

Banco de España – Banco de Portugal – European Investment Bank Conference
Financing Corporates: Lessons from the COVID-19 crisis and challenges ahead



Finance needs to support the recovery, digitalization and the green transition



POSITIVE MOTION

Madrid, April 4th, 2022

Agenda

- The world is changing
- Cepsa during Covid crisis
- Energy Transition: Positive Motion towards 2030





The world is changing, with COVID-19 accelerating this trend: increasing consumer engagement, government action and Financial Institutions & Companies commitment

Energy Transition pushed by



Customer Engagement

World citizens engage on climate change



Regulators

A low-carbon economy is the priority
EU fit for 55



Financial Institutions

Increasing support for green initiatives
Focus on ESG/ sustainable criteria



Companies' commitment

Reshaping & new businesses

Accelerators



Digitalization



Innovation & new technologies



Economic volatility, black swans

Jul 2020

Consumer and business concerns about climate change rising, despite COVID-19

Dec 2020

Covid-19 has accelerated digital transformation by seven years

Apr 2021

Oil and Gas Majors Focus on Renewable Energy, Hydrogen, and Carbon Capture

Jul 2021

European Green Deal: Commission proposes transformation of EU economy and society to meet climate ambitions

Feb 2022

Sustainable finance drives goals around climate, equity, prosperity, and governance

Mar 2022

The new energy shock: Putin, Ukraine and the global economy

The Russian invasion has led to sharp rises in worldwide energy prices, increasing the risk of higher inflation and reduced growth



As an essential energy provider in Iberia, Cepsa demonstrated robust resilience during COVID-19 while ensuring fuels and basic products supply

- **Critical manufacturer in Iberia**

- ✓ Ensure energy and chemical products supply
- ✓ Maintain operations, adapting activity to demand

- **Strong commitment** of Cepsa's employees to continue providing services

- Measures adopted in the workplace, with **flexibility and teleworking**

- Actions to **prevent virus spread** among customers, professionals and suppliers

- **Contingency Plan:** key measures

- ✓ 527M€ savings in CAPEX and OPEX
- ✓ Strict Working Capital management
- ✓ New committed banking facilities and bond issuances
- ✓ Strengthened liquidity





Cepsa carried out several initiatives and humanitarian aid, together with Fundación Cepsa and employees to face the COVID-19 crisis



- Personal **protection equipment and medical material donations** (masks, gel, gloves) in Spain and China
- **Fuel donation** for transfer of medical personnel and material in Spain
- Delivery of **free food products** for health and transport professionals
- **Employees donations**



- Reinforcing **food bank campaigns** (Spain and Portugal)
- **Fuel donation** for food delivery in Portugal
- Supply **180 tons of detergent** to vulnerable families
- Several **employees volunteer actions** (support elderly and sick)
- Other actions & donations in **Colombia and Algeria**





Cepsa has defined strong carbon commitments to address climate change as part of its integrated ESG approach

Strong carbon commitments

Scope 1 & 2

55%

Emissions reduction by 2030 vs. 2019 & Become Net Zero before 2050

Scope 3

15-20%

Carbon intensity index reduction by 2030 based in product sold vs. 2019 & Become Net Zero before 2050



Integrated ESG approach

Prioritized SDGs



Recognized by third parties



1st
In the O&G sector



1st Q
Sustainability Assessment



A-
Leadership category

Sustainable Transformation

- ESG criteria: fundamental for **investment decisions**
- Impulse **sustainable investments** & new Energy Transition technologies
- Offer customers **sustainable products**



Leading Energy Company
for diversity in Spain



Top Employer
For 7th year in a row



B+
Among leaders (Energy sector)



This decade we will transform our energy business: a sustainable ecosystem providing solutions to our customers

Sustainable Mobility & New Commerce

Drive customer mobility and road transport decarbonization



- **20 ultra-fast** chargers installed/week
- **360° charging** offer from home to ultra-fast on-the-go
- **Hydrogen** refueling sites **every 300 km** for commercial road transport by 2030
- Transform our stations into **ultra-convenience and food destinations**
- Digital to offer a **seamless customer experience**

Sustainable Energy

Decarbonization solutions for our customers



- **Decarbonizing** our own hydrogen consumption and our customers in industry, road transport & maritime
- **2 GW hydrogen** production capacity by 2030
- **2.5 Mt biofuels** production by 2030
- Leaders in **SAF with 0.8 Mt/year** by 2030

Energy Parks

Transforming refineries into diversified Energy Parks



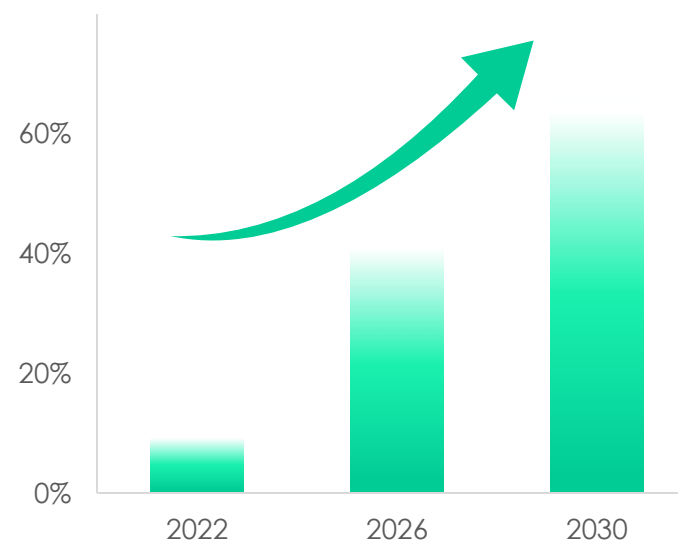
- **Strategically location**: proximity to key markets and large industrial clients
- Using **IoT** and **advanced analytics**
- Excellent **ecosystem & logistics**
- **7 GW** renewable energy projects pipeline by 2030 (mainly for internal consumption) of which **1.5 GW** have already achieved grid connection



Significant investment to transform Cepsa and generate majority sustainable EBITDA



This will translate to
Sustainable EBITDA growth



WELCOME TO

POSITIVE MOTION



Thank you