



CEPSA GROUP SUPPLIER CODE OF ETHICS AND CONDUCT





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CHAPTER I

Introduction

This Supplier Code outlines the basic and minimum standards of conduct expected from our Suppliers working on behalf of Cepsa or any of its subsidiaries.

The Cepsa Group¹ (hereinafter, "Cepsa") upholds the highest ethical values and standards of integrity in its business activities and expects the same from its Suppliers². Acting ethically and responsibly requires, but is not limited to, observing and complying with all applicable laws and regulations and doing business in a manner that respects and supports basic human rights principles when interacting with our stakeholders.

Cepsa is committed to establishing a framework of mutual respect, trust and cooperation with its Suppliers; accordingly, it has adopted this "Supplier Code of Ethics and Conduct" (hereinafter, "Supplier Code"), fully aligned with the Cepsa Code of Ethics and Conduct, which

reflects and embodies the business practices, standards and principles that support this commitment and the foundation for developing and maintaining stable, trusting and long-lasting business relationships with Suppliers who share our values and sense of responsibility, with the goal of achieving continuous improvement and excellence throughout our supply chain.

This Supplier Code outlines the basic and minimum standards of conduct expected from our Suppliers working on behalf of Cepsa or any of its subsidiaries, understood to be those companies in which Cepsa has a shareholding of over 50% or a controlling interest.

¹ Cepsa includes Compañía Española de Petróleos, S.A.U. and its group of subsidiaries (hereinafter, "Cepsa"); any entity, operation or investment controlled by Cepsa; and/or any entity, operation or investment that adopts the Cepsa Supplier Code of Conduct.

² Suppliers mean any third parties participating in the Cepsa value chain, including contractors and consultants, that provide raw materials, finished products, goods and services to Cepsa or that act on behalf of Cepsa in any type of activity (collectively, "Suppliers").

A person wearing a bright orange jumpsuit is standing on a white, curved industrial staircase. The person appears to be working, possibly inspecting or maintaining the structure. The staircase is made of metal with a white finish and has a railing. The background is a cloudy sky. The overall scene is industrial and somewhat desaturated.

CHAPTER II

Commitments
and guiding
principles for
Cepsa suppliers

Consistent with its commitment to business ethics, integrity and good corporate governance, Cepsa became a signatory of the United Nations Global Compact in 2005, publicly affirming its pledge to endorse the Ten Universal Principles in the areas of Human Rights, Labor, the Environment and Anti-Corruption and to keep Cepsa's stakeholders informed of the progress and strides made in supporting and implementing such Principles. As part of its commitment, Cepsa strongly encourages its suppliers to likewise participate in this initiative: www.unglobalcompact.org.

1. RESPECT AND EQUALITY

• Human Rights and Labor Rights

Cepsa expects its Suppliers to share its commitment to Human Rights and Labor Rights, in accordance with internationally recognized laws, principles and practices such as:

1. The protection of the rights and values enshrined in the Universal Declaration of Human Rights;
2. The ten principles set out in the United Nations Global Compact and the United Nations Guiding Principles on Business and Human Rights;
3. The Guidelines for Multinational Enterprises of the Organization for Economic Cooperation and Development (OECD);
4. The International Labour Organisation (ILO) Declaration on Fundamental Principles and Rights at Work.

Accordingly, Suppliers shall at all times conduct their businesses and activities in a manner that upholds the following:

- **Internationally recognized human rights.** Suppliers shall respect and promote internationally proclaimed human rights and ensure that they are not complicit in human rights abuses. Likewise, Suppliers shall respect the human rights of local and indigenous communities in the areas where they carry out their activities.
- **Labor laws.** Suppliers shall comply with all applicable labor and employment laws, regulations and standards and respect all workers' rights afforded under the local labor laws of the relevant country, specifically undertaking not to employ persons under the age of 16 and not to engage in or condone any kind of labor exploitation.
- **Fair and respectful treatment, equal opportunity and non-discrimination.** Suppliers shall treat their employees with dignity and respect, protect and uphold their rights to privacy and any other workers' rights and freedoms and reject all offensive, intimidating or abusive

behavior. They shall endeavor to foster an inclusive and nondiscriminatory work environment where all employees are valued and given equal and fair treatment. In keeping with this principle, Suppliers shall promote equal opportunity in the workplace and prohibit any type of discriminatory practices based on race, age, gender, marital status, sexual orientation, nationality, social or ethnic origin, ideology or political affiliation, religion, disability, health condition, pregnancy or any other personal, physical or social condition.

- **Employing persons with disabilities.** Suppliers shall respect laws on mandatory hiring quotas for disabled persons, where applicable, and adopt policies to support the inclusion of such persons in their workforce.
- **Child labor.** Suppliers shall avoid and prohibit any form of child labor and shall always respect the minimum employment age as set out in applicable legislation, ensuring that all workers are over 16 years of age (the minimum legal age to be able to work in Spain) or over the applicable statutory minimum age for workers in the relevant country, if higher; likewise, they shall take all reasonable steps to ensure that workers under the age of 16 are not assigned strenuous or dangerous tasks that may interfere with their education, or be detrimental to their health or physical, mental, moral, or social development.
- **Forced labor.** Suppliers shall ensure that no type of forced or compulsory labor exists within their organization, meaning that no one shall work under duress or any threat of penalty, punishment or retaliation.
- **Harassment.** Suppliers are expected to create and maintain a work environment that is free from all threats of violence, physical, sexual, psychological or verbal harassment, sexual exploitation, intimidation, bullying, coercion, abuse of authority or any other abusive conduct.
- **Freedom of Association and Collective Bargaining.** Suppliers shall recognize the right of workers to organize, carry out trade union activities and conduct collective negotiations, respecting the applicable laws in each case.

2. INTEGRITY

• Legal and Regulatory Compliance

Suppliers shall respect and obey the relevant laws and regulations of the countries and jurisdictions where they operate, and shall not encourage, permit or engage in any practices or conduct that may be contrary to the law or that violate basic ethical principles.

• Anti-Bribery and Corruption

Cepsa will not tolerate any form of corruption or fraudulent behavior or practices that are contrary to its Code of Ethics and Conduct and in particular, any unlawful incentives or inducements, such as gifts, courtesies, invitations to events or anything of value, that do not strictly comply with Cepsa's Anti-Bribery and Corruption Policies in the public and private sectors.

In keeping with these principles, we expect our Suppliers to:

1. Comply with and obey all applicable anti-bribery and corruption laws and regulations in the countries where they operate, including Organic Law 10/1995 of November 23rd of the Spanish Criminal Code, the United States Foreign Corrupt Practices Act ("FCPA"), the UK Bribery Act 2010 ("UKBA") and in the broadest terms, all relevant international laws and regulations that have been enacted in the countries and jurisdictions where they operate in order to fulfill the principles and commitments contained in the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions ("OECD Convention").
2. Be vigilant and proactively look for fraud or the risk of fraud in their business. Accordingly, they must thoroughly screen their clients, customers and business partners and perform, for each particular case, the required financial and non-financial due diligence procedures, in order to safeguard Cepsa's reputation and the integrity of the supply chain.
3. Uphold the most rigorous ethical standards and principles in all of their business activities for or on behalf of Cepsa.



Suppliers must always act in an ethical manner that allows them to forge trusting, transparent and cooperative relationships with their business partners, clients and subcontractors. In furtherance of this goal, they shall establish the appropriate mechanisms to detect and combat bribery and corruption in all of its forms and shall abide by the following guidelines and restrictions:

- Never directly or indirectly offer, give or promise to give cash payments or their equivalent or any other favors to any individuals, regardless of whether they are government officials or representatives of a private company, with the purpose of:
 - Inappropriately influencing a business decision or obtaining preferential treatment.
 - Persuading such individuals or entities to use their power or influence to unlawfully obtain business or benefits.
- Never directly or indirectly offer facilitation payments to government employees with the purpose of expediting or guaranteeing the performance of a routine duty or action. In most countries, such payments are viewed as corrupt and are considered illegal; in Cepsa, they are normally prohibited and will only be tolerated as long as they are legal in the countries where we operate and are accurately accounted for.
- Never offer gifts, favors, meals, entertainment, travel, or any other business courtesies to Cepsa employees during an ongoing tendering process, which is strictly forbidden.
- Suppliers may, on occasion, offer Cepsa employees modest business courtesies, including meals, invitations or entertainment, or gifts of nominal value, as long as a tendering process or contract negotiation is not underway, the monetary value of such gifts or courtesies does not exceed 150 euros (or the equivalent in local currency) and they are not delivered to an employee's home address. In any case, Suppliers must ensure that such gifts or hospitality are appropriate, reasonable and compliant with our policies and human rights.



MORE INFORMATION:

If a Supplier has any questions or concerns about the propriety of any gift, meal, invitation, entertainment, etc., the Supplier should contact Cepsa's Ethics & Compliance Office through the Ethics & Compliance Channel (canaletica@cepsa.com) prior to making such offers.



• Conflicts of Interest

Suppliers are expected to exercise reasonable care and diligence to prevent any actions or conditions that could result in an actual conflict of interest or give the impression of influencing a Supplier's ability to act in the best, objective interests of Cepsa.

Suppliers shall not use their position for personal gain or benefit at the expense of Cepsa.

Suppliers must identify and take steps to resolve any potential, perceived or actual conflicts of interest, so as to maintain and ensure complete independence and objectivity in their business dealings with Cepsa. In cases where a potential conflict may exist, Suppliers shall be mindful of the following duties:

- Duty to abstain from taking part in any decision-making processes and accessing any confidential information.
- Duty to be transparent and proactively notify any conflicts of interest to the Ethics & Compliance Office through the designated channel (canaletica@cepsa.com).

• Fair Competition

Suppliers shall manage their business respecting the principle of fair competition as well as any applicable regulations, and shall conduct themselves in an ethical manner vis-à-vis their competitors. Accordingly, Suppliers shall not enter into any agreements or understandings (whether express or implied) or engage in any actions that illegally or improperly restrict trade or competition or that violate antitrust and competition laws.

• Supply Chain Integrity

Suppliers must carefully and thoroughly scrutinize, select and monitor the third parties they use and who will act for or on behalf of Cepsa.

Accordingly, Suppliers are expected to perform appropriate screening and background checks on their counterparties in order to guarantee the integrity of their supply chain, taking into account the activity, origin and government interaction of such third parties. They must use extra caution and exercise due diligence in order not to take part, directly or indirectly, in any transactions or dealings with individuals, entities, or countries subject to sanctions under applicable international trade restrictions or sanctions programs.

Third parties, contractors, agents, or subcontractors should be selected based on merit and a fair and competitive selection process, avoiding any practices that can compromise this process. Suppliers shall be held responsible for ensuring their own third parties comply with this Supplier Code and applicable standards and policies with respect to business conducted for or on behalf of Cepsa.

• Corporate Image and Reputation

Cepsa's reputation relies on the honesty and integrity of the suppliers and business partners that support our day-to-day activities. Suppliers shall undertake to exercise utmost care and diligence in preserving and protecting Cepsa's image and reputation in their business activities, ensuring that their employees and subcontractors act accordingly.



3. TRANSPARENCY

- **Recordkeeping**

Suppliers shall ensure that transparent, accurate and up-to-date books and business records are maintained at all times, in accordance with all applicable legal and contractual obligations. Suppliers shall immediately notify Cepsa if they identify any irregular or questionable payments, suspicious transactions or suspected money laundering that may potentially involve Cepsa.

- **Audits and Assessments**

Suppliers are expected to provide their fullest cooperation, as required, in any inspections or audits conducted by Cepsa and shall report to Cepsa's Internal Audit, Compliance and Risk Division on any investigation, audit, evaluation or unusual request related to Cepsa or to work performed on behalf of Cepsa. The Internal Audit, Compliance and Risk Division reserves the right to carry out, either on its own or through authorized third-parties, on-site inspections and audits of the governance system, books, records and facilities of a Supplier.

4. WORKPLACE HEALTH AND SAFETY

Cepsa is committed to providing a safe, secure and healthy workplace for all our employees and any other persons working at or visiting our facilities. In keeping with this commitment, Suppliers shall likewise implement and enforce workplace health and safety standards, regulations and policies that are consistent with ours to ensure:

- Safe, secure and healthy working conditions that strictly comply with all legal requirements on occupational risk prevention pursuant to international labor laws, the applicable laws of the country of operation and the standards and regulations of the Cepsa Group.
- Workplaces that guarantee good industrial hygiene conditions, adequate lighting and ventilation, sanitation and safe drinking water, providing the suitable fire-fighting and protective equipment for each activity.
- Preventive measures to avoid workplace accidents and illnesses, implementing effective emergency plans, drills and response procedures.
- Training and awareness programs for employees to enable them to properly address health and safety issues that may arise in the performance of their work.
- Availability of appropriate and well-maintained equipment and materials that meet the relevant occupational health and safety standards..

5. PRODUCT SAFETY AND QUALITY

Cepsa is committed to guaranteeing the highest level of satisfaction amongst its clients and customers and expects its Suppliers to provide the same levels of quality in its products and services. Cepsa has systems in place to initially verify and monitor compliance with the quality standards of each product and service engaged and expects its suppliers to cooperate in the implementation of such quality assurance systems.

Suppliers shall at all times ensure that any products delivered or services provided meet or exceed the quality standards set forth in applicable laws and regulations as well as Cepsa's contractual requirements.

In terms of product safety, all products shall comply with the applicable laws and regulations of the country where the product is delivered. Products shall be properly packaged and labeled, in accordance with local laws and regulations and international agreements on the transportation of hazardous materials. Chemical product suppliers shall provide Material Safety Data Sheets as well as any other information enabling the Cepsa Group to fulfill its product stewardship commitments and obligations.

6. ENVIRONMENT

Cepsa is committed to protecting and preserving the environment and rigorously complies with all applicable environmental laws, regulations and standards, demonstrating continual improvement in its environmental performance, and implementing leading industry practices.

Suppliers shall conduct their business in an environmentally sound and responsible manner and abide by all applicable laws and regulations in the countries where they operate, making every effort to minimize their environmental footprint and to promote measures aimed at tackling climate change and protecting biodiversity.

Suppliers shall also take special care to: optimize the use of relevant resources, such as energy, water and materials; minimize waste; and promote activities involving reuse and recycling, wherever feasible.

7. CONFIDENTIALITY

Suppliers must safeguard the confidentiality of any information that they acquire as a result of their relationship with Cepsa when conducting their business, including personal data, sensitive business information or inside information.

8. DATA PRIVACY AND PROTECTION

Cepsa guarantees the right to privacy of its employees and individual stakeholders, protecting and making appropriate use at all times of the personal data it handles, in accordance with the applicable laws and regulations for each situation and circumstance.

Suppliers shall abide by all relevant data protection and privacy laws and regulations and conduct data processing within the framework of their contractual relationship with Cepsa. Accordingly, each Supplier shall only acquire confidential information or personal data through the appropriate means. Such information must be kept secure and access provided only on a need-to-know basis. Suppliers shall not discuss, disclose, transfer, release or share any confidential information or personal data related to Cepsa without prior written consent and authorization from Cepsa.

9. INFORMATION SECURITY

Suppliers shall establish and maintain adequate security systems, measures and procedures to protect any information belonging to Cepsa, whether in paper or electronic format, from unauthorized access, use or disclosure, and ensure that such measures and procedures are suited to the sensitivity and confidentiality of the information collected or otherwise processed. Suppliers must likewise guarantee that robust controls are in place to monitor the efficiency and effectiveness of existing security measures and that such controls are reviewed and updated periodically and as often as needed.

CHAPTER III

Supplier responsibilities





Your responsibilities as a Cepsa Supplier with regard to this Code are to:

- Respect and comply with the Code as long as you are a Cepsa Supplier.
- Be aware of and follow all laws and regulations and Cepsa rules and policies that apply to your professional activities.
- Avoid any type of activity that could be unethical, illegal or damaging to Cepsa's reputation.
- Provide your fullest cooperation with investigations and audits by volunteering any truthful information you may have.
- Endeavor to implement the appropriate control mechanisms recommended by Cepsa wherever necessary or desirable to guarantee the supply chain.
- Report, in good faith, any concerns or suspected violations of this Code or any information you consider relevant to the standards and requirements contained in this Code to the Ethics & Compliance Channel (canaletica@cepsa.com).
- Take steps to ensure that your contractors and third parties have their own policies that are consistent with the contents of this Code and that they respect and uphold the same values and principles set out herein, as a means of guaranteeing supply chain integrity.



CHAPTER IV

Managing violations of the code





Failure to abide by the standards of this Supplier Code may negatively affect a Supplier's current relationship with Cepsa and may impact the decision on whether such a relationship will be continued in the future. Persistent and repeated non-compliance, depending on the gravity of the circumstances, shall have consequences ranging from a simple admonishment to termination of existing contracts and removal of a supplier from consideration for future business opportunities, as well as any other legal or administrative actions that may be deemed appropriate.

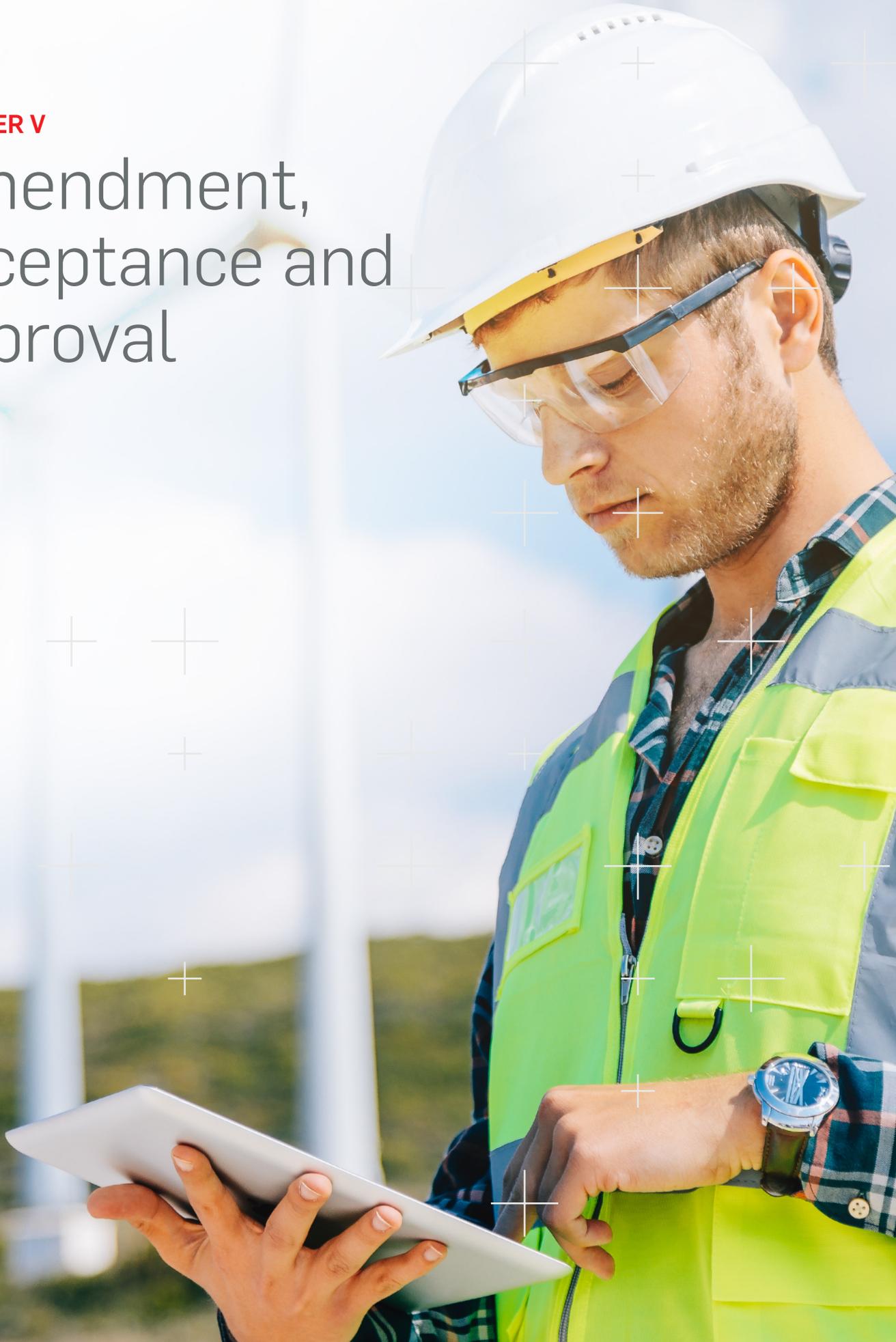


MORE INFORMATION:

For enquiries on the requirements of the Code, or to report a suspected violation of the Code, please contact the Ethics & Compliance Office through the Ethics & Compliance Channel at: canaletica@cepsa.com.

CHAPTER V

Amendment, acceptance and approval



This Code was approved by the Board of Directors at its meeting held on November 20th, 2018, and shall become effective as of the date of its approval.

The contents of this Code shall be revised from time to time and amended and updated accordingly, following the same procedures used for their preparation, to reflect the inevitable process of change in society in general and in Cepsa in particular. The most recent version of this Code shall be made available on Cepsa's website at: www.cepsa.com.



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