors of the Transportation sector and has enabled sharing good practices in our suppliers, in order to generate appropriate responses regarding concerns reported.

CONTRACTUAL PROVISIONS

For us it is essential to prevent any discrimination, even in our supply chain. Therefore, the contract documents require our suppliers to commit to this instruction.

With the contractual provisions we seek to ensure:

- Human rights
- The rights of union freedom and negotiation

- Labour standards
- Non-discrimination
- No child labour
- Fair and decent work
- Extension of own policies (Best Practices)

QUALITY WORK IN THE WORKERS OF OUR SUPPLIERS

We assess our suppliers on labour issues, assuming our responsibility in the supply chain.

PERCENTAGE OF NEW SUPPLIERS THAT HAVE BEEN ASSESSED ACCORDING TO LABOUR PRACTICES

COUNTRY	% SUPPLIERS ASSESSED
Colombia	100%
Ecuador	21%
Mexico	73%
Peru	24%
Panama	33%
Dominican Republic	N/A

OUR GOAL: ZERO CHILDREN WORKING

Our goal: zero children working. Material issues: Respect and promotion of human rights G4-HR5 in GRI table

In Terpel we have different measures to ensure that our suppliers do not engage in situations associated with

child labour. The entire supply chain is informed about our position and total rejection of this activity.

MEASURES TO CONTRIBUTE TO THE ELIMINATION OF CHILD LABOUR

- Our purchasing policy is stipulated to not enter contracts with minors.
- Paragraph 3.6 of the Procurement Manual of Terpel on obligations regarding personnel: Do not enter contracts with minors.
- Contractual documents signed by contractors, hiring minors and/or young workers is restricted. Each SSAC supervisor has a requirement for the entrance to risks centers, to request the form or document of affiliation to ARL (Occupational Risk Insurance), preventing the entrance of minors.
- In Terpel projects, staff supplier is supervised by a supervising firm, which requests for documentation of affiliation to social security, certifying the majority of age in the staff.

RISKS	
RISK	TYPE OF SUPPLIER
Unskilled labour	Civil work
	Mechanical works
Lower remuneration offered	Maintenance
Informality	Restaurants

Fair and decent work. Material issue: Respect and promotion of human rights G4-HR6 in GRI table

FAIR AND DECENT WORK

We conduct assessments to our suppliers and contractors on the employment conditions of their staff, in order to verify that there are no cases

of forced labour. In 2014, we did not see any cases of forced labour in our suppliers.

MEASURED ADOPTED FOR CONTROL OF FORCED LABOUR

- Our purchasing policy has established the elimination and control of cases of forced or compulsory labour in suppliers, ensuring there are none.
- In the contractual documents signed by suppliers, are named Conventions No. 29 and No. 105 of the ILO regarding forced or compulsory labour.

OUR ACHIEVEMENTS IN 2014

- › We implemented with works suppliers a letter of commitment in the environmental management plan.
- › We implemented the request for general liability policies with environmental coverage for suppliers whose activities pose a risk to the environment.
- › We sent our Partners Bulletin to suppliers with relevant information.

HOW WE DO IT





At Terpel we firmly believe that to achieve our goals it is essential to have the best team, work hand in hand with our affiliates, as they are the main partners in our sustainable model and have the backing of excellent suppliers, who help supply fuel the countries where we operate.



CORPORATE GOVERNANCE

Beyond meeting our objectives and goals to obtain results that enable us to be a sustainable company in time, we are interested that all our activities are conducted within the framework of ethics, transparency, respect for human rights and environment.

We are allies of our shareholders and investors and guarantee that their investment is safer and our management more transparent through the system of Good Corporate Governance we have implemented.

CODE OF CORPORATE GOVERNANCE

The Code of Good Corporate Governance is the main guide in the actions we undertake, through this we guarantee the rights of our shareholders, providing clear and transparent information on decision-making.

In this code are stipulated the principles governing the management and governance of the organization in all countries where we operate.

CODE OF CONDUCT

The Code of Conduct is the instrument that allows decision making within the organization is performed based on the interconnected policies and procedures, allowing responsible actions, under clear guidelines and a corporate culture.

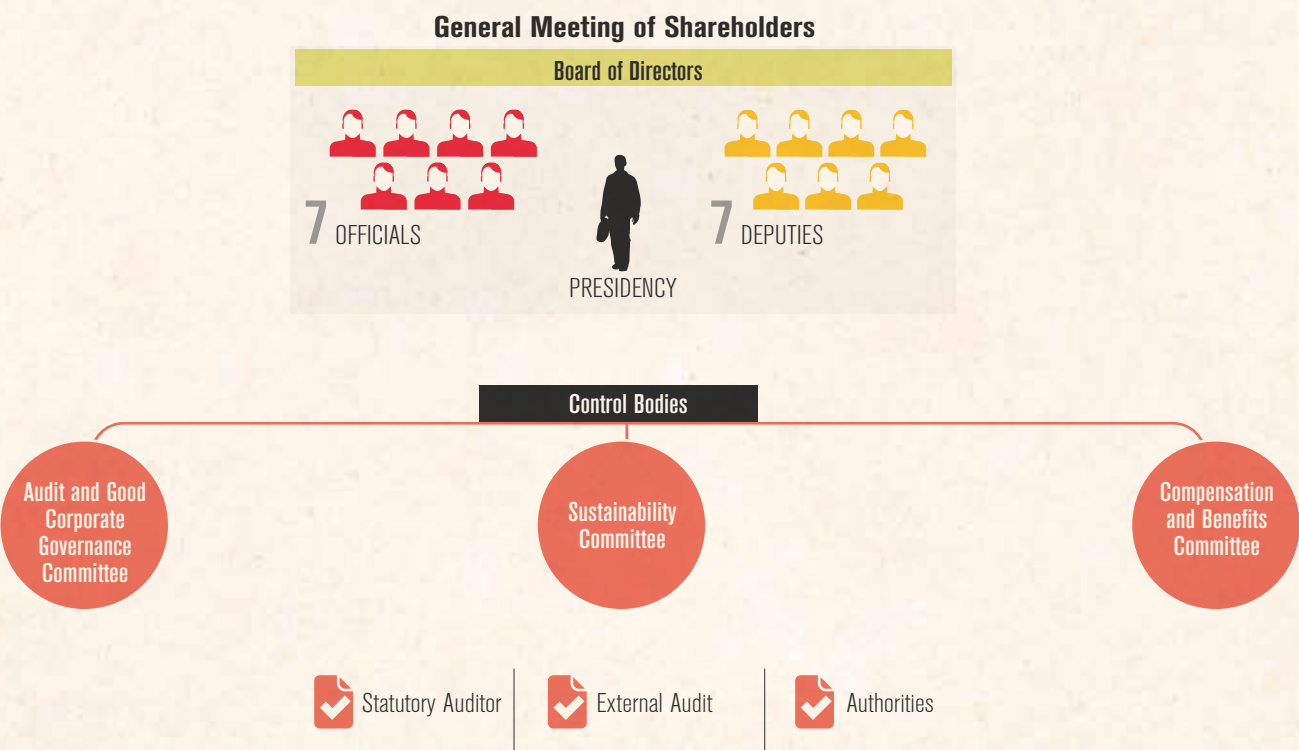
In order to protect company information, we conducted trainings, workshops and disseminated relevant information through different communication mechanisms. At the same time, our employees signed confidentiality agreements and declared their conflicts of interest within the organization.

GOVERNING BODIES

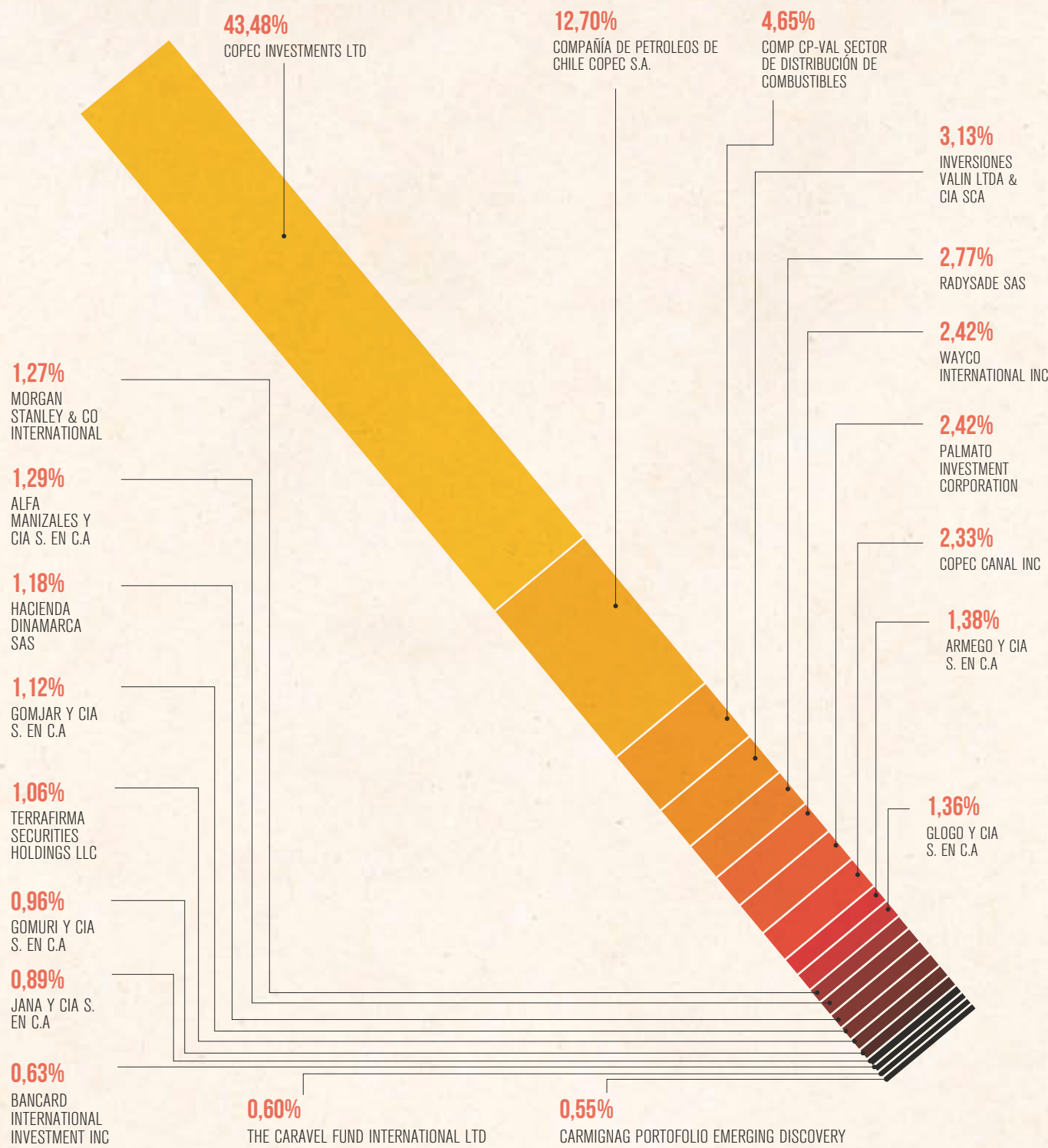
In each of the countries where we operate, we have a General Meeting of Shareholders (in Ecuador is the General

Meeting of Shareholders) and a Board of Directors named Directory in Ecuador and in Mexico Board of Directors.

GOVERNING STRUCTURE



SHAREHOLDER COMPOSITION



BOARD OF DIRECTORS

It is the highest government and management body of Terpel, it is comprised of people with extensive

experience, with a transparent résumé, for whom the principles of good faith and loyalty are essential.

SHAREHOLDERS AND INVESTORS

Our shareholders are involved in the management of the company, ensuring their economic performance and sustainability.

We work so that investors can get instant information and make detailed analysis. In addition to the regulations of shareholders which streamlines processes, we perform exercises of disclosure of quarterly results, which aims to observe the projections and historical of the stock, investment results, balance sheets, detailed figures and dividend payments.

Additionally, they have at their disposal the investor's service office. We have different communication channels such as the website both in English and Spanish, email and phone line available for their questions and concerns. All these mechanisms seek to provide quick and clear information, in order to allow investors to take the best decisions.

GENERAL MEETING OF SHAREHOLDERS

The General Meeting of Shareholders is the highest decision making body, it has the authority to direct and decide the issues of greatest significance to the company. In 2013, the number of shareholders was approximately 300.

In 2014, because of going to the Stock Exchange and the merger, shareholders became approximately 1,400. The General Meeting gathers annually as prescribed by Colombian law.

MERGER OF COMPANIES

The corporate reorganization process that started over 10 years ago led to the merger of Proenergía Internacional S.A., Sociedad de Inversiones en Energía S.A., Terpel Centro S.A. and Organización Terpel S.A. Today we have a more efficient corporate structure that generates higher profits for our shareholders.

This represents the end of the consolidation of Terpel in the regions and the beginning of a new phase of growth for the company.

COMPOSITION OF THE BOARD OF DIRECTORS 2014-2015

OFFICIALS		DEPUTIES	
1	Lorenzo Gazmuri Schleyer	1	Frederic Chaveyriat Roca
2	Jorge Aduenza Fouque	2	Eduardo Navarro Beltrán
3	Ramiro Méndez Urrutia	3	Claudia Betancourt Azcárate
4	Leonardo Ljudetic Garib	4	Jorge Garcés Jordán
5	José Óscar Jaramillo Botero	5	Gabriel Arturo Jaramillo Gómez
6	Tulio Rabinovich Manevich	6	Bernardo Dyner Rezonzew
7	Gabriel Armando Sánchez	7	Juan Fernando Múnera Posada

COMMITTEES OF THE BOARD OF DIRECTORS AND CONTROLLING BODIES

COMMITTEES
Audit and Corporate Governance
Compensation and Benefits
Compliance and Ethics
Sustainability
CONTROLLING BODIES
Internal Audit
Compliance Officer
Line of confidential reports

STOCK MARKET

In August 2014 we registered our stock in the Colombian Stock Exchange BVC. We have traded more than 12 million shares of the company by domestic and foreign investors, which demonstrates

the interest aroused in the stock exchange by a strong and profitable company as Terpel and the trust there is in it.

RECOGNITION IR

For the second consecutive year we obtained the Issuers Recognition IR (Investor Relations), awarded by the BVC to companies listed on the stock market

that stand out for their commitment with good practice in relationships with investors and high standards on disclosure



“The entry of Terpel to the Colombian stock market is a sign of our confidence in the future of Colombia. We want to continue to grow hand in hand with the country and our partners.”

Lorenzo Gazmuri, chairman of the Board of Directors of Terpel

RISK MANAGEMENT

Risk management is a strategic issue for us, which is why we have mechanisms for identification, prevention and management. Annually we carry out the audit plan in which we assess the risks

associated with the operation, and so take preventive actions and anticipate the possible events that may affect the employees, the community and the environment.

ANTI-CORRUPTION

With the purpose of strengthening our anti-corruption policy, in 2014 formalized the protocol on prevention of money laundering and terrorist financing, which is on our website. We made evaluation to all service stations, operation plants, regional offices and headquarter in Colombia, to ensure no corruption cases are presented and transparency is promoted.

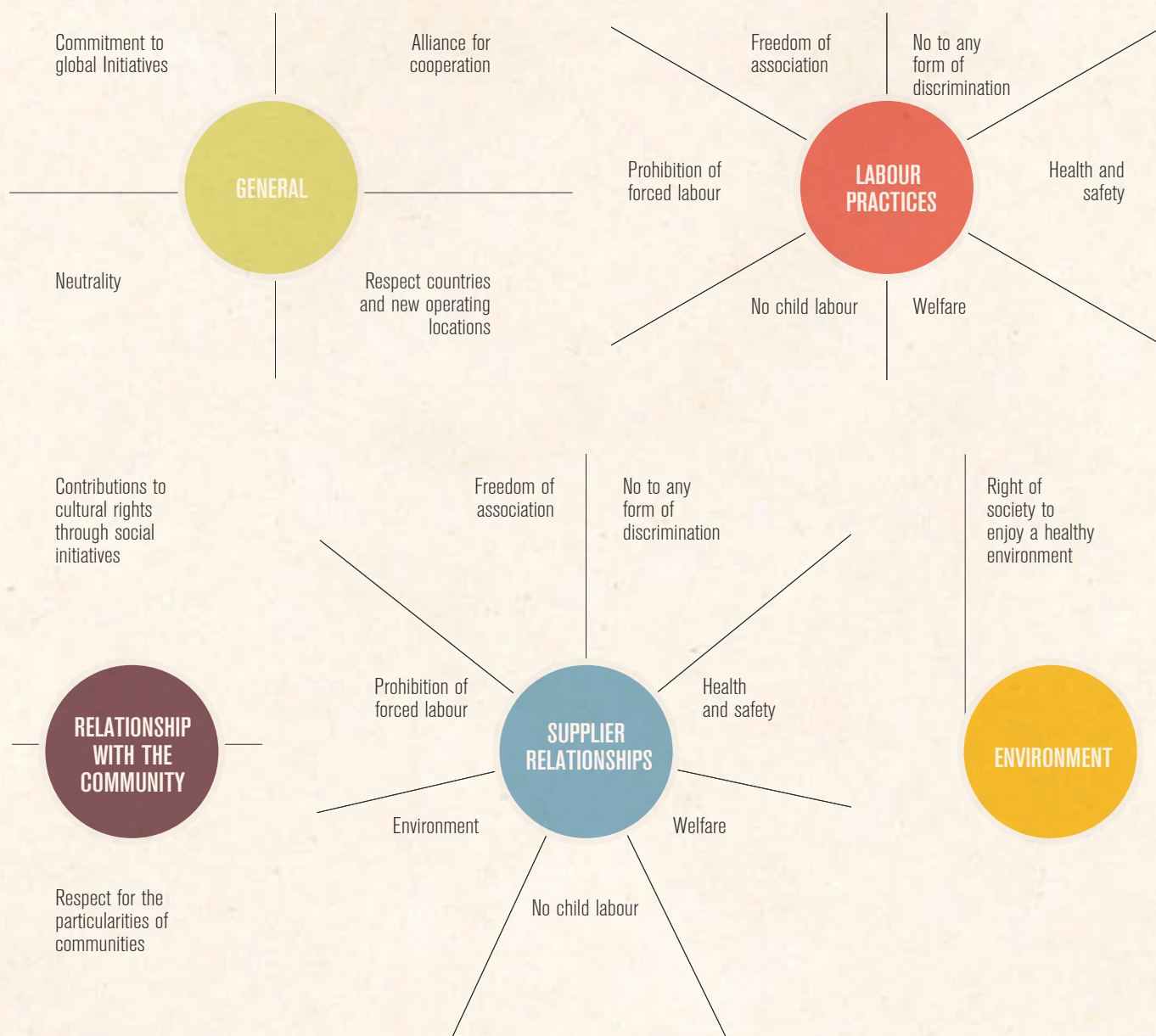
In 2014, four operations were evaluated for risks related to corruption, however no evidence of facts relating to this scourge was obtained.

Anti-corruption. Material issues: Corporate governance and transparency G4-S03 in GRI table

RESPECT FOR HUMAN RIGHTS

Human rights are the foundation for building more just and equitable societies, companies have a duty to respect and promote them throughout the entire value chain. That is why in Terpel we understand them as the cornerstone of all activities, the relationship with stakeholders and international operations.

To ensure their compliance, we aligned our strategy with the United Nations Global Compact Principles, to which we adhered in 2010.



WE ARE COMMITTED TO THE UNITED NATIONS GLOBAL COMPACT

HUMAN RIGHTS	Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights.	Our stance on human rights takes into account all our areas and stakeholders. We recognize that human rights are the foundation for building more just and equitable societies.
	Principle 2: Businesses should make sure that they are not complicit in human rights abuses.	Our purchasing policy is focused on respect for human rights, extending over our trading partners.
LABOUR	Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	In Colombia, we negotiate with 90.80% of our employees through the collective agreement and 2.85% are unionized employees.
	Principle 4: The elimination of all forms of forced and compulsory labour.	We conduct dialogue with our employees, we listen to them and seek to answer their concerns. We have a code of conduct which allows us to make responsible action under clear guidelines and a unique corporate culture.
	Principle 5: Businesses should effectively abolish child labour.	Our criteria for hiring suppliers, ensure the absence of child or forced labour, we formalize this commitment through specific clauses in contracts and working hand in hand with the country to abolish this scourge.
	Principle 6: The elimination of discrimination in respect of employment and occupation.	We avoid any discrimination within the company. Our selection and recruitment processes, are transparent and we consider the skills of the candidate. We have a line of confidential reports, where our employees can report cases of discrimination and workplace harassment.
ENVIRONMENT	Principle 7: Businesses should support a precautionary approach to environmental challenges.	Our Environmental Management Manual seeks to prevent environmental problems. We analyze the processes that impact the proper functioning of the operation through the SSAC System. We prevent contingencies and reduce the number of incidents, thanks to the spill control program. In Colombia we identified transportation as one of the critical processes of our supply chain. In response, we created the school for drivers. We develop action plans with critical suppliers.
	Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility	As allies of our environment we are committed to protecting natural resources in the operation. We manage each process in order to reduce potential impacts, protect resources and make responsible use of them. We guarantee clean handling in supply chains.
	Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies.	We work to spread friendly technologies for the environment, therefore we commercialize biofuels and innovate in the production of lubricants.
ANTI-CORRUPTION	Principle 10: Fight against corruption	We have tools and control bodies that strengthen our Anti-corruption policy. (Internal audits, compliance officer, line for confidential reports). In 2014 we formalized the protocol on prevention of money laundering and terrorist financing, which is on our website.

We are committed to the United Nations global compact. Material issues: Respect and promotion of human rights. Own indicator in GRI table

ENVIRONMENTAL COMMITMENT

As allies of our environment we are committed to protecting natural resources in the operation. We manage

every process in order to reduce potential impacts, protect resources and make responsible use of them.

INTEGRATED MANAGEMENT SYSTEM IN HEALTH, SAFETY, ENVIRONMENT AND QUALITY (SSAC)

Through the management system (SSAC) we prevent, control and mitigate the possible risks that may exist in relation to occupational health,

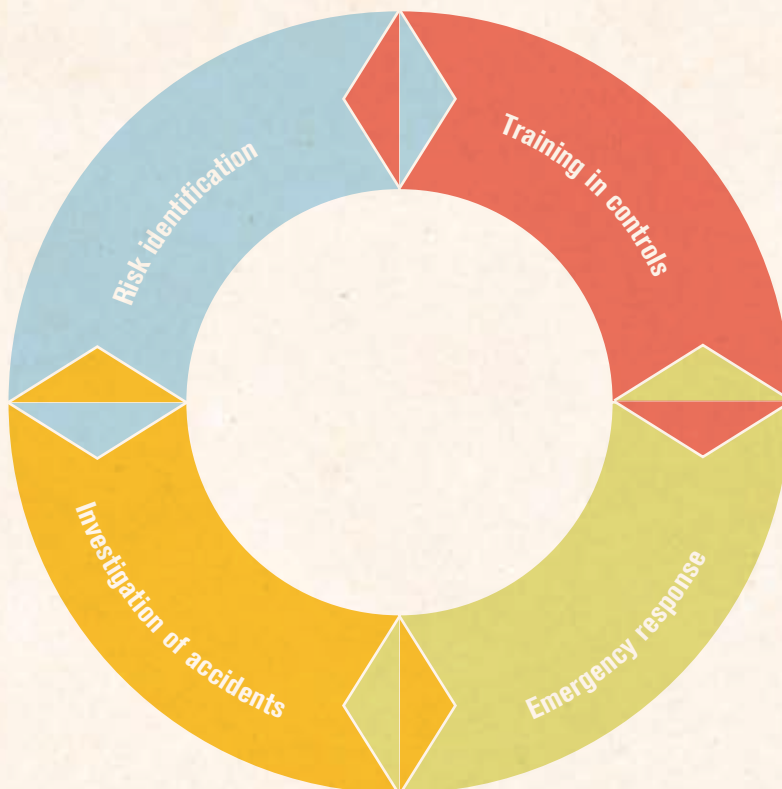
industrial safety, environment and quality of processes in the countries where we operate.

ENVIRONMENTAL MANAGEMENT SYSTEM

We guarantee customers an environmentally responsible operation through the implementation and certification of Environmental Management System for Aviation, Lubricants and Supply Plants, allowing

us to identify risks, assess and prevent them in order to avoid their occurrence.

The pillars of our management system are:



HOW WE DO IT

In our Environmental Management System, we have implemented the following programs:

INTEGRATED WASTE MANAGEMENT



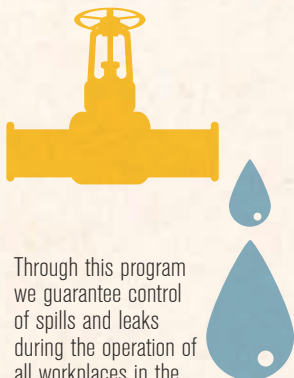
In order to prevent and mitigate negative impacts on our environment, at Terpel we have a program for integrated waste management, which helps to ensure correct separation at the source, a suitable temporary storage, final disposal of hazardous and non-hazardous waste and recyclable waste and ensuring its use.

CONTROL OF NATURAL RESOURCES



Through this program, we make responsible use of water and energy according to the activity of each workplace, through monthly consumption controls and implementing saving strategies.

SPILL CONTROL



Through this program we guarantee control of spills and leaks during the operation of all workplaces in the organization.

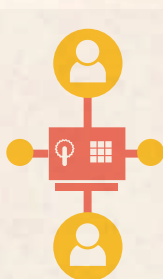
LEGAL COMPLIANCE

We have tools to identify and monitor to ensure legal compliance in

environmental terms for the various operations of the organization.



Matrix for identification of legal and other requirements.



Announcement of new regulations and socialization to those responsible for workplaces where the action plan applies for its compliance.



Monitoring environmental legal compliance and others.



Monthly reports by line of business of environmental legal compliance.



Monthly teleconference to monitor compliance.

INTEGRATED WASTE MANAGEMENT

We guarantee the proper management of hazardous and non-hazardous waste generated in the workplace, we ensure

the correct separation at source and temporary storage, complying with current regulations.



Implementation of Environmental Logbook



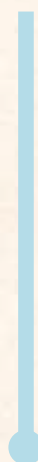
Identification of generated waste



Location of containers for sorting at source by their type



Temporary storage, labeling and passage of waste



Delivery of hazardous waste to transporter



Audit the provider of disposal of hazardous waste

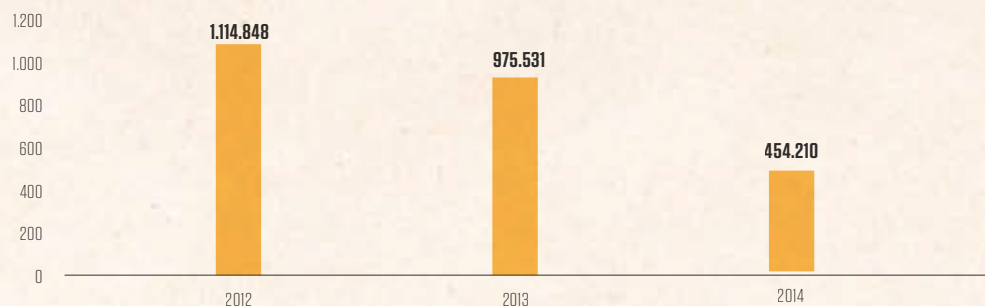


Training in integrated comprehensive waste management



COLOMBIA

HAZARDOUS WASTE, LIQUIDS AND SOLIDS IN KG



MANAGEMENT BY WASTE DISPOSAL AGENTS OF HAZARDOUS WASTE IN 2014

REGIONAL	WASTE DISPOSAL AGENT	Kg
Antioquia	ASEI	10,308
Bucaramanga	CRUDESAN	15,879
	DESCONT	17,496
Center	WDF	8,167
North	ECOSOL	57,092
West	WDF	15,750
Savannah	ECOLCIN	314,936
South	INCHUILA	2,871
	TWM	11,711
TOTAL		454,210

Management by waste disposal agents of hazardous waste. Material issues: Environmental commitment: Spills, Carbon footprint, and waste. G4-EN23 in GRI table

According to the different types of waste we generate, we have authorized waste disposal agents for handling, transportation and disposal of hazardous waste, minimizing the potential negative impacts to the environment and protecting the health of people.

Annually we conduct assessments to the agents through audits, which provides insight into the regulation compliance of its operations and the quality of its processes.



TYPE OF WASTE AND METHOD OF TREATMENT

WASTE DISPOSAL AGENT	OIL SLUDGE/ HYDROCARBON WATER/SLUDGE	USED FILTERS	FLUORESCENT TUBES	USED OILS	CARTRIDGES, RIBBONS AND COMPUTER PARTS
ASEI	Bioremediation	Incineration	Sanitary landfill	Usage	Recycling Incineration
DESCONT	Bioremediation	Incineration	Controlled destruction (encapsulation)	Usage	Usage Incineration Encapsulation
ECOLCIN	Bioremediation	Incineration	Secure landfill	Usage	Recycling Incineration
ECOSOL	Centrifugation Recovery Safety cell	Crushing Final Disposal	Controlled destruction (encapsulation)	Usage	Usage Incineration Encapsulation
TWM	Biological treatment	Dismantling Treatment	Controlled destruction (encapsulation)	Usage	Safety cell Secure landfill
INCIHUILA	Bioremediation	Safety cell	N/A	Usage	Safety cell Secure landfill
CRUDESANT	Bioremediation		Secure landfill	Usage	
WDF	Bioremediation	Incineration	N/A	Usage	Collect to recover afterwards

Type of waste and method of treatment. Material issue: Environmental commitment: Spills, Carbon footprint, and waste. G4-EN23 in GRI table

ECUADOR

Since service stations operate under the forms of affiliation or concession, we only count the waste generated in offices

MEXICO

HAZARDOUS WASTE
6,000L
OF OIL RECYCLED
DESTRUCTION OF
4 DRUMS
(800L)
WITH IMPREGNATED
SOLIDS

NON HAZARDOUS WASTE
360M3
OF INORGANIC
WASTE DISPOSED
IN THE SANITARY
LANDFILL

PERU

HAZARDOUS WASTE
CONTAMINATED RAGS:
1.5 KG
CONTAMINATED OIL:
2.2 KG
SENT TO THE SECURE
LANDFILL

NON HAZARDOUS
WASTE
DOMESTIC WASTE:
55,000 KG
SENT TO THE SANITARY
LANDFILL

In 2014 we delivered 12 spill kits in the business of industry

DOMINICAN REPUBLIC

In compliance with environmental regulations in Dominican Republic, hazardous waste such as used oil, filters, fluorescent light bulbs, batteries, contaminated personal protective elements and cartridges are incinerated.

On the other hand, non-hazardous waste such as plastics, paper and cardboard; and organic waste are disposed of in the sanitary landfill.

SPILL MANAGEMENT

We maintain constant controls to potential spills in the workplace, through plans and tools that were implemented in our processes, thanks to which we detect on time the occurrence of such events. The contingency plan allows us to act immediately before a spill and minimize potential impacts that may be caused. The contingency plan characterized for:

- Have the approval of the relevant environmental authorities in each workplace.
- Constant dissemination and socialization.
- Supply spill kits and train staff on their proper use.
- Conduct annual drills of possible spills.

- Recruitment in the implementing of emergency brigades.
- Develop opportunities for socialization of lessons learned, in order to avoid incurring in future environmental events already presented.
- Implementation of Environmental Blog.

On the other hand, we work together with transporters to train them in operational, safety and environmental protection on roads and supply plants, however we do not rule out the occurrence of accidents in transport of fuel by land, water or multi-purpose pipelines.

Spill management. Material issue: Environmental commitment: Spills, Carbon footprint, and waste. G4-EN24 in GRI table

	2011	2012*	2013**	2014***
Spills affecting natural resources (number)	3	9	17	4
Spills not affecting natural resources (number)	19	31	27	6
Total product spill (number)	22	43	45	10
Total gallons	5.473	69.639	80.870	3.413

* Colombia, Ecuador and Panama. ** Colombia, Ecuador, Panama and Peru. *** Colombia

	COLOMBIA	ECUADOR	PANAMÁ	PERÚ
Spills affecting natural resources (number)	4	N/A	N/A	N/A
Spills not affecting natural resources (number)	6	N/A	N/A	N/A
Total product spill (number)	10	N/A	N/A	N/A
Total gallons	3.413	N/A	N/A	N/A

CONTROL OF NATURAL RESOURCES

Water management. Material issues: Environmental commitment: Spill, Carbon footprint, and waste. G4-EN8 in GRI table

According to our environmental commitment, we optimize the consumption of natural resources that are key to the development of

operations in the workplace through implementation of energy, water and materials savings campaigns, in order to avoid misuse of resources.

WATER MANAGEMENT

Water is important for the proper functioning of the services we offer in the service stations and supplementary services.

The water we use for our operations in all countries, is captured by the company in charge of providing water service. Likewise, we collect and use rainwater.

M3/ YEAR	COLOMBIA	ECUADOR	MEXICO	PANAMA	PERU	DOMINICAN REPUBLIC
2012	467.341	167	2.946	125.271	188	N/A
2013	914.258	600	1.738.000	131.831	25.729	N/A
2014	815.352	157	1.558.340	128.417	29.098	N/A

ENERGY

It is our purpose to make efficient use of the energy we use in the workplace. We continuously develop awareness

campaigns for team Terpel so that all the company contributes in reducing the consumption of this resource.

COLOMBIA

We achieved a reduction in energy consumption of 7.8% compared to the previous year. In 2013, consumption was 440,757.76 GJ and in 2014 it

was 406,095.62 GJ, this thanks to the implementation of strategies to optimize energy use.

Energy. Material issue: Environmental commitment: Spills, Carbon footprint, and waste. G4-EN3 and G4-EN5 in GRI table

	2013 GJ*	2014 GJ
Plants	15.722,07	17.052,56
Service Stations **	414.672,65	379.503,87
Office	4.891,74	4.180,68
Factory	2.505,38	2.259,84
Airport	2.965,92	3.098,67

* 2013 figures are corrected using the formula $Kwh * 1 GJ / 277,777 kWh$ ** Service station 2013 NGV: 286,506.71 GJ; Liquids: 128,165.94GJ Service stations 2014 NGV: 241,720.65 GJ; Liquids: 137,783.22GJ

In the other countries, energy consumption is made through the electrical grid.

COUNTRY	2013 GJ*	2014 GJ
Ecuador	247,93	233,10
Mexico	2.416,70	25.037,63
Peru	38.487,49	42.349,60

*2013 figures are corrected using the formula $Kwh * 1 GJ / 277.777 kWh$

ENERGY INTENSITY

COUNTRY	ENERGY INTENSITY
Colombia	333,41 GJ/empleado
Ecuador	7,51 GJ/empleado
Mexico	138,32 GJ/empleado
Peru	1.033 GJ/empleado

Water management. Material issue: Environmental commitment: Spills, Carbon footprint, and waste. G4-EN5 in GRI table

CARBON FOOTPRINT

Measuring the carbon footprint allows us to measure the impact our processes cause to the environment, giving us the opportunity to adequately manage resources that are part of the operation.

For 2014, we measure our carbon footprint with the support of the Colombian Business Council for Sustainable Development (CECODES) and Deloitte and Touche who audited results under the accounting and reporting standard WBCSD7, WRI8.

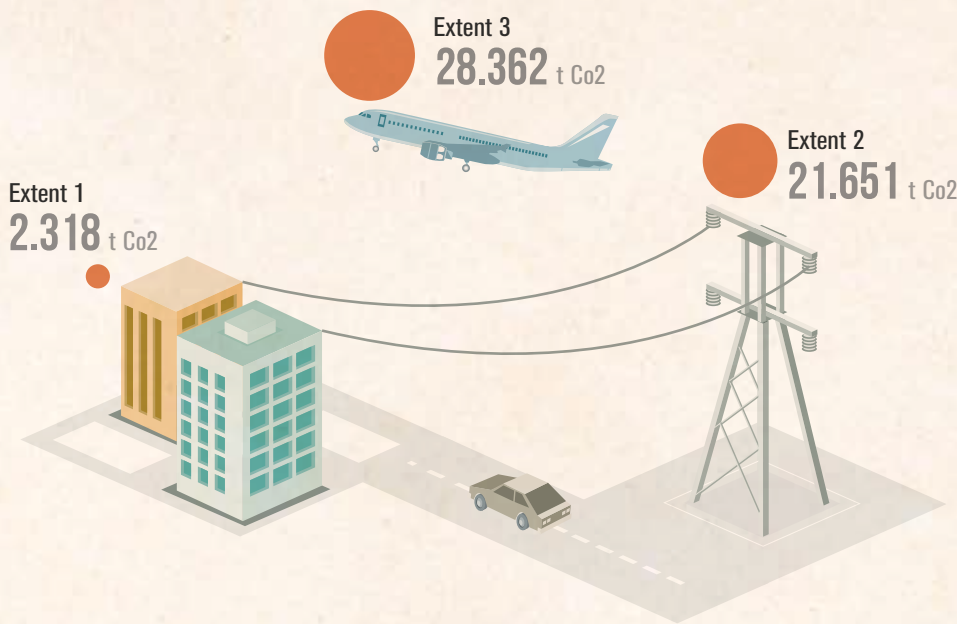
Currently we have a dry tropical forest of 80 hectares, which according the study Tropical Dry Forests in Colombia, by the Alexander Von

Humboldt Research Institute of 2014, is one of the most threatened ecosystems in Colombia. Thus began the compensation activities by planting 10,000 native trees as gliricidia sepium and seagrape planted in the dry tropical forest in the town of Baranoa, Atlantico.

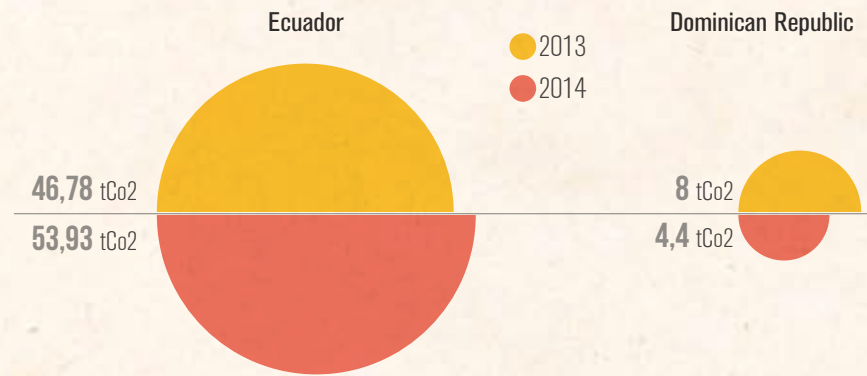
On the other hand, with the purpose of further reducing our carbon footprint in 2015 will continue with the pilot project of solar panels for self-sufficiency energy in plant of Baranoa, Atlantico; it is expected to stop emitting more than 12 tCO2/year for a total of approximately 248 tCO2 over 20 years of operation.

7. WBCSD: World Business Council For Sustainable Development
8. WRI: World Resources Institute

COLOMBIA

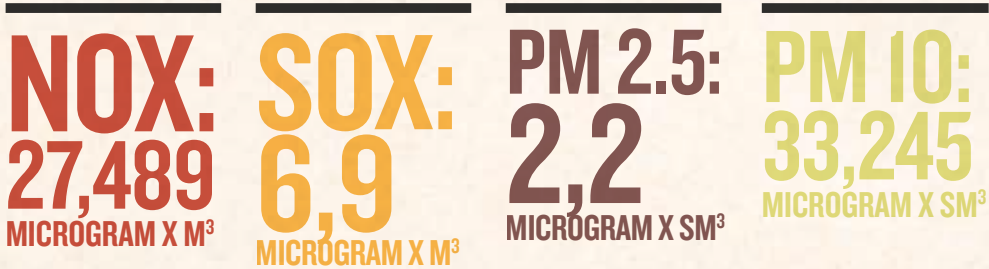


Carbon footprint. Material issue: Environmental commitment: Spills, Carbon footprint, and waste. G4-EN15, G4-EN16, G4-EN17 in GRI table



PERÚ

Pursuant to environmental legislation in Peru, we complied with the provisions regarding:



ENVIRONMENTAL INVESTMENT

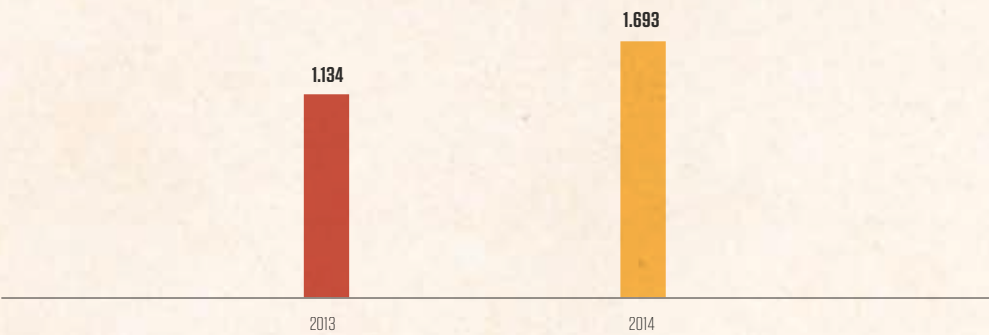
Environmental expenditures. Material issue: Environmental commitment: Spills, Carbon footprint, and waste. G4-EN31 in GRI table

COLOMBIA

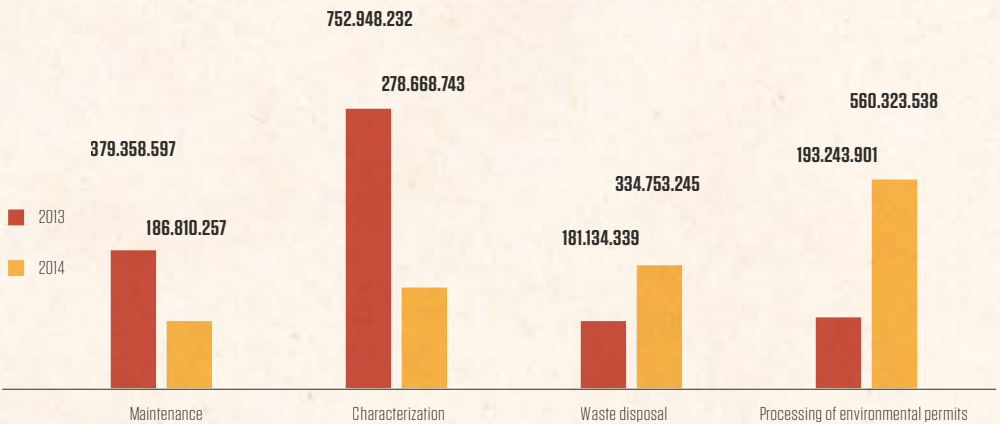
Through investment in environmental management, we comply with environmental legal requirements in force required by the relevant

environmental authority. In 2014, 559,438,292 million pesos more were allocated compared to the previous year.

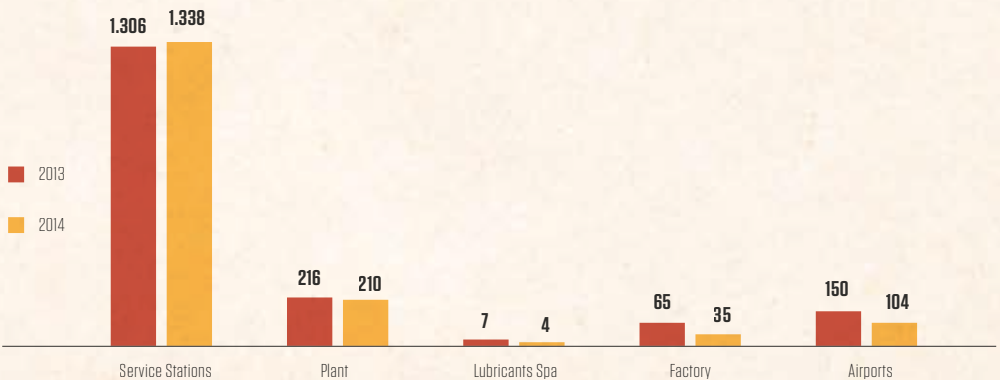
ENVIRONMENTAL INVESTMENT IN MILLIONS OF COLOMBIAN PESOS



BY TYPE OF EXPENDITURE IN MILLIONS OF COLOMBIAN PESOS



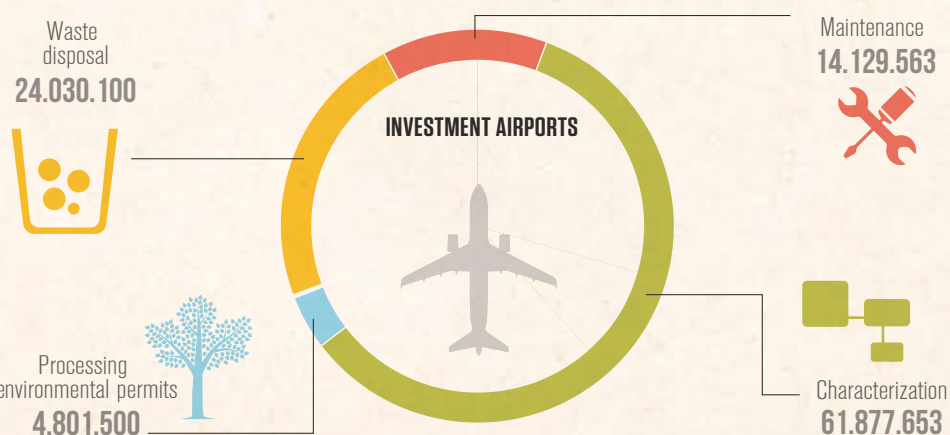
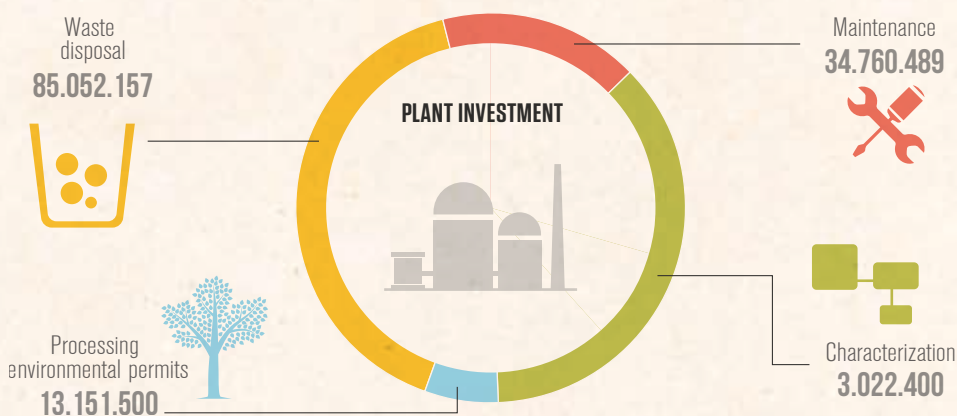
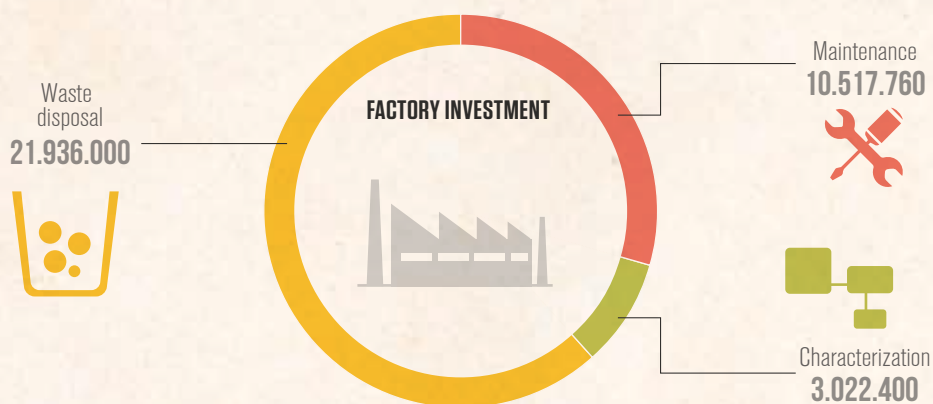
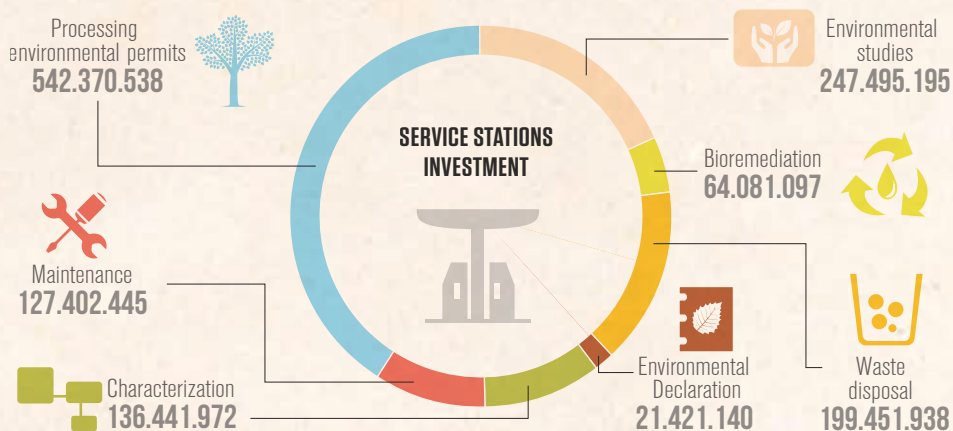
ENVIRONMENTAL EXPENDITURE BY WORKPLACE IN MILLIONS OF COLOMBIAN PESOS



RESPONSIBLE CONSUMPTION

In our ongoing work to protect the environment, we generate programs to extend the promotion of responsible fuel consumption to customers. We believe that working together with our stakeholders, we can generate a positive impact on the environment, allowing also improve our quality of life.

ENVIRONMENTAL INVESTMENT



WHY WE DO IT





Terpel is a Partner Country that reaches across the country with its value proposition. We help to create social changes in communities where we operate by providing opportunities for progress.

Ciudadanía. Asunto material:
Ciudadanía. Indicador propio
en tabla GRI



**Cities where
the Foundation
is present**

- Itagüí,
- Medellín,
- Barranquilla,
- Laguada,
- Malambo,
- Cartagena,
- Yopal,
- Manizales,
- Bosconia,
- Montería,
- Bogotá,
- Puerto Inírida,
- Neiva,
- Tesalia,
- Santa Marta,
- Villavicencio,
- Barranca de Upía,
- Pasto,
- Imués,
- Cúcuta,
- Mocoa,
- La Dorada,
- Armenia,
- Bucaramanga,
- Sincelejo,
- Cali,
- Yumbo,
- Buga,
- among others.



More than
450.000
students benefited

COP\$3.766
million

Total investment
programs of the
Foundation



My Future Now
COP\$500
million

Schools that Learn
COP\$1.289
million

Design the Change
COP\$221
million

Leader in Me
COP\$562
million

Support to Programs
COP\$1.194
million

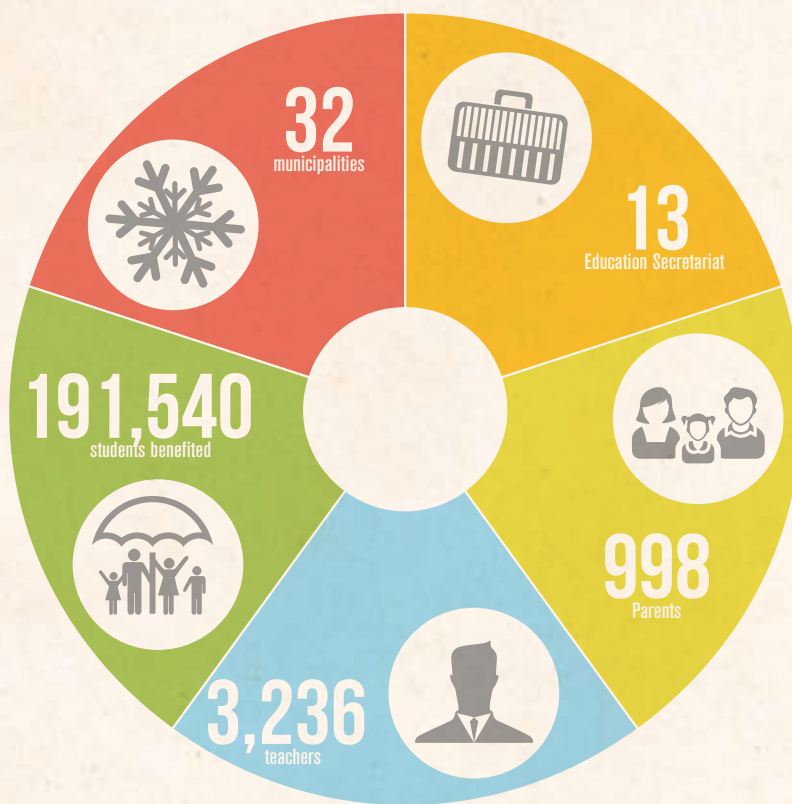
We reach the entire national territory,
with infrastructure, service and price,
and help transform the reality of

communities by providing opportunities
for progress.

FOUNDATION

For 10 years we have believed in the importance of improving the education of underprivileged children as a transformative engine of the country. This year was crucial to the foundation, we grew 47% compared to the previous year and we continue to develop programs with a positive impact on the education of children.

After 10 years of growth, we continue to expand our programs in order to improve education, encouraging the formation of values and new leaders to help strengthen the sense of belonging to their environment and society, and build a country with more and better opportunities, to reach equity in the access to quality education.



47%
**GROWTH IN
THE NUMBER OF
BENEFICIARIES
COMPARED TO THE
PREVIOUS YEAR**

25%
**OF THE STUDENTS
IMPROVED
IN MATH AND
LANGUAGE SKILLS**



Detailed report of Terpel
Foundation in:
www.fundacionterpel.org



OUR PROGRAMS

We do not stop at building a better country, our commitment is to strengthen education in promoting basic skills through high impact

programs. For 2014 we registered a 47% growth in the number of beneficiaries with respect to 2013.

ESCUELAS QUE APRENDEN® (SCHOOLS THAT LEARN)

Through Escuelas que Aprenden®, we contribute to the development and improvement of the quality of education. With this initiative we work with principals, teachers and parents, we strengthen educational institutions

to have a positive impact on the quality of education in key subjects like math and language for children who are in primary, reinforcing logical reasoning and strengthening communication skills.

1.289
MILLION
PESOS
INVESTED

139.026
STUDENTS
BENEFITED

998
PARENTS
TRAINED

89
PRINCIPALS
TRAINED

EL LÍDER EN MÍ® (THE LEADER IN ME)

El Líder en Mí®, provides training for teachers and governing body of educational institutions in leadership, supported by the 7 Habits of Franklin

Covey®, which transmit and strengthen the knowledge to children in primary to form skills and habits in leadership at school, family and community.

562.228.408
MILLION PESOS
INVESTED

43.834
STUDENTS
BENEFITED

60 PRINCIPALS
TRAINED

334
TEACHERS
TRAINED

63
INTERVENED
INSTITUTIONS

WORK WITH
4 EDUCATION
SECRETARIAT

DESIGN THE CHANGE

It is a worldwide competition of educational institutions that seeks to contribute to the construction of adequate spaces where children can grow up in an optimal environment through 4 steps: "feel, imagine, do and share."

The Foundation is responsible for providing appropriate methodologies to the principals, teachers and students, to provide guidance to children framed in strengthening the value of solidarity.

221.500.000
MILLION PESOS
INVESTED

4.455
STUDENTS
BENEFITED

86
PROJECTS
IMPLEMENTED

4.455
TEACHERS
TRAINED

3.253
EDUCATIONAL
INSTITUTIONS
SUMMONED

“I’ve been able to study thanks to the loan of the Foundation, and with a grade average above 4 the program gives us a semester subsidy of 250,000 pesos that I can use for transportation and food. Studying I have the opportunity to access a better job in the same company.”

Island attendant with studies in business administration and marketing.



MY FUTURE NOW!

Through the program we help island attendants of gold and silver service stations of the PITS program or their

children, to continue their training in technical and technological careers, funding up to 80% for their studies.

64
STUDENTS
ENGAGED

33%
STUDENTS
FROM AFFILIATE
SERVICE STATIONS

67%
STUDENTS
FROM OWN
SERVICE STATIONS

500
MILLION PESOS
INVESTED

VOLUNTEER WORK

We work to provide adequate space and cooperate with the development of communities, so in 2014 we had over 400 volunteers who selflessly shared

their time, achieving that more children enjoyed better infrastructure conditions in their schools.

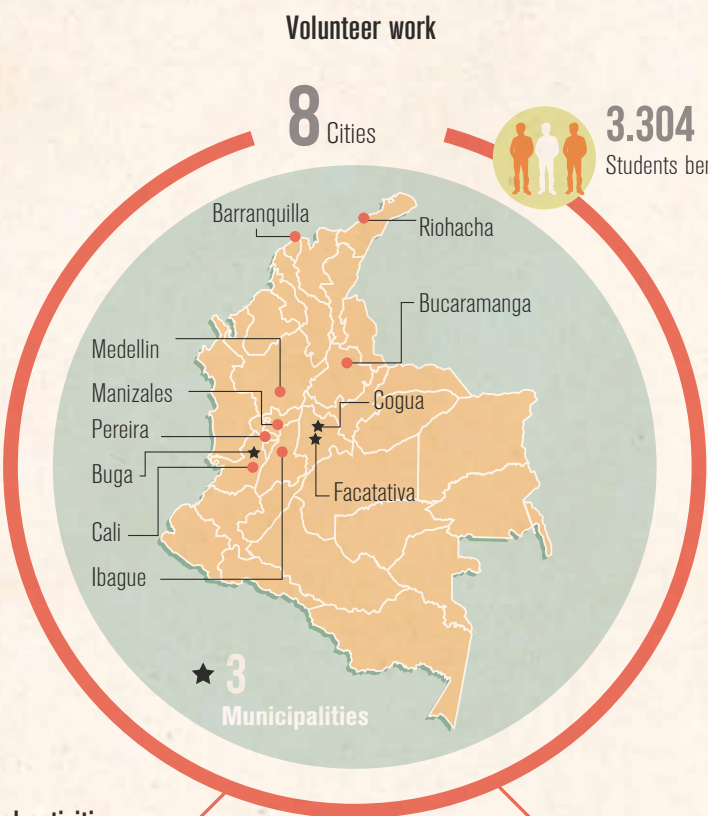
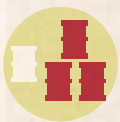
Volunteer work. Material issue: Citizenship. Own indicator in GRI table

Air Patrol -PAC

11.521
gallons of fuel donated to the Air Patrol in 2014

400
Volunteers

57
working days carried out



Environmental activities

Improvement of the public space near the Terpel plant Riohacha, La Guajira



10.000
trees planted in Baranoa, Atl ntico



Educational institutions
9 infrastructure improvements in educational institutions



Painting activity
Recovery of room affected by a fire of an employee of Terpel Barranquilla, Atl ntico



In 2014, with the team of volunteer we conducted activities in eight cities of Colombia. We built and adapted educational classrooms, recovered recreation spaces, provided supplies for schools, improved bathrooms and gardens and held environmental conferences.

Here are our results:

ENVIRONMENTAL ACTIVITY: reforestation of areas of Terpel plant in the town of Baranoa, Atlántic.	PAINTING ACTIVITY: recovery of room space affected by a fire and electrical, hydraulic and sanitary networks. Barranquilla, Atlántico.	I.E. SANTA MARIA DE LA CRUZ, MEDELLIN - ANTIOQUIA: construction of new classrooms.
I.E. MATECAÑA, PEREIRA - RISARALDA: improvement of bathrooms infrastructure.	I.E. MATECAÑA, PEREIRA - RISARALDA: beautification of classrooms and common areas.	CENTRO EDUCATIVO 7 DE AGOSTO MANIZALES - CALDAS: recovery of recreational spaces and renovation of spaces in decline.
I.E. MANUEL MARIA MALLARINO, CALI - VALLE: Beautification of infrastructure and creating a garden inside the institution.	I.E. ANGEL CUADROS, BUGA - VALLE: creation of new space for offices of the institution and beautification of infrastructure.	I.E. MAXIMILIANO MEIRA LAMUS, IBAGUÉ - TOLIMA: improvement and beautification of infrastructure and classrooms.
I.E. FACUNDO NAVAS MANTILLA BUCARAMANGA, SANTANDER: increase in capacity of educational classrooms and improve climate conditions.	I.E. FACUNDO NAVAS MANTILLA, BUCARAMANGA - SANTANDER: school beautification and tree planting.	I.E. EL MORTIÑO, COGUA - CUNDINAMARCA: beautification of the school and creating garden in the institution.
	I.E. MANUELA AYALA, FACATATIVÁ - CUNDINAMARCA: Recycling and creating gardens and beautification of spaces of the institution.	

AIR PATROL

We joined forces with the Colombian Air Patrol (CAP) to develop health brigades with specialized medical staff in remote areas of the country.

cared for over 525 children with acute malnutrition previously identified by the ICBF and approximately 1,000 children with less severe malnutrition.

In partnership with the CAP, Felipe Gomez Escobar Foundation, Avianca and Expreso Brasilia we carried out the brigade “NOT ONE MORE” with which we want to eliminate malnutrition rates in our children. With a team of nurses, pediatricians and nutritionists we

The results of the brigade were 2,235 medical consultations, 1,803 medical formulas were given. Also nutritional kits were provided to children and the respective drugs to cover medical formulas.

ACHIEVEMENTS

- › 152 health brigades.
- › More than 70,000 gallons of fuel donated.
- › 149,575 specialized medical consultations
General medicine, dermatology, ultrasound, gynecology, dentistry, pediatrics, ophthalmology, optometry and pathological studies.
- › 6,574 surgical procedures
General surgery, dermatology, gynecology, ophthalmology, otolaryngology and urology.
- › 400 volunteer doctors
- › More than 129 municipalities intervened.

RECONCILIATION

In Terpel we are convinced that peace is a task of the organizations and society, in which we must include new generations since because of them we are committed to the reconciliation in our country.

"SOY CAPAZ DE SERVIRLE A COLOMBIA"
(*"I AM ABLE TO SERVE COLOMBIA"*)
represents our promise to be a brand focused on service across the country. Through the team comprised by the Colombian Agency for Reintegration (ACR) and EFICACIA, we gave opportunities to begin working life to people in the reintegration process.

All this makes us the safest investment for our investors, the best partner for our customers, the best customer for our suppliers, the best place to work and the best neighbor.

Informe de revisión independiente

Revisión independiente del Informe de Sostenibilidad 2014 Organización Terpel S.A.

Alcance de nuestro trabajo

Hemos realizado la revisión de la adaptación de los contenidos del Informe de Responsabilidad Corporativa 2014 a la Guía para la elaboración de Memorias de Sostenibilidad de Global Reporting Initiative (GRI) versión 4.0 (G4).

Estándares y procesos de verificación

Hemos llevado a cabo nuestro trabajo de acuerdo con la norma ISAE 3000 - *International Standard on Assurance Engagements Other than Audits or Reviews of Historical Financial Information* emitida por el *International Auditing and Assurance Standard Board (IAASB)* de la *International Federation of Accountants (IFAC)*.

Nuestro trabajo de revisión ha consistido en la formulación de preguntas a la Administración, así como a las diversas áreas de Terpel que han participado en la elaboración del informe de sostenibilidad y en la aplicación de ciertos procedimientos analíticos y pruebas de revisión por muestreo que se describen a continuación:

- Entrevistas con el personal de Terpel para conocer los principios, sistemas y enfoques de gestión aplicados para elaborar el informe.
- Análisis de como a partir del ejercicio de materialidad se definen los contenidos, la estructura y los indicadores del informe, de acuerdo a lo sugerido por la metodología GRI G4.
- Análisis de los procesos para recopilar y validar los datos presentados en el Informe.
- Comprobación, mediante pruebas de revisión con base en la selección de una muestra de la información cuantitativa y cualitativa correspondiente a los indicadores GRI y propios incluidos en el Informe de sostenibilidad y su adecuada compilación a partir de los datos suministrados por las fuentes de información de Terpel.

Confirmación que el Informe de sostenibilidad es preparado de acuerdo con la metodología GRI G4 en su versión “Esencial” o “Core”.

Aspectos generales

Se confirmó que el informe se ajusta a los requisitos de la opción esencial de los aspectos generales de la versión GRI G4: los indicadores G4-1 a G4-34, y G4-56 fueron reportados.

Responsabilidades de la Dirección de La Organización Terpel y de Deloitte

- La preparación del Informe de Sostenibilidad 2014, así como el contenido del mismo, es responsabilidad de la organización la cual también es responsable de definir, adaptar y mantener los sistemas de gestión y control interno de los que se obtiene la información.
- Nuestra responsabilidad es emitir un informe independiente basado en los procedimientos aplicados en nuestra revisión.
- Este Informe ha sido preparado exclusivamente en interés de la organización de acuerdo con los términos de nuestra propuesta de servicios. No asumimos responsabilidad alguna frente a terceros diferentes a la Dirección de la empresa.
- Hemos realizado nuestro trabajo de acuerdo con las normas de independencia requeridas por el Código Ético de la International Federation of Accountants (IFAC).
- El alcance de una revisión limitada es substancialmente inferior al de una auditoría. Por lo tanto no proporcionamos opinión de auditoría sobre el Informe de sostenibilidad.

DELOITTE & TOUCHE LTDA.
Jorge Enrique Múnera D.
Socio



Bogotá, Marzo 2015

Aspectos específicos

Revisamos el enfoque de gestión e indicadores GRI de los siguientes asuntos materiales:

Asuntos materiales	Indicador GRI y/o Propio
Ciudadanía	EC1, SO1
Rentabilidad	EC1
Gobierno corporativo y transparencia	SO3
Acompañamiento a afiliados, proveedores, clientes y consumidores	EC9, PR5
Compromiso ambiental	EN3, EN5, EN8, EN15, EN16, EN17, EN23, EN24, EN29, EN31
Relaciones y condiciones laborales justas	EC6, LA1, LA5, LA6
Desarrollo del capital humano	LA9
Tecnología e innovación	No cuenta con un indicador GRI asociado
Condiciones seguras en la operación	No cuenta con un indicador GRI asociado
Respeto y promoción de los derechos humanos	HR4, HR5, HR6

Conclusiones

Como consecuencia de nuestra revisión no se ha puesto de manifiesto ningún aspecto que nos haga creer que el Informe de sostenibilidad contiene errores significativos o no ha sido preparado de acuerdo con la Guía para la elaboración de Memorias de Sostenibilidad de Global Reporting Initiative (G4) en su versión Esencial.

Recomendaciones

Adicionalmente, hemos presentado a Terpel nuestras recomendaciones relativas a las áreas de mejora para consolidar los procesos, programas y sistemas relacionados con la gestión de la sostenibilidad. Las recomendaciones más relevantes se refieren:

- Con el objetivo de seguir fortaleciendo la gestión a nivel social y ambiental, sugerimos realizar revisiones semestrales de algunos indicadores GRI claves, lo cual garantizará mayor confiabilidad en la información y mayor exigencia en la gestión de sostenibilidad.
- Seguir consolidando el Modelo de Gestión Sostenible como eje del direccionamiento de la sostenibilidad dentro de la Organización.
- Establecer metas cuantitativas a corto, medio y largo plazo para los indicadores clave de desempeño asociados a asuntos materiales,



This report was prepared in accordance to the guidelines for preparing sustainability reports of the Global Reporting Initiative GRI G4, essential option.

Indicator	Answer/Chapter	Page	Omission	External Verification
Strategy and Analysis				
G4.1 Statement from the most senior decision-maker of the organization about the relevance of sustainability to the organization.	Letter from the president	4	Not applicable	Yes, page 106-107
G4.2 Description of key impacts, risks, and opportunities.	Letter from the president	4	Not applicable	Yes, page 106-107
Organizational Profile				
G4.3 Report the name of the organization.	Organización Terpel S.A.		Not applicable	Yes, page 106-107
G4.4 Report the primary brands, products, and services.	What we do / Our lines of business	18	Not applicable	Yes, page 106-107
G4.5 Report the location of the headquarters	The headquarters of Organización Terpel are located in Bogotá, Colombia. Carrera 7 No. 75-51		Not applicable	Yes, page 106-107
G4.6 Report the number of countries where the organization operates, and names of countries where the organization has significant operations or that are specifically relevant to the sustainability topics covered in the report.	What we do/Our lines of business	18	Not applicable	Yes, page 106-107
G4.7 Nature of ownership and legal form.	Organización Terpel S.A.		Not applicable	Yes, page 106-107
G4.8 Markets served (including geographic breakdown, sectors served, and types of customers).	What We do / Our lines of business	18	Not applicable	Yes, page 106-107
G4.9 Report the scale of the organization, including: -Total number of employees -Total number of operations -Net sales or incomes	Team Terpel What we do	54 18, 22	Not applicable	Yes, page 106-107
G4.10 Report the following labour information -Report the total number of employees by employment contract and gender. -Report the total workforce by region and gender	Team Terpel	54 55	Not applicable	Yes, page 106-107
G4.11 Report the percentage of employees covered by a collective bargaining agreement.	Team Terpel Respect for human rights	63 84	Not applicable	Yes, page 106-107
G4.12 Describe the organization's supply chain.	What we do / Our value chain	20-21	Not applicable	Yes, page 106-107
G4.13 Report any significant changes during the reporting period regarding the organization's size, structure, ownership, or its supply chain	Corporate Governance	83	Not applicable	Yes, page 106-107
G4.14 Description on how the organization has adopted a precautionary approach or principle.	Corporate Governance / Risks management	84	Not applicable	Yes, page 106-107
G4.15 Externally developed social, environmental and economic principles or programs, as well as other initiatives the organization subscribes or endorses.	Global Compact Network Colombia Companies for Peace		Not applicable	Yes, page 106-107

Indicator	Answer/Chapter	Page	Omission	External Verification
G4.16. Main memberships of associations (such as industry associations) and/or national and international organizations which the organization supports	Colombia Colombian Petroleum Association (ACP) National Business Association of Colombia (ANDI) Association of Corporate Foundations (AFE) Network America (Red América) Colombian Confederation of NGO's (CCONG) International Association of Students in Economic and Commercial Sciences (AIESEC) Colombian Business Council for Sustainable Development (CECODES) Mexico Mexican Association of Natural Gas (AMGN) Confederation of Employers of the Mexican Republic (COPARMEX) Chamber for Industrial Transformation of Nuevo Leon (CAINTRA) Panama American Chamber of Commerce and Industry of Panama (ANCHAM) International Association of Students in Economic and Commercial Sciences (AIESEC) Peru Peruvian Service Stations Associations (AGESP) Peruvian Chamber of NGV (CPGNV) Peruvian Institute for Educational Development (IPFE)		Not applicable	Yes, page 106-107
Identification of material aspects and boundaries				
G4.17 List all entities included in the consolidated financial statements and report if any of these entity is not covered by the sustainability report.	About the report	6	Not applicable	Yes, page 106-107
G4.18 Explain the process for defining the report content and aspects to report.	Sustainability – Materiality	12	Not applicable	Yes, page 106-107
G4.19 List all the material aspects identified in the process for defining the report content.	Sustainability – Materiality	12	Not applicable	Yes, page 106-107
G4.20 For each material issue, report if the issue is for all the organization. If not, indicate which aspect is not material for any of the entities within the organization.	In 2015 is expected to socialize the sustainability model in all the operations		Not applicable	Yes, page 106-107
G4.21 For each material issue, report if the issue is outside the organization.	Sustainability – Materiality	13	Not applicable	Yes, page 106-107
G4.22 Description of the effect any restatements of information provided in previous reports may have, along with the reasons for such restatements.	* A change was made in the figures of industry in the sales volume in Ecuador for 2012 and 2013 (12.9 and 14.9 respectively). * In the aviation business the data on market share of Dominican Republic was corrected, due to the following error resulting from the layout process: (the figures for 2012 were recorded in 2013 and 2013 in 2012) * In the section entitled Supplier Management the title of the table domestic purchases changes compared to previous years (Domestic purchases of goods and services), since the figures reported correspond to the total value of domestic and imported purchases.		Not applicable	Yes, page 106-107
G4.23 Significant changes from previous reporting periods in the scope, coverage or assessment methods applied to the report	For the 2014 report there is no significant change regarding the scope, the coverage of the assessment methods.		Not applicable	Yes, page 106-107

Indicator	Answer/Chapter	Page	Omission	External Verification
Stakeholders				
G4.24 List of stakeholder groups engaged by the organization.	Sustainability – Relations with the stakeholders	15	Not applicable	Yes, page 106-107
G4.25 Report the basis for identification and selection of stakeholders with whom the organization engages.	Sustainability – Relations with the stakeholders	15	Not applicable	Yes, page 106-107
G4.26 Organization's approach to dialogue with stakeholder, including frequency of their participation by type of stakeholder, indicate if any of the dialogues was undertaken as part of the report preparation process.	Sustainability – Relations with the stakeholders Suppliers management – Dialogue with suppliers of transport Affiliates - Dialogue with affiliates Team Terpel – Dialogue with our employees	14 73 67 61	Not applicable	Yes, page 106-107
G4.27 Key topics and concerns that have been raised through dialogue with stakeholders and how the organization has responded to topics through its report. Report the stakeholders and the topics they identified as relevant.	Affiliates – Dialogue with affiliates Team Terpel – Dialogue with our employees	73 67 61	Not applicable	Yes, page 106-107
Report Profile				
G4.28 Reporting period for information provided	2014		Not applicable	Yes, page 106-107
G4.29 Date of most recent previous report.	2013		Not applicable	Yes, page 106-107
G4.30 Reporting cycle (Annual--Biennial).	Annual		Not applicable	Yes, page 106-107
G4.31 Contact point for questions regarding the report or its contents.	Back cover	2	Not applicable	Yes, page 106-107
G4.32 Report the In accordance option with the GRI methodology the organization has chosen (Core –Comprehensive). Report the GRI Content Index.	About the report	6	Not applicable	Yes, page 106-107
G4.33 Report the organization's policy or approach for seeking external audit for the report.	About the report	6	Not applicable	Yes, page 106-107
Governance				
G4.34 Structure of the organization, including committees of the highest governance body. Identify if there is any committee responsible for supervising economic, social and environmental issues topics.	Corporate Governance – Governance Structure	79		Yes, page 106-107
G4.39 Report if the chairman of the highest governance body is also an executive officer (and, if so, explain his or her function within the organization's management and the reasons that justify it).	The Chairman of the Board of Directors does not hold an executive position in Organización Terpel.			No
G4.40 Report the nomination and selection processes for the highest governance body and its committees. Take into account in the selection: - Diversity is considered. - Independence is considered. - Experience relating to economic, social and environmental topics is considered. - Shareholders are involved.	The experience and resume of each member of the board, have suitability for their participation in such board. As well as their contribution to economic, social and environmental issues		No reports the following aspects: diversity and independence	No
G4.41 Procedures implemented to avoid conflicts of interest in the highest governance body.	The code of good governance and code of conduct contain mechanisms to avoid conflicts of interest in the highest governing body. Web site: https://www.terpel.com/Plantillas/Terpel/Descargables/Codigo_de_buen_gobierno.pdf?id=201&epslanguage=en			No
G4.48 Report the highest committee or position responsible for reviewing and approving the sustainability report and ensure that all material issues are covered.	The sustainability report is approved by the Presidency of Organización Terpel.			No
Ethics and Integrity				
G4.56 Describe the organization's values, principles, standards and norms of behavior such as codes of conduct and codes of ethics.	Corporate Governance – Code of conduct	79		Yes, page 106-107

Material issues	GRI related aspect	Why it is important	How we do it	Indicator	Page / Indicator Answer	Omission	External verification	Extent of verification
Citizenship	Economic performance	The corporate sustainability strategy leverages all the actions of the company. It is going beyond the distribution and marketing of fuels to generate economic, social and environmental development and progress.	What we do	G4-EC1 Investment in social development	Page 22		Yes, Page 106-107	Colombia
	Local communities		Why we do it - Citizenship	G4-S01 G4 S01. Percentage of operations that have implemented local participation mechanisms, impact assessments, and development programs.	90% of the operations of Organización Terpel have implemented development programs		Yes, Page 106-107	Colombia
	Not applicable			Own. Number of people benefited from education programs developed by the Foundation Terpel.	Page 98		Yes, Page 106-107	Colombia
	Not applicable			Own. Number of benefited from volunteer work.	Page 103		Yes, Page 106-107	Colombia
	Not applicable			Own. Number of volunteer working days.	Page 103		Yes, Page 106-107	Colombia
	Not applicable			Own. Number of people hired by the organization that are in the process of reintegration	15 people were hired during 2014			
Profitability	Economic performance	Terpel is committed to being the safest investment for its shareholders and investors. As leaders in the fuel sector, one of its priorities is to contribute to the economies of the countries where it operates.	We generate value and distribute it	G4-EC1. Direct economic value generated and distributed. Generated value associated with revenues and distributed value associated with operating costs, salaries and benefits for employees, payments to capital suppliers, payments to governments and community investments. The retained value is the difference between the generated and distributed value.	Page 22		Yes, Page 106-107	Corporativo
	Not applicable		What we do	Own. Sales volume.	Page 50-51			
	Not applicable			Own. Market share.	Page 50-51			
	Not applicable			Own. Sales growth	Page 50-51			
Corporate governance and transparency	Fight against corruption	At Terpel we seek to have practices that strengthen our management, so we work to ensure that all our actions are framed within ethics and transparency.	Corporate governance	G4-S03. Number and percentage of centers in which has been evaluated the risks related to corruption and significant risks detected.	Page 82	Is not reported the percentages of operations that were evaluated on corruption issues and what were the main risks.	Yes, Page 106-107	Colombia

Material issues	GRI related aspect	Why it is important	How we do it	Indicator	Page / Indicator Answer	Omission	External verification	Extent of verification
Accompaniment to affiliates, suppliers, customers and consumers	Labeling of products and services	Our customers and end consumers are at the center of all decisions and activities of the company. We strive to offer the best service, the best infrastructure, the most competitive price and a pleasant experience every time they visit us.	What we do -Aviation What we do -Service stations What we do -Industry What we do -Lubricants What we do -Marine	G4-PR5. Survey results measuring customer satisfaction.	Page 29,39,41,43,45,48,49		Yes, Page 106-107	Colombia
	Procurement practices		Suppliers Management	G4-EC9. Percentage of expenses in places with significant operations that correspond to local suppliers.	Page 70			
	Not applicable		What we do - Service stations	Own. Training hours in each one of the schools of Terpel.	Page 26,42,48,73		Yes, Page 106-107	Colombia
Environmental commitment: Spills, Carbon footprint, and waste	Legal compliance	We are allies of our surroundings, because we develop an operation that meets the highest standards of quality and safety.	Environmental commitment	G4-EN29. Cost of significant fines and number of non-monetary penalties for breach of environmental regulations.	During 2014 Organización Terpel did not receive environmental fines.		Yes, Page 106-107	Colombia
	Effluents and waste			G4-EN23. Total weight of waste, by type and method of disposal.	Page 87	Information for non-hazardous waste not reported.	Yes, Page 106-107	Colombia
				G4-EN24. Total number and volume of significant spills.	Page 90	Consequences of spills affecting natural resource not described.	Yes, Page 106-107	Colombia
				Water	G4-EN8.Total water consumption per source.	Page 91	Information by source of collection not reported.	Yes, Page 106-107
	Energy			G4-EN3. Energy consumption in the organization	Page 91	Information is not broken down by type of fuel.	Yes, Page 106-107	Colombia
	Emissions			G4-EN5. Energy intensity	Page 91-92			
				G4-EN15. Greenhouse gases (Extent 1).	Page 93		Yes, Page 106-107	Colombia
				G4-EN16. Indirect energy greenhouse gases (Extent 2)	Page 93		Yes, Page 106-107	Colombia
				G4-EN17. Other indirect emissions of greenhouse gases (Extent 3)	Page 93		Yes, Page 106-107	Colombia
	General			G4-EN31. Breakdown by type of total environmental expenses and investments.	Page 94-95			

Material issues	GRI related aspect	Why it is important	How we do it	Indicator	Page / Indicator Answer	Omission	External verification	Extent of verification
Fair job relationships and conditions	Presence in the market	Our commitment to the Team Terpel is based on offering them the best company to work with fair conditions and benefits beyond the law, in favor of guaranteeing their quality of life.	Percentage of senior management employees of local origin.	G4-EC6. Proportion of senior management hired in the local community in places where significant operations are performed.	Page 55			
	Job		Recruitment and retention rate.	G4-LA1.Total number and rates of new employees and employee rotation broken down by age, gender and region.	Page 58	Recruitment rate is not reported and information is not broken down by age, gender and region	Yes, Page 106-107	Colombia
	Occupational health and safety		Health and safety committees.	G4-LA5. Percentage of total workers represented in joint health and safety committees for management and employees, to help monitor and advise on safety programs and occupational health.	Page 65			
			Health and safety of direct employees	G4-LA6. Types of accidents and accident rates, absence from work, occupational diseases, lost days and fatalities related to the work by region and gender.	Page 66	Information is not broken down by gender.	Yes, Page 106-107	Colombia
Human capital development	Training and education	We care about the personal and professional development of our Team Terpel, since we recognize that if we want to have a comprehensive and qualified human resource, we must invest in them and in their growth.	Development of our human resource	G4-LA9. Annual average training hours by employee, broken down by gender and job category.	Page 26,57		Yes, Page 106-107	Colombia

Material issues	GRI related aspect	Why it is important	How we do it	Indicator	Page / Indicator Answer	Omission	External verification	Extent of verification
Technology and innovation	Not applicable	We work with excellence and conduct all our activities with the highest standards, ensuring that innovation is present in all our lines of business, to always offer the best in each of the countries where we operate.	What we do -Service stations	Own. Number of service stations with new image.	Page 24		Yes, Page 106-107	Colombia
	Not applicable		What we do -Service stations	Own. Number of service stations with supplementary businesses.	Page 24			
	Not applicable		What we do -Lubricants	Own. Number of lubricants with environmental benefits.	Page 39			
Safe operating conditions	Not applicable	Thanks to the policy of quality, safety, occupational health and environment we established commitments, stipulating aspects such as promoting a culture of prevention among our stakeholders and supply of products and differentiating services that meet the needs and expectations of our customers.	What we do -Service stations	Own. Progress in the Reliable Service Stations program	Page 27		Yes, Page 106-107	Colombia

Material issues	GRI related aspect	Why it is important	How we do it	Indicator	Page / Indicator Answer	Omission	External verification	Extent of verification
Respect and promotion of Human Rights	Not applicable	At Terpel we understand human rights as the basis of all activities, the relationship with stakeholders and international operations. To ensure its compliance, we aligned our strategy with the Principles of the Global Compact of the United Nations, to which we adhered in 2010.	How we do it – Human Rights	Own. Compliance of 10 principles of the global compact.	Page 84		Yes, Page 106-107	Colombia
	Freedom of association and collective bargaining		GRI Table	G4-HR4. Activities of the company and suppliers in which the right to freedom of association and collective bargaining may be at significant risk, and measures taken to support these rights.	Organización Terpel does not consider there is a workplace or a supplier that threatens freedom of association for our employees. Additionally we have improved our communication channels so that unionized or non-unionized workers can express their opinions or requirements.	Information is not reported for suppliers	Yes, Page 106-107	Colombia
	Child labour		GRI Table	G4-HR5. Activities of the company and suppliers that have been identified as having a potential risk for incidents of child labour, and measures taken to contribute to its elimination.	Organización Terpel does not have operations identified as forced or compulsory labour. The Organization receives the principles and standards of the International Labour Organization (ILO). To prevent such activities, the Organization defined a position on human rights that it extends to its suppliers	Information is not reported for suppliers	Yes, Page 106-107	Colombia
	Forced labour		How we do it – Human Rights	G4-HR6. Activities of the company and suppliers that have been identified as having a potential risk for incidents of forced labour, and measures taken to contribute to its elimination.	Page 75, 83	Information is not reported for suppliers	Yes, Page 106-107	Colombia