

Slavery and Human Trafficking Statement.

Introduction from the Director Paloma Alonso

We always aim to go one step further. That's why we don't just have solid values and act in an ethical way, but we also have policies in place to assure we fulfil sector regulations.

We are committed to improving our practices to combat slavery and human trafficking. Cepsa takes every care not to employ, either directly or through contractors, anyone under the age of 16, and does not tolerate any form of child labour or any type of forced labour or exploitation.

Organisation's structure

We are a provider of petrochemical products in the phenol and solvents sector. Cepsa UK is a part of the Cepsa Group, an integrated company operating across the entire oil and gas value chain. Mubadala Investment Company Group is our sole shareholder. Close to 10,000 experts from across the world make it possible relying on our values of safety, sustainability, continuous improvement, leadership, and solidarity. Cepsa Group is working on a progressive internationalization and is present in 20 countries across Europe, North America, Latin America, Africa and Asia.

We are a solid and transparent company with an annual revenue of 13.643 million of € in 2020.

Our business

Our business is organised into business units:

Petrochemicals

Through our subsidiaries, being CEPESA UK LTD one of them, we manufacture and market basic chemical products and derivatives. We carry out the basic petrochemical activity in the refineries, obtaining raw materials, intermediate and final products. For our petrochemical activities, we have 6 distributed throughout Spain, Germany, Canada, Brazil, China, and Indonesia. The products manufactured have a multitude of applications as raw material, for the production of detergents, as well as for the manufacture of resins, electronic components, insecticides, synthetic fibres and pharmaceutical products, among others. We are world leaders in the LAB line of products and we are second in the Phenol-Acetone line.

Exploration & Production:

This business area includes all the activities necessary to search for and produce hydrocarbons. We are present in South America, Africa, the Middle East and Spain with a production capacity of over 66,000 barrels of oil a day. We currently operate the second largest oil in Algeria and our presence in Colombia is significant, where we are the 5th largest company in the sector.

Refining:

Through the Refining activity, the crude oils are distilled, selecting the most suitable ones for our products and are transformed into products for sale in the markets in which we operate. The activity of Refining is integrated with other CEPSA businesses, from the supply of crude oil to the commercialization of products (Trading, Marketing, Chemical and Gas and Power), in order to maximize the value chain margin.

Our refining activity is centred on the Spanish territory, where we have three refineries with a total crude oil distillation capacity of 23.6 million tons per year, 32% of the Spanish capacity, from which we serve the domestic and export markets.

Marketing & Distribution

At Cepsa, we develop our commercial activity of fuels and carburants through three sales channels: we have an extensive network of service stations (around 1,800 points) in Spain, Portugal, Andorra, Gibraltar, Mexico and Morocco, our own direct sales channels and an extensive national and international network of agents and distributors. Using these three channels, we market fuels for the automotive industry, marine fuels, aviation fuels, asphalt bitumen, lubricants, liquefied petroleum gas (LPG) and a wide range of petrochemical products.

Gas & Power

As a complement to our operations, we have a combined cycle and cogeneration plants of electricity and steam in the main production centres, powered by natural gas, and we supply industrial customers and consumers in the tertiary sector.

Trading & Bunker

Through the Trading unit, we sell crude oil from our exploitations and surplus products from our refineries, supply the areas of refining and marketing of raw materials and intermediate products, and carry out the sea transport of crude oil and derived products. Additionally, through this unit, we manage the price risks of futures and derivatives markets and seek to maximize opportunities in globalized and highly volatile markets.

Through the Bunker unit, we supply fuel to ships in the main Spanish ports and internationally in important maritime traffic locations, such as Fujairah and Panama.

Our supply chains

We work with close to 3,600 suppliers, having €905,597 M in payments to them. A large part of our business takes place in Spain and, therefore, we encourage contracting with local suppliers in order to contribute to the development of companies that accompany us in our operations. During the last years, near 49% of our suppliers were Spanish, with which we contracted around 73% of the expenditure managed by the purchasing area.

During the last years, we consolidated the transformation of the purchasing area in order to improve its positioning as a strategic area within the Company's decision-making process. We designed a Governance Model for the purchasing process in order to attain management excellence, based on:

- i. Governing bodies than supervise entire process
- ii. Structured and transparent purchasing process

Our policies on slavery and human trafficking

We are committed to ensuring that there is no modern slavery or human trafficking in our supply chains or in any part of our business. Our Human Rights Policy reflects our commitment to acting ethically and with integrity in all our business relationships and to implementing and enforcing effective systems and controls to ensure slavery and human trafficking is not taking place anywhere in our supply chains.

In addition to complying with the applicable laws of each country where it operates, and consistent with our Code of Ethics and Conduct, the Cepsa Group's Policy on Human Rights is in accordance with international laws and practices such as the Universal Declaration of Human Rights of the United Nations, the Declaration on Fundamental Principles and Rights at Work of the International Labour Organisation (ILO), and the OECD Guidelines for

Multinational Enterprises and taking into account what is set forth in the National Action Plan for Businesses and Human Rights of the Government of Spain, approved on July 28, 2017.

It applies to managers, directors and employees of the Cepsa Group, as well as its business partners, with regard to human rights and labour practices in all areas and communities where we operate.

The Cepsa Group expects and encourages its business partners to develop and implement ethics programs and standards that are aligned with ours. In cases where Cepsa believes that such parties have failed to comply with our policies or their contractual commitments, it reserves itself the right to take the appropriate action.

Cepsa employees are responsible for ensuring the company's integrity. Therefore, if they detect a possible breach of the Code of Ethics and Conduct, internal or external rules, each employee has an obligation to report it as promptly as possible through the available Helplines.

Cepsa will not tolerate any form of retaliation aimed at anyone who raises a concern in good faith about a possible breach of the Code of Ethics and Conduct or internal or external rules. No retaliation shall be allowed against anyone who assists in an Investigation into Non-compliance either.

In the other hands, persons who fail to comply with our Code and this Policy may be putting the Company at risk and as a result, may be subject to disciplinary action or penalties.

Each violation of the Policies and Code of Conduct is reviewed on a case-by-case basis and, where necessary, the appropriate disciplinary and corrective measures are applied in accordance with corporate policies and procedures and applicable laws.

Due diligence processes for slavery and human trafficking

The Compliance and Ethics Operating Committee which consists of representatives from the following departments:

- Internal Audit, Compliance & Risk
- Legal Counsel
- Communications, Institutional Relations and Brand Marketing
- Health, Security, Safety, Environment and Quality
- Human Resources & Organization

- Finance & Administration,

shall periodically review the applicable Policies and submit recommendations to the Board of Directors regarding any amendments or revisions as may be necessary or advisable to ensure its adequacy and effectiveness, taking into consideration the suggestions and input of the Ethics & Compliance Office and Cepsa Group employees.

We also have a dedicated compliance team, the Ethics & Compliance Office, to carry out the adequate Due Diligence processes who shall ensure effective oversight, monitoring and control to identify any actions or behaviours that violate the standards and principles of the Human Rights Policy and the Code of Conduct.

As part of our initiative to identify and mitigate risk we have in place systems to:

- Identify and assess potential risk areas in our supply chains.
- Mitigate the risk of slavery and human trafficking occurring in our supply chains. Monitor potential risk areas in our supply chains.
- Protect whistle blowers.

Supplier adherence to our values and ethics

We have zero tolerance to slavery and human trafficking. To ensure all those in our supply chain and contractors comply with our values we require them to we have in place a rigorous supply chain compliance programme.

When selecting our suppliers, we:

- Give preference, in its due diligence and selection processes, to suppliers and contractors having their own human rights policies or, in their absence, those that support the principles of the Cepsa Group Code of Ethics and Conduct.
- Require its supply chain to formally adhere to the “Cepsa Group Suppliers Code of Ethics”, or to have adopted the principles embodied in the United Nations Global Compact.
- Establish the appropriate communication channels with its suppliers and contractors that enable actual or potential breaches and violations to be reported.
- Demand respect for international principles and rules on the use of force, in particular the “International Code of Conduct for Private Security Service Providers” (www.icoc-ppsp.org) considering that some activities of the Cepsa Group are conducted in high-

risk and challenging environments that require the hiring of state-owned or private security companies.

Training

To ensure a high level of understanding of the risks of modern slavery and human trafficking in our supply chains and our business, we provide training to our staff.

We have a continuous ethics and compliance training program, that is included Human Rights issues.

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes our slavery and human trafficking statement for the financial year ending 2020.

A handwritten signature in black ink, appearing to read 'Paloma Alonso', written over a horizontal line.

Paloma Alonso

DIRECTOR
CEPSA UK, LTD
Date: 25 November 2021