

Up to 1 billion euro investment in Cepsa's Energy Park in Huelva

Cepsa creates a joint venture with Bio-Oils to build the largest 2G biofuels plant in southern Europe

- **The new plant will secure the majority of its feedstock supply from organic waste through a global, long-term agreement with Apical Group, the parent company of Bio-Oils in Huelva**
- **Plant capacity will feature flexible annual production of 500,000 tons of sustainable aviation fuel (SAF) and renewable diesel to further decarbonize aviation, maritime and land transportation, enabling the reduction of CO₂ emissions by up to 90%, compared to traditional fuels**
- **Approximately 2,000 direct and indirect jobs to be created during construction and operation**
- **The President of the Regional Government, Juan Manuel Moreno Bonilla, said: "Cepsa has been investing in Huelva and Andalusia for almost 60 years and has been an active part and main player in the progress experienced in our land. Cepsa has made an outstanding contribution to our progress and to the creation of employment, with almost 8,000 direct and indirect jobs. Big bets like Cepsa's confirm that we are on the right track."**
- **Maarten Wetselaar, Cepsa CEO, stated: "This alliance is a decisive step in our strategy to lead biofuels in Spain and Portugal and positions Andalusia as a European benchmark in sustainable energy production and the circular economy."**
- **Óscar García, CEO of Bio-Oils, said: "Cepsa has been Bio-Oils' largest customer for many years. We share many operational advantages such as interconnection and operating adjacent facilities, and using the Reina Sofia berth for the charge/discharge of our products through Cepsa vessels. This new JV is a natural evolution of our existing relationship."**
- **Dato' Yeo How, President of Apical, said: "Apical's ample supply of high quality second generation feedstock is key to ensuring the new joint venture delivers on our shared vision to reduce GHG emissions in land, sea and air transport."**
- **Cepsa aims to become the leading provider of 2G biofuels in Spain and Portugal. The company will have an annual production capacity of 2.5 million tons of biofuels by 2030**

Cepsa and Bio-Oils, Apical's biofuels entity in Huelva, have created a joint venture to promote the production of second generation (2G) biofuels through the construction of the largest plant in southern Europe, announced by Cepsa last March. The facility, to be located at Cepsa's La Rábida Energy Park in Palos de la Frontera (Huelva), will entail an investment of up to 1 billion euros, one of the largest private investments in the history of the southern Spanish region of Andalusia.

The new plant will secure the majority of the feedstock supply from organic waste such as agricultural residue or used cooking oils through a global, long-term agreement with Apical, Bio-Oils' parent company, enabling it to address one of the key challenges facing the industry: access to feedstock.



2G biofuels promote the circular economy by using waste for their production that would otherwise end up in landfills.

Cepsa will contribute its technical expertise and experience in the development of large industrial projects and fuel production as well as its knowledge of the European market and the decarbonization goals of its customers in the transport sector. Apical and Bio-Oils will ensure the supply of raw materials and contribute their own expertise in biofuels production.

The new plant, which will create approximately 2,000 direct and indirect jobs during its construction and operation phase, will include two pretreatment units and the capacity for flexible annual production of 500,000 tons of sustainable aviation fuel (SAF) and renewable diesel for land, sea and air transportation. The plant is scheduled to begin operating in the first half of 2026.

The facility will be constructed with the latest technology specifically created for the production of this type of biofuels. Designed as a digital native plant, the new operation incorporates state-of-the-art technology including the latest industry advances in artificial intelligence, internet of things (IoT) and data analysis to maximize process efficiency, and ensure the highest standards of safety and environmental protection.

The sustainable fuels developed in this new plant will save 1.5 million tons of CO₂ emissions per year, equivalent to 30% of emissions in the province of Huelva. The use of biofuels can reduce CO₂ emissions by up to 90% compared to traditional fuels, making biofuels a key element in enabling a fair energy transition to decarbonize transportation, particularly in sectors where electrification is complex, such as heavy road, maritime, and air transportation. Cepsa's chemical business, will also benefit from this project having access to organic waste feedstocks for the production of their sustainable product portfolio.

The project was presented this morning at La Rábida Energy Park with the participation of Juan Manuel Moreno Bonilla, President of the Regional Government of Andalusia; Maarten Wetselaar, Cepsa CEO; Óscar García, Bio-Oils CEO; and Dato' Yeo How, President, Apical Group.

During his speech, Juan Manuel Moreno Bonilla, highlighted: "Cepsa has been investing in Huelva and Andalusia for almost 60 years and has been an active part and main player in the progress experienced in our land. Cepsa has made an outstanding contribution to our progress and to the creation of employment, with almost 8,000 direct and indirect jobs. Big bets like Cepsa's confirm that we are on the right track."

Maarten Wetselaar noted: "This alliance is a decisive step in our strategy to lead biofuels in Spain and Portugal and positions Andalusia as a European benchmark in sustainable energy production and circular economy. Second-generation biofuels are an immediate solution to support our customers' energy as they can be used in conventional engines, while enabling local development and increased energy autonomy in Europe."

Óscar García said: "Cepsa has been Bio-Oils' largest customer for many years. We share many operational advantages such as interconnection and operating adjacent facilities, and using the Reina Sofia berth for the charge/discharge of our products through Cepsa vessels. This new joint venture is a natural evolution of our existing relationship."



Dato' Yeo How added: "We believe wider use of SAF and renewable diesel provides significant benefits on a global scale, both in terms of mitigating the effects of climate change and promoting sustainable economic growth. Apical's ample supply of high quality second generation feedstock is key to ensuring the new joint venture delivers on our shared vision to reduce GHG emissions in land, sea and air transport."



Commitment to sustainability

The construction of this new plant is part of Cepsa's objective to lead the manufacture of 2G biofuels in Spain and Portugal. The company will have an annual production of 2.5 million tons of biofuels by 2030, of which 800,000 tons will be of SAF, enough sustainable aviation fuel to fly around the planet 2,000 times.

This alliance is in line with the European Green Deal and the European Commission's Fit for 55 package, which includes a legislative initiative called 'RefuelEU Aviation' that aims to boost the supply and demand of aviation biofuels in the European Union to 2% use by 2025, 5% by 2030 and 63% by 2050. The agreement will serve to position Spain as a benchmark in the supply of SAF to airlines.

As part of its 2030 Positive Motion strategy, Cepsa is driving the development of an ecosystem focused on accelerating its decarbonization, and that of its customers, through the production of green molecules, mainly green hydrogen and 2G biofuels, to become a benchmark in the energy transition.

In its strategic plan, the company has established a roadmap to reduce its emissions which is one of the most ambitious in its sector. Specifically, by 2030, it will reduce its CO₂ emissions (Scope 1 and 2) by 55% and its carbon intensity index by 15-20%, with the objective of achieving net zero emissions by 2050. Cepsa wants to go beyond net zero and have a positive impact, adding value in the communities where it operates by enabling its customers and other stakeholders to move forward in the right direction.

The development and use of biofuels contributes to several of the 2030 Agenda's Sustainable Development Goals: SDG 7 (Affordable and clean energy), SDG 8 (Decent work and economic growth), SDG 12 (Responsible consumption and production), and SDG 13 (Climate action).

Cepsa is a leading international company committed to sustainable mobility and energy with a solid technical experience after more than 90 years of activity. The company also has a world-leading chemicals business with increasingly sustainable operations.

In 2022, Cepsa presented its new strategic plan for 2030, Positive Motion, which projects its ambition to be a leader in sustainable mobility, biofuels, and green hydrogen in Spain and Portugal, and to become a benchmark in the energy transition. The company places customers at the heart of its business and will work with them to help them advance their decarbonization objectives.

ESG criteria inspire all of Cepsa's actions as it advances toward its net positive objective. Over the course of this decade, it will reduce its Scope 1 and 2 CO₂ emissions by 55% and its carbon intensity index by 15-20%, with the goal of achieving net zero emissions by 2050.

Bio-Oils was founded in 2005 to develop biofuels projects, with the strategic objective to become a leading industry player in the Spanish and European biodiesel market. A member of the Singapore-based Apical group of companies, Bio-Oils' wholly owned "La Rábida" Biodiesel Plant, located in Palos de la Frontera (Huelva), began operations in 2008 and today is one of the most efficient plants in Spain, benefitting from a strategic location, with pipeline connections to vessel-, train- and tanker loading docks.

Through an ambitious R&D program, Bio-Oils has obtained wide experience in the production of high-quality biofuels from a broad variety of oils. The plant currently uses all available first-use oils, and has been adapted to process other residual raw materials. Committed to operating at the highest levels of sustainability, Bio-Oils is a member of APPA (Association of



Renewable Energy Producers), FOSFA (Federation of Oils, Seeds and Fats Associations), EBB (European Biodiesel Board), EABA (European Algae Biomass Association) and AIQBE (Association of Chemical Industries, Basic and Energy of Huelva).

Apical is a leading vegetable oil processor with an expanding global footprint. Our vertically integrated mid-stream refining and value-added downstream processing makes us an integral supplier that supports the food, feed, oleochemicals and renewable fuel needs across industries. With integrated assets in strategic locations spanning Indonesia, China and Spain, Apical operates numerous refineries, oleochemical plants, renewable fuel plants and kernel crushing plants. Through joint ventures and strategic partnerships, Apical also has processing and distribution operations in Brazil, India, Pakistan, Philippines, Middle East, Africa, USA and Vietnam.

Apical's growth is built on the foundations of sustainability and transparency, and motivated by our strong belief that we can make a more meaningful impact even as we continue to grow our business and deliver innovative solutions to our customers.

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