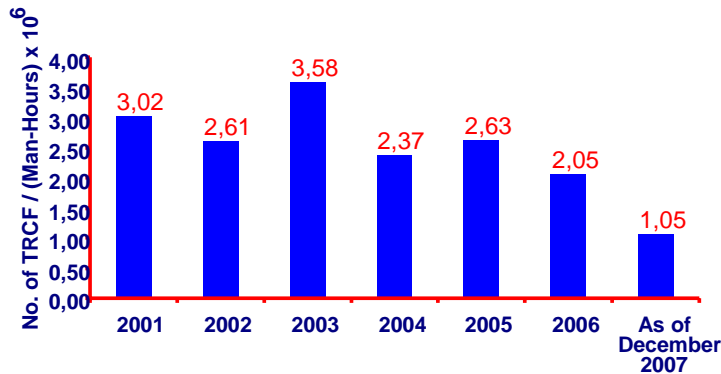


Total Recordable Case Frequency (TRCF) Transredes S.A. and Contractors



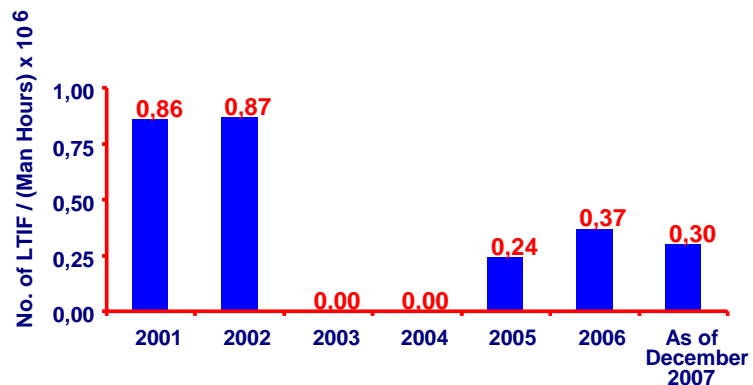
The Total Recordable Case Frequency (TRCF) is calculated as the total number of accidents including Lost Time Incidents (LTI), Medical Treatment Cases (MTC), Restricted Work Cases (RWC) and fatalities (FAT), per million working hours of employees and contractors.

During 2007 seven recordable cases were reported involving Transredes and Contractors. Transredes TRCF reached 1.05 as of December 2007, the lowest frequency in Transredes history and still below the average for the industry (2.92), as reported by the International Association of Oil & Gas Producers (www.ogp.org.uk).

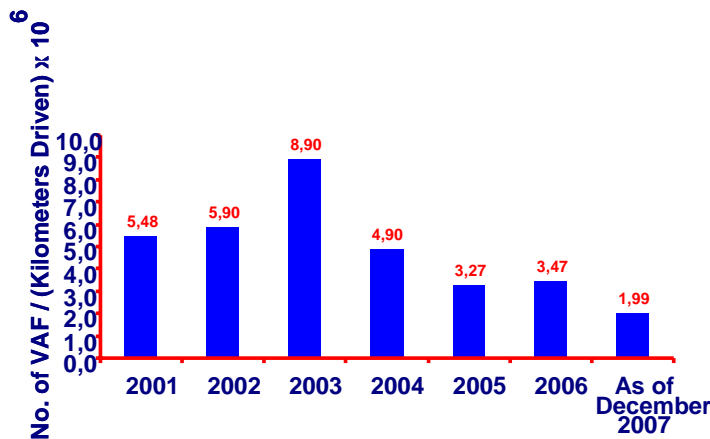
Lost Time Injuries Frequency (LTIF) Transredes S.A. and Contractors

Lost Time Injuries Frequency (LTIF) is calculated as the total number of incidents with lost time (LTI) per million working hours of employees and contractors.

As of December 2007, Transredes and contractors registered a Lost Time Injury Frequency of 0.3. As reported by International Association of Oil & Gas Producers (www.ogp.org.uk), the average for the industry was 0.99.



Vehicle Accidents Frequency (VAF) Transredes S.A. and Contractors



The Vehicle Accidents Frequency (VAF) is calculated as the total number of motor vehicle accidents per million kilometers driven by employees and contractors. This Index includes all Vehicle Accidents irrespective of the amount of resulting damage.

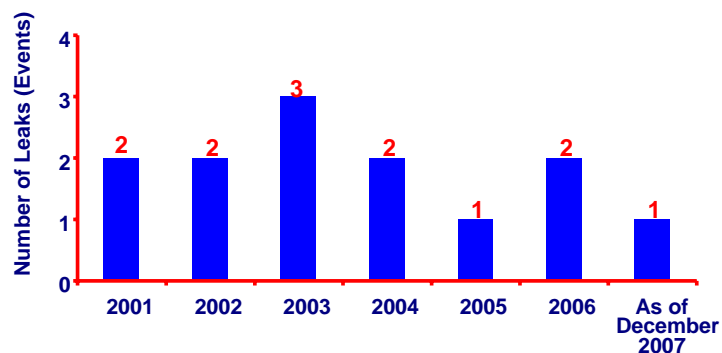
The vehicle accident frequency in 2007 reached 1.99, the lowest frequency in the company history. Transredes is committed to reducing accidents even more through a continuous implementation of the internal defensive driving training program, the additional safety measures in vehicles (monitoring system and special safety devices), enforcement of day light driving only, trip planning procedures, TIS training, medical check ups and zero alcohol and

prohibited drugs tolerance.

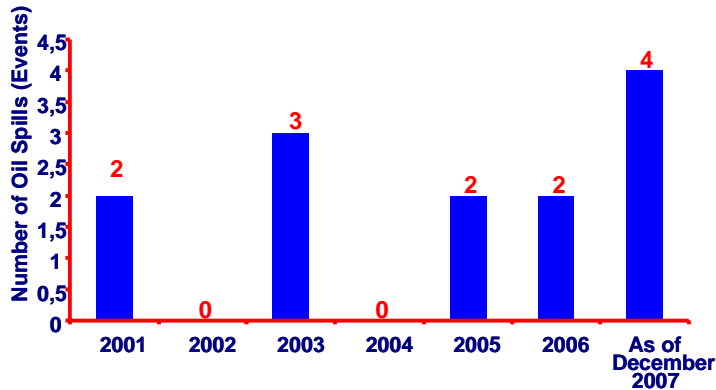
Gas Leaks (Greater than 100,000 Cubic Feet)

Gas leaks are calculated as the total number of gas leaks per year greater than 100,000 cubic feet, which corresponds to the "M1" class according to ASME classification.

One gas leak greater than 100.000 cubic feet was reported for 2007 in Transredes & Contractors operations. In order to prevent leaks, Transredes continuously implements preventive maintenance programs (burying and line replacement), smart pigging, comprehensive risk management, community / social training on safety and theft prevention.



Oil Spills (greater/equal to 12.5 barrels)



Oil Spills are calculated as the total number of events per year greater than 12.5 barrels.

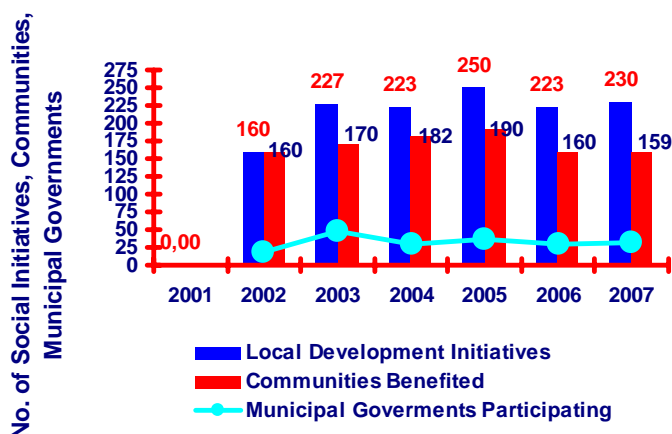
Four oil spills greater than 12.5 barrels to report during 2007. The unusual strong and persistent rains were the main cause of the spills reported. Transredes continue implementing preventive maintenance programs (burying and line replacement), smart pigging inspections, risk management, corrosion prevention, social community training, line patrolling and theft prevention to prevent oil spills.

Fatalities

During 2007 there have been no fatalities to report involving employees, contractors or third parties involving Transredes and contractor activities.

Social

Support to Local Development Initiatives Program



These local development initiatives are implemented together with the community members, local authorities and other local institutions municipal governments and NGOs.

During 2007, 230 initiatives were supported benefiting 159 communities, in coordination with 31 municipal governments mainly related to education infrastructure, potable water systems and sports. We have continued to strengthen our relationships with neighbouring communities and their municipal governments, working together on topics of mutual interest and benefit, according to the support criteria defined in our good neighbour policy. These local development initiatives were implemented together with the communities and their respective municipal governments.

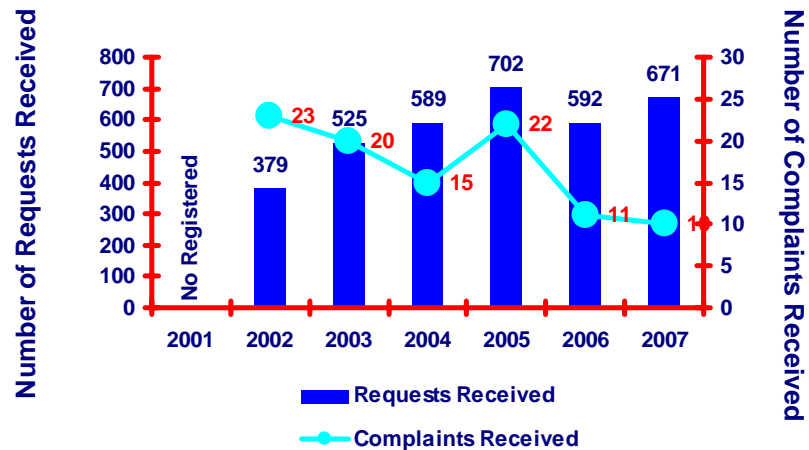
Attention to Requests and Complaints and other Communications

The objective of this program is to ensure that all the requests and complaints received from neighbouring communities, get a coherent and timely response.

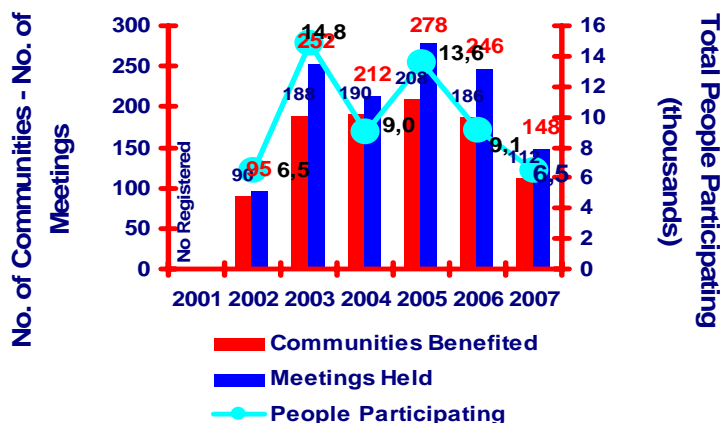
All received requests are attended in line with our procedures and internal criteria to ensure fair and coherent treatment. The criteria applied to attend requests for donations and support to local development initiatives include: **vicinity, basic necessities, sustainability, local participation and communal benefit**, respecting and valuing the functions and responsibilities of the other stakeholders involved in sustainable development (for eg: municipal governments, central government, NGOs, grassroots organizations, etc.).

The complaints are attended in coordination with the corresponding internal departments, in order to take the appropriate measures and attend or correct the problem, when applicable (sometimes complaints are not related to our company activities but concern others).

As of December 2007, 671 requests and 10 complaints were received.



Safety Education and General Information Program for Neighbouring Communities



The purpose of this program is to inform the local population and local authorities on the company's activities in relation to the operation of the pipelines, their maintenance and what should be done in the event of any problems; in this way we seek to avoid situations which could put lives or the environment at risk.

During 2007, safety talks were mainly implemented in communities in the area of influence of the pipeline expansion projects (eg. Project GAA phase III, GVT and GCC). As of December 2007, 148 meetings were held and were attended by 6482 persons from 112 communities.

Environmental Performance Indicator

INDICATOR	UNITS	2005	2006	As of Dic 2007
Energy Use (P)	Kilowatt-Hour (1 KW - Hour = 3,6 million Joules)	5,736,797	6,606,249	7,019,328
Use of Natural Resources: Water (4)(P)	Cubic meters (m3)	59,110	46,498	53,270
Admonitions due to Environmental Regulation Infringement	Number of admonitions	0	0	0
Fines due to Environmental Regulation Infringement	Number of fines	0	0	0
Lubricants				
- Purchased	Barrels (1 Barrel = 205 Liters)	924	1,113	1,208
- In Storage or Use	Barrels (1 Barrel = 205 Liters)	601	980	953
Waste (P)				
Biodegradable	Kilograms	82,591	73,571	81,255
Specials	Kilograms	3,750	1,632	1,902
Incineration	Kilograms	6,000	6,294	6,130
Industrial	Kilograms	131,651	100,738	92,500
Recycling	Kilograms	23,627	46,297	19,253
Sanitary	Kilograms	230	265	541
Emissions (5)				
CO2	Tones equivalent	82,987	109,150	135,631
NOX	Tones equivalent	2,269	3,019	3,752
N2O	Tones equivalent	7	9	11
SO2	Tones equivalent	0	0	0
CO	Tones equivalent	287	381	474
CH4	Tones equivalent	1,642	1,723	1,690
VOC	Tones equivalent	351	339	273

(*)Cumulative for the year, unless stated otherwise.

(P) Preliminary Information

(4) Estimated. since not all stations have water measurement systems.

(5) Estimated theoretically.