GRI (Global Reporting Initiative)

The general framework of the Global Reporting Initiative (GRI) is emerging as the standard globalized method for sustainability reports. Nearly 1,000 organizations in more than 60 countries have declared using the GRI outline for reporting sustainability compliance.

GRI reports are published by multinational companies, government departments, public authorities, small business, private enterprise, and non-profit organizations.

Transredes, within the framework of its values of corporate citizenship and looking to strengthen its communication with its stakeholders, has decided to support this initiative, not only adopting its guidelines for Sustainability Reporting but also becoming part of the part of the group of organizations that actively support this institution.

The Coalition for Environmentally Responsible Economies (CERES) and the United Nations Environment Programme (UNEP) in 1997 laid the groundwork for GRI. This then turned into a worldwide network that involves thousands of dedicated and active individuals from all walks of life and all sectors of society. In 2002, at the World Conference on Sustainable Development, GRI became part of the agenda for the implementation plan approved that same year. With its Secretariat located in Amsterdam, GRI is an independent institution and a center for collaborating with the UNEP, which works along with the United Nations Global Compact and several other centers of excellence around the world.

Through its guidelines and outline, and with the backing of other elements mentioned within the framework of GRI reports, companies and organizations can divulge their financial situation, their relationship with the environment, and social impacts through a globally acknowledged and comparable mechanism. The third generation of GRI guidelines and outlines, G3, was presented in October 2006 in Amsterdam, and is now the primary framework for new sustainability reports. For more information, visit our Web site:

http://www.transredes.com/gri.php

Transredes Business Management System
APPROACH BY SENIOR MANAGEMENT

The Senior Management at Transredes acknowledges that keeping the trust and credibility of its stakeholders is vital for its ongoing growth and success. The Company seeks deserve this trust by conducting its affairs in accordance with its Framework of Sustainable Development. It does whatever it takes to ensure that this framework is implemented throughout Transredes and actively promotes its adoption by its contractors and principal suppliers.

Transredes conducts its business on the basis of its Sustainable Development Policy–which includes Economic Performance, Preserving the Environment and Human Life, and Responsibility with its Stakeholders–joining its mission with the future of Bolivia. As a Company that transports hydrocarbons, it proactively seeks to manage the risks that affect Sustainable Development through World-Class Systems for Managing Quality and Health, Safety, Environment and Social.

The Business Management System is the product of the commitment by the Chief Executive Officer and Senior Management, as well as all the employees and workers in the different areas of the Company. The Business Management System is a consolidated system and was adopted as part of Transredes' culture; moreover, it is acknowledged as the basis for the Company's continuous improvement.

The Management Approach at Transredes is set forth in detail in its "Business Management System Manual" (available on our Intranet) from where we have extracted the following concepts for each of the categories for the GRI-G3 methodology.

ECONOMIC PERFORMANCE

Transredes has adopted a process approach to manage its business activities, which allows systematic identification establishing the sequence and interaction of the Company's processes. This approach is used as a means to identify and use the opportunities for improvement.

The Company's processes have been identified and are documented through Standards, Procedures, and Work Instructions, all of which define the purpose, the objectives, the responsibilities, and the controls for each process. The performance appraisal and analysis of the processes is monitored by means of performance indicators that identify opportunities for improving the services offered. A responsible party is assigned to each one of the processes; and the corresponding capacity is conferred on this individual with regards to the efficiency, effectiveness, evaluation, and suitability of improving the processes.

Transredes regularly evaluates the value, risks, and opportunities of its business alternatives over the short-term, the medium-term, and the long-term, taking into account the business climate, both now and in the future. The Company also analyzes the impact on its financial and economic position. This information is then turned into projections on the basis of defined parameters for the volumes, operating costs and capital expenses, and the transportation tariffs. The Company's principal objectives are defined and monitored, as well as a means of treating the operating risks as a whole. The financial performance is constantly updated so as to be able to take into account different alternatives in the marketplace and all types of market sensitivities.

Transporting hydrocarbons is a public service that should be provided in a regular and continuous manner so as to satisfy the needs of the people and industry, while being oriented to the nation's development.

ENVIRONMENTAL PERFORMANCE

Defining the environmental objectives is based on strategic planning, the applicable regulatory norms, and identifying the issues and the assessment of environmental impacts. Looking to attain continuous improvements in its environmental performance and also comply with the requirements of the applicable national legislation, Transredes welcomes and applies international standards, company guidelines, and standards in effect throughout the petroleum industry.

Emissions and discharges to the environment and surroundings are reduced primarily at the source using BATNEC (Best Available Technology Not Entailing Excessive Cost) technology, not only through operating controls but also through predictive, preventative, corrective, emergency maintenance practices.

New designs and projects, from their pre-feasibility stage, are submitted to prior evaluations, with the object of assessing their environmental, social, and safety implications. If the project is considered feasible, during the Environmental Impact Assessment (EIA), emphasis is placed on the public consultation process based on the national legislation and the World Bank guidelines.

Transredes applies a systematic approach to health, safety, social issues, and environmental management with the aim of attaining continuous improvement. Consequently, these activities are managed in the same manner as any other critical activity in the Company, establishing clear objectives to exceed, measure, appraise, and report their performance.

The Company constantly measures its behavior, and that of its contractors, within the Framework of Sustainable Development and its commitment to preserving the environment and human life. Each year the goals and performance indicators for all Company activities are reviewed, and then upgraded based on the parameters of continuous improvement.

In order to ensure the sustainability of our activities, and as a higher value, it is indispensable that we protect human life and contribute to a better quality of life for future generations in Bolivia.

LABOR POLICIES AND WORK ETHICS

Transredes determines and takes the steps necessary to set up conditions for a work environment that is conducive to achieving the service requirements in accordance with the legal and statutory requirements, while being vigilant and complying with its Sustainable Development Policy and suitable Risk Management.

To ensure the quality of service, special importance is assigned to selecting and training our employees as per the competence structure defined for the different job positions, the process control and improvement, the choice of materials and companies the offer services to Transredes, execution of jobs, the strict undertaking of final inspections and testing, and the tight collaboration with the customer by means of advice and assessment during the planning stages, as well as product reception, transportation, and delivery.

Transredes is committed to protecting the lives and health of its employees and contractors, at all times keeping in mind the continuous improvement of reducing, minimizing, and preventing occupational heath risks.

The objectives of Occupational Health Management at Transredes are as follows:

- Protect our employees, contractor personnel, and others from work-related health risks associated with their work or the environment where the carry out their activities.
- Promote good health amongst their workers and employees (health promotion programs).

Transredes has the objective of "zero fatal accidents" and reducing lost time accidents amongst its employees and its contractors in accordance with the needs of protecting human life. The Transredes strategy is based on preventing unsafe conditions (equipment, machinery, work environment) and unsafe acts (people) while at work, by developing a safety mindset amongst all its employees and contractors, as well as evaluating risks and threats prior to performing any duties. To this end, the Company has adopted techniques that have allowed it to reduce risks to as low as reasonably practicable (ALARP) levels.

Two key factors form the basis of every decision made by the Company, its employees and its workers. The first is based on the Principle of Sustainable Development; and the second, its Principles of Integrity (See our "Buen Conductor de Energía" Code at www. Transredes.com):

1) Gifts and Entertainment
2) Bribes and Corruption
3) Conflicts of Interest
4) Open and Fair Competition
5) Information Integrity
6) Confidentiality

7) Political Activities
8) Communication and Interaction

HUMAN RIGHTS

Transredes supports the Universal Declaration on Human Rights and aspires that these principles be applied in our sphere of activities. The Company's directors, executives, employees, workers, and contractors must apply and comply with this Declaration of Principles. The Company promotes diversity and inclusion, seeking to respect all people and comply with our Corporate Values and the Principles of Sustainable Development. To this end we have established the "Standard for Diversity and Inclusion," and compliance therewith is mandatory in all the Company's areas of business and influence.
The Company fully complies with the Bolivian General Labor Law. Due to the nature of work undertaken at Transredes and in compliance with its own values and principles, the Company does not directly hire persons younger than 18 years of age, nor does it permit the same through its contractors. Moreover, it also prohibits forced labor in accordance with national and international legal norms.

SOCIAL RESPONSIBILITY

Transredes administers it relations with its stakeholders so as to minimize the risks associated with its performance and to maximize the value of its services in accordance with its perspective of risks management and corporate opportunities, by monitoring threats and developing opportunities.

The activities incorporated within the Company's Management Process include:

1) Administer Relations with its Stakeholders, to ensure the fulfillment of its obligations and commitments with them.
2) Issues Management that puts forward, analyzes, and categorizes issues which even though they are not ongoing risks for the Company, they are issues and activities in social, political, regulatory and financial spheres that could significantly affect Transredes' activities and results.

By managing the risks generated by internal and external factors, the Company looks to fulfill two complementary objectives: one directed at the population at large and the other at the Company.
- Prevent and minimize negative impacts and maximize the benefits of operations aimed at our neighbors and other stakeholders involved.
- Minimize social risks for the Company.

In the area of social matters, we prioritize the geographic areas to be attended to with results that are available to apply barriers as per the criteria and planning developed from time to time. Since the factors that generate social risks are dynamic and many are external, it is necessary to maintain a certain degree of flexibility when planning the work so as to be able to take into account the changes in context that present themselves.

RESPONSIBILITY REGARDING PRODUCTS

Transredes executes the quality controls necessary on the product to be transported so as to meet the conditions specified in the General Terms and Conditions for Service, as per the type of product to be transported. Namely, the characteristics of the product are analyzed constantly so as to take precautionary measures on the customer's product. Our SCADA system provides electronic, on-line information with regards to the technical and volume characteristics of the products being transported. In the case of deficiencies of compliance for product specifications, the customer-shipper is notified immediately to take the corresponding measures.

While providing the transportation service for the different products, we constantly monitor the parameters that affect this process. We control all the technical characteristics and qualities of the product being transported. We also do the same during the temporary storage of certain materials and/or equipment which the Company is required or able to do.

All the customer's requirements are duly analyzed in their entirety by all the areas responsible for fulfilling and executing the service, with the object of ensuring the capacity of providing the service as per the customer's requirements, whether explicit or implicit. If there is no capacity to transport product and in order to provide

the aforementioned service, the Company can decide to assume commitments to install the necessary infrastructure, in an determined period of time.

It is understood that the transportation service is accordance with the Bolivian Hydrocarbons Law and the Regulations for Transporting Hydrocarbons through Pipelines–both being norms which govern the activities of the business.

The present Sustainability Report for Transredes has qualified as Global Reporting Initiative **B+** level, since it contains each of the criteria required for that level. Above and beyond the required minimum, we have reported on all the Performance Indicators listed in the GRI Index in the Sustainability Report. Likewise the Company's Senior Management has expressed textually its Approach to Business Management at Transredes for all categories (Economic, Environmental, Labor Practices and Work Ethics, Human Rights, Social Responsibility, and Responsibility Regarding Products).

Moreover, what has been reported has the explicit backing of independent third parties. These external evaluations include the audit reports expressed by Acevedo & Asociados on the Economic and Financial matters. Social and Reputation matters were validated by Charles Fombrun of the Reputation Institute of New York. Health, Safety and Environment Management is audited each year by TÜV-Rheiland, the company responsible for certifying compliance with the ISO Standards, ISO 9001, ISO 14001, and OHSAS 18001.

Our declaration of **B+** level was verified confirmed by the Global Reporting Initiative.

GRI Index

Global Reporting Initiative

1. Strategy and Analysis

Cross-References and Information

1.1.- Statement by the ultimate party responsible for decision making in the organization (director or president). The strategy and overall vision for the short-, medium-, and long term should be presented. (Sustainability, primary events, achievement, failures, challenges).

1.1.- See Pages 7 to 10–Letter from the Company President.

1.2.- Description of the primary impacts, risks and opportunities.

1.2.- See Pages 7 to 10–Letter from the Company President.

2. General Information regarding the Company

Cross-References and Information

2.1.- The Organization's Name.

2.1.- See page 90 to 91, Corporate Profile.

2.2.- Principal brands, products and/or services.

2.2.- See page 90 to 91, Corporate Profile, the Transportation Company.

2.3.- Organization's operating structure.

2.3.- See page 96, Senior Management & Executives and our Web Site, (www.transredes.com), under "Our Identity".

2.4.- Location of the organization's main office.

2.4.- See pages 90 to 91, Corporate Information.

2.5.- Number of countries in which the organization operates, and names of the countries.

2.5.- See pages 90 a 91, Corporate Profile.

2.6.- Nature of the ownership and legal structure.

2.6.- See page 91, Corporate Profile.

2.7.- Markets served (including the geographical breakdown, the sectors supplied, and the type of customers and/or beneficiaries).

2.7.- See page 91, Corporate Profile.

2.8.- Size of the organization (number of employees, net sales, debt, equity, total assets, owners).

2.8.- See Financial Statements and page 74, Human Resources Indicators.

2.9.- Significant changes during the period covered by the annual report.

2.9.- See pages 19 and 20, New Strategic Partner.

2.10.- Award and honors received during the period covered by the annual report.

2.10.- See pages 10, 79, and 80, Letter from the President and Reputation Quotient respectively.

3. Parameters for the Sustainability Report

Cross-References and Information

3.1.- Period coved for the information contained in this Report.

3.1.- See page 9 to 10, Letter from the President.

3.2.- Date of the previous Sustainability Report.

3.2.- May 2006, the Sustainability Report is sent to our Stakeholders.

3.3.- Cycle for presenting Sustainability Reports.

3.3.- The Report is presented annually.

3.4.- Contact Person for questions with regards to the Sustainability Report and its contents.

3.4.- See page 155, parties responsible for producing Sustainability Report 2006.

3.5.- Process for defining the contents of the Sustainability Report.

3.5.- The Report's content is defined on the basis of a process of multiple revisions at different levels: executives, managers, and operations personnel.

3.6.- Coverage for the Sustainability Report (to whom it should be sent).

3.6.- The Report is delivered to all our Stakeholders (internal and external) included in the Company's data base.

3.7.- Indicate limitations in the Report's scope and coverage.

3.7.- The totality of the pertinent and reportable matters have been covered in a summarized manner.

3.8.- The basis for including information in the case of joint ventures.

3.8.- The activities of Gas TransBoliviano (GTB) and Transportadora Brasileira Gasoduto Bolivia- Brasil (TBG), have their own respective Reports.

3.9.- Techniques for measuring data and the y basis applied to compiling the indicators and other information for the Report.

3.9.- The technological and administrative data come from our electronic systems, and the data from our stakeholders is obtained through supervised surveys and direct interviews performed by independent companies.

3.10.- Description of the effect that could be had as a result of repeating the information belonging to previous sustainability reports.

3.10.- We have maintained the indicators and units in such a way as to permit any follow-up of their evolution from previous years.

3.11.- Significant changes regarding previous periods as to the scope and coverage of the Report.

3.11.- Any changes have to do primarily with style but also to maximizing the application of the GRI3 outline and guidelines.

3.12.- Contents of the GRI Index.

3.12.- See Contents of the GRI Index, commencing with page 99.

3.13.- Current policy and practice regarding the request for external verification of the Report.

3.13.- See pages 81, 99 to 147; the Charles Fonbrum RQ Report, and GRI verification, respectively; as well as the Auditor's Report and the Financial Statements.

4. Governance, Commitments and Participation by Stakeholders

	Cross-References and Information
4.1.- Corporate structure, mandate, make-up, and responsibility.	**4.1.-** See page 96, Senior Management and Executives, and our Web Site, (www.transredes.com).
4.2.- Duties of the President in his executive position and the justifications of the position.	**4.2.-** Information contained in our Intranet, (Competence Management).
4.3.- Description of the organization along with the structure of senior management by individual.	**4.3.-** See page 96, Senior Management and Executives, and our Web Site, (www.transredes.com) under "Our Identity".
4.4.- Duties of the Audit Committee (majority and minority shareholders).	**4.4.-** See page 152, Letter from the Audit Committee.
4.5.- The link between the compensation of the members of the maximum governance body, senior management and executives.	**4.5.-** See page 38, Our "El Buen Conductor" Code, and our Web Site, (www.transredes.com).
4.6.- Procedures set up to avoid conflicts of interest in the ultimate governance body.	**4.6.-** See page 38, Our "El Buen Conductor" Code, and our Web Site, (www.transredes.com) under "Our Principles".
4.7.- Procedure for determining the training and experience required of the members of the ultimate governance body to be able to guide the organization's strategy.	**4.7.-** Information contained on our Intranet under Business Management Systems for Human Resources.
4.8.- Statement of the mission, vision, values, etc.	**4.8.-** See pages 94 and 95.
4.9.- Procedure for the ultimate governance body to supervise the organization's identification and management of its economic, environmental, and social performance.	**4.9.-** See our Web Site, (www.transredes.com), under Framework for Sustainable Development, and available on our Intranet, under Business Management System.
4.10.- Procedure for the self-evaluation of the ultimate governance body, especially with regards to economic, environmental, and social performance.	**4.10.-** See page 80, Sustainable Development Policy.

Commitments with external initiatives

	Cross-References and Information
4.11.- Describe how the company has adopted, proposed or in principle, these initiatives.	**4.11.-** See page 80, Sustainable Development Policy, and our Web Site, (www.transredes.com).
4.12.- Social, environmental and economic principles or programs developed externally (differentiate between voluntary and obligatory).	**4.12.-** See page 44 and 45, Information given to Our Neighbors, Supporting Local Development Initiatives, and several other topics in this Report.
4.13.- Principal associations to which the Company belongs.	**4.13.-** The Hydrocarbons Chamber, Chamber of Industry and Commerce, the Business Council for Sustainable Development, the Bolivian–American Chamber of Commerce, the Brazil–Bolivia Chamber, and other.

Stakeholder Participation

	Cross-References and Information
4.14.- Report of the Stakeholders that the company has included.	**4.14.-** See pages 44, 45, 79, and 80, Information for our Neighbors, Supporting Local Development Initiatives, and the Reputation Quotient (RQ).
4.15.- Basis for identifying and selecting stakeholders.	**4.15.-** Our stakeholders are either primary or secondary based on their direct and indirect relationship with the system.
4.16.- Approaches adopted for the inclusion of these groups, the frequencies of participation by type and category.	**4.16.-** This is part of the Public Consultation that is performed as part of our Reputation Quotient (RQ), See pages 79 and 80.
4.17.- Concerns and interests of these groups, and the manner in which the organization responded to them when preparing this Report.	**4.17.-** See pages 5, 79 and 80 (RQ), The results of the opinions of our stakeholders and our indicators are distributed nearly throughout this Sustainable Report, and were obtained through independent and validated surveys and interviews.

Performance Indicators–Economic Performance

Cross-References and Information

DNA-EC	Statement by Senior Management regarding its Approach to Business Management – Economic Performance.	**EC0.-**	See page 100.
EC1.-	Net Sales.	**EC1.-**	See our Web Site, (www.transredes.com), main page, Economic Performance Indicators and Financial Results. This information is updated quarterly.
EC2.-	Financial consequences and other risks due to changes in the economic climate.	**EC2.-**	See page 46, Environmental Indicator.
EC3.-	Coverage for obligations to social benefits programs.	**EC3.-**	See the Financial Statements. All our programs include economic, environmental, and social dimensions.
EC4.-	Significant financial assistance received from government.	**EC4.-**	Transredes does not receive any financial assistance from any Government; however, we do develop partnerships for joint initiatives.
EC5.-	Salaries and Benefits by Country or Region.	**EC5.-**	See the Financial Statements and the Notes thereto. We report labor costs, including benefits.
EC6.-	Payments made to Suppliers of Capital.	**EC6.-**	See the Financial Statements and pages 18 and 24, Profitability and Dividends respectively.
EC7.-	Hiring of senior management in a local community, in places where there are significant operations.	**EC7.-**	This point does not apply to our company.
EC8.-	Impact of investments in infrastructure and services offered for the benefit of the public (pro bono or in kind).	**EC8.-**	See pages 82 and 84, Expansions to the GAA and GCC Gas Pipelines.

Performance Indicators–Environment

Cross-References and Information

DNA-EN	Statement by Senior Management regarding its Approach to Business Management–Environmental Performance.	**N0.-**	See page 101.
EN1.-	Materials used by Weight or Volume.	**EN1.-**	We report the use of lubricants, our primary consumable during operations activities. See page 46, Environmental Indicators.
EN2.-	Percentage of materials used that are quantified.	**EN2.-**	See page 46, Environmental Indicators.
EN3.-	Energy use broken down by sources.	**EN3.-**	Information regarding the use of energy is available on our Intranet.
EN4.-	Indirect use of energy.	**EN4.-**	Information regarding the use of energy is available on our Intranet.
EN5.-	Water Use.	**EN5.-**	Water is used for personal use and during cleaning operations and activities. The procedures for the control and handling of the water quality in Transredes follow Bolivian norms and the guidelines established by the Inter-American Development Bank (IDB). See page 46, Environmental Indicators.
EN6.-	Biodiversity.	**EN6.-**	Transredes' pipeline systems pass through diverse geographic regions with great wealth in biodiversity; consequently, the Company is committed not only to operating its facilities and installations responsibly and thereby benefiting and protecting biodiversity, but also to seeking opportunities to positively contribute towards its conservation. See our Web Site, (www.transredes.com), Environmental Impact Assessments.
EN7.-	Impact on Biodiversity.	**EN7.-**	See our Web Site, (www.transredes.com).
EN8.-	Protected or restored habitats.	**EN8.-**	See page 46, Environmental Preventative Measures.
EN9.-	Greenhouse Gas Emissions.	**EN9.-**	Our principal greenhouse gas emissions are Carbon Dioxide (CO_2) and methane (CH_4), reported in equivalent tons. See page 46, Environmental Indicators.

Performance Indicators–Environment

Cross-References and Information

EN10.-	Substances that affect the Ozone Layer.	**EN10.-**	Transredes does not use heavy-duty, industrial air-conditioning systems, moreover, the air-conditioning systems in our offices comply with the requirements of the Montreal Protocol. The procedures and controls for handling air emissions at Transredes follow Inter-American Development Bank guidelines. See page 46, Environmental Indicators.
EN11.-	NOx, SOx and other Air emissions.	**EN11.-**	See page 46, Environmental Indicators, and our Web Site, (www.transredes.com), which is updated quarterly.
EN12.-	Total Water Discharged by Type and Destination.	**EN12.-**	Transredes classifies and disposes its solid waste according to category: biodegradable, burnable, special, recyclable, industrial, and sanitary. The most important waste products generated by the company are biodegradable waste and industrial waste–particularly oils and lubricants. This information is updated quarterly on our Web Site, (www.transredes.com).
EN13.-	Total weight of Solid Waste by Type and Treatment Method.	**EN13.-**	See page 46, Environmental Indicators.
EN14.-	Spills.	**EN14.-**	During 2006, we had two spills with volumes greater than or equal to 12.5 barrels. See page 46. This information is also updated quarterly on our Web Site, (www.transredes.com), as part of our indicators.
EN15.-	Environmental Impact of Products and Solid Waste.	**EN15.-**	This information is reported on our Web Site, (www.transredes.com), under, Environmental Impact Assessments.
EN16.-	Percentage of Products Sold and Packing Materials recovered at the end of their life span.	**EN16.-**	This point does not apply to our company.
EN17.-	Penalties and Non-Compliances related to applicable Environmental Norms.	**EN17.-**	See page 138, Financial Statements, Note 22 Administrative Processes.

Performance Indicators–Labor Practices and Work Ethics

Cross-References and Information

DNA-LA	Statement by Senior Management regarding its Approach to Business Management – Labor Practices and Work Ethics.	**LA0.-**	See pages 101 and 102.
LA1.-	Make-up of the Work Force.	**LA1.-**	See page 74, Workforce Indicator.
LA2.-	Total number of employees and means of rotation, broken down by age, sex and region.	**LA2.-**	See page 74, Workforce Indicator and our Web site, (www.transredes.com), under Human Resources Performance Indicators.
LA3.-	Percentage of employees covered by a collective agreement.	**LA3.-**	This point does not apply to our company.
LA4.-	Policies and Procedures for Information / Management of Change.	**LA4.-**	Our actions are undertaken within the framework of our Sustainable Development Policy, preserving and promoting the ideal, "strengthening communication at all levels of work," See our Web Site, (www.transredes.com).
LA5.-	Notification of Occupational Illnesses and Accidents.	**LA5.-**	Our processes for notifying and recording occupational illnesses and accidents are documented in the Transredes Business Management System, and comply with the OHSAS 18001 specifications, with are compatible with the 2002 Protocol P155 from the International Labor Organization (ILO).
LA6.-	Joint Committee on Health and Safety (Company-Employees).	**LA6.-**	See page 87, under Transredes Joint Committee.
LA7.-	Standard Accidents, Lost-Time Incidents, Absenteeism and Fatalities.	**LA7.-**	See pages 34 and 35, More than 7 Times around the World Safely.
LA8.-	Average Hours of Training of the Workforce.	**LA8.-**	See page 74, Workforce Indicator and our Web Site, (www.transredes.com).

Performance Indicators–Labor Practices and Work Ethics

Cross-References and Information

LA9.- Percentage of Employees that receive Performance Evaluations and Professional Development Assessments.

LA9.- All our employees receive a Performance Evaluation. Our principal training program is the Multi-functional Operator Program (POM), to which all our field operations personnel are subject. The average number of hours of training per employee during 2006 is published in our Intranet under Human Resources Management Reports.

LA10.- Equal Opportunities.

LA10.- Our "Standard for Diversity and Inclusion" promotes the equal opportunity conditions, no discrimination throughout the different areas of business and influence in and around Transredes. It seeks to respect all people, thereby complying with our Corporate Values and the principles of Sustainable Development. See our Web Site, (www.transredes.com).

LA11.- Salary Base for Men and Women, broken down by professional category.

LA11.- The salary and remuneration policy at Transredes is published on our Intranet, under Business Management System–Human Resources Department.

Performance Indicators–Human Rights

Cross-References and Information

DNA-HR
Statement by Senior Management regarding its Approach to Business Management – Human Rights.

HR0.- See page 102.

HR1.- Policies that Support Human Rights.

HR1.- Transredes conducts its activities in a responsible fashion and within the framework of its Sustainable Development Policy. We support the Universal Declaration of Human Rights and aspire that its principles be applied in our surroundings. See our Web Site, (www.transredes.com).

Performance Indicators–Human Rights

Cross-References and Information

HR2.- Human Rights in Distributors and Contractors.

HR2.- Our Sustainable Development Policy is obligatory for our directors, executives, employees, contractors, and wherever Transredes provides services to third parties. See our Web Site, (www.transredes.com).

HR3.- Anti-Discrimination Policy.

HR3.- Transredes promotes diversity and inclusion, seeking to respect all persons, and comply with our Corporate Values and the principles of Sustainable Development. For this purpose, the Company has established the "Standard for Diversity and Inclusion" which is obligatory in all the Company's different spheres of business and influence; moreover, this Standard is based on our Sustainable Development Policy. See our Web Site, (www.transredes.com).

HR4.- Policies of Free Association.

HR4.- See page 67, Strengthening the Collective Association.

HR5.- Child Labor.

HR5.- Due to the nature of the work undertaken by Transredes and in compliance with our values and principle, the Company does not hire individuals younger than 18 years old, neither directly nor through its contractors. See pages 94 and 95, Values and Principles.

HR6.- Forced Labor.

HR6.- Transredes fully complies with the Bolivian General Labor Law, which prohibits forced labor as per the guidelines set forth in Convention No 105 of the International Labor Organization.

HR7.- Rights of Indigenous Peoples.

HR7.- Our "Standard for Diversity and Inclusion" promotes equal opportunity conditions and no discrimination in the different spheres of business and influence in and around Transredes.

Performance Indicators–Social Responsibility

Cross-References and Information

DNA-SO
Statement by Senior Management regarding its Approach to Business Management – Social Responsibility.

SO0.- See page 102.

SO1.- Social Policy.

SO1.- The Social Management System at Transredes, means much more than "donations." It emphasized suitable behavior for all its personnel and contractors and a long-term vision that is consistent with the projections of the Company's business. In this fashion, it seeks to minimize potential negative impacts while maximizing the potential benefits to our neighbors. See pages 44 and 45, General Information to our Neighbors and other programs.

SO2.- Policies for Preventing Bribes and Corruption.

SO2.- With the aim of preventing actions that could generate potential conflicts, we have established an internal process for declaring and documenting "Conflicts of Interest, Gifts and Entertainment." These are controlled and recorded periodically. See pages 94 and 95, Values and Principles.

SO3.- Measures Undertaken in cases of Incidents of Corruption.

SO3.- We are guided by the Company's Internal Regulations, the procedures of the Investigations Committee, and the procedures for incidents requiring internal control. See our Web Site, (), Principles in our "El Buen Conductor" Manual.

SO4.- Lobbying and Political Contributions.

SO4.- Transredes respects the political preferences and activities of its employees; consequently it has established as one of its principles of integrity, "Political Activities." See our Web Site, (www.transredes.com).

Additional SO1.-
Reputation Quotient.

Additional SO1.-
See pages 79 and 80, Reputation Quotient.

Performance Indicators–Responsibility Regarding Products

Cross-References and Information

DNA-PR
Statement by Senior Management regarding its Approach to Business Management–Responsibility Regarding Products.

PR0.- See page 103.

PR1.- Customers: Health and Safety.

PR1.- In addition to coordinating the normal transportation activities, Our Control Center plays an important fundamental role looking our for the physical security of our system and protecting the environment. Its monitoring systems allow for the constant supervision of operating variables throughout the entire transportation system so as to safeguard the safety of the product, our operators, and our customers. See pages 69, 70, and 77, Transportation System Availability and Intrinsically Safe Employees, respectively.

PR2.- Product Information and Labeling.

PR2.- We report the Availability Indicator, and the transportation of product is coordinated directly with our customers. It does not require labeling in the traditional sense; furthermore, the parties that request the transportation services know the characteristics of the product transported.

PR3.- Customer Satisfaction Practices (satisfaction surveys).

PR3.- See pages 79 and 80, Reputation Quotient (RQ).

PR4.- Compliance with Laws, Standards and Voluntary Codes in advertising and marketing communications. (Advertising, Promotions, and Sponsorships).

PR4.- See our Web Site, (www.transredes.com).

PR5.- Customer's Right to Privacy.

PR5.- Confidentiality is one of our Principles of Integrity. This means that all our employees are committed to respecting the Company's confidential information, including, without limitation, the information given in trust by third parties, our shareholders, suppliers, contractors, competitors, and customers, in the same manner as the Company would protect its own confidential information. See page 94, Values and Principles.