

# NON-FINANCIAL STATEMENTS



Indicator	Description	Global Compact	SDG	Page in Report	Scope
<b>GRI 101 Fundamentals 2017</b>					
<b>GRI 102 General Disclosures 2017 Organizational Profile</b>					
102-1	Name of the organization			Chapter 6. Appendices. About this Report (Page 117)	Cepsa
102-2	Activities, brands, products, and services			Chapter 2.3. Our activities (Pages 14-29) Chapter 3.4. The value of our brand (Page 39) Cepsa does not sell products that are prohibited or involved in litigation	Cepsa
102-3	Location of headquarters			Chapter 6. Appendices. About this report (Page 117)	Cepsa
102-4	Location of operations			Chapter 2.2. Cepsa around the world (Pages 12-13)	Cepsa
102-5	Ownership and legal form			Chapter 3.2 Business Model (Page 36)	Cepsa
102-6	Markets served			Chapter 2.3. Our activities (Pages 14-29)	Cepsa
102-7	Scale of the organization			Chapter 1.2. Cepsa in Numbers (Page 9) Chapter 2.3. Our activities (Pages 14-29) Chapter 5.1. People and Talent (Pages 61-69)	Cepsa
102-8	Information on employees and other workers	Principle 6	8	Chapter 1.2. Cepsa in Numbers (Page 9) Chapter 5.1. People and Talent (Pages 61-69)	Cepsa
102-9	Supply Chain			Chapter 5.6 Responsible Supply Chain (Pages 102-108)	Cepsa
102-10	Significant changes to the organization and its supply chain			Chapter 2.2. Cepsa around the world (Pages 14-29) Chapter 3.2. Business Model (Page 36) Chapter 5.6. Responsible Supply Chain (Pages 102-108)	Cepsa
102-11	Precautionary Principle or approach			Chapter 3.3. Risks and opportunities management (Pages 37-38)	Cepsa
102-12	External Initiatives		17	Chapter 5.7. Social Welfare (Pages 109-115)	Cepsa
102-13	Membership of associations		17	Chapter 5.7. Social Welfare (Pages 109-115)	Cepsa

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<b>Strategy</b>					
102-14	Statement from senior decision-maker			Chairman's Letter (Page 2) Letter from Vice-Chairman and CEO (Page 3)	Cepsa
102-15	Key impacts, risks, and opportunities			Chapter 3.3. Risks and opportunities management (Pages 37-38)	Cepsa
<b>Ethics and Integrity</b>					
102-16	Values, principles, standards, and norms of behavior	Principle 6	16	Chapter 2.1. Mission, vision and values (Page 11) Chapter 4.3.Ethics (Pages 54-59)	Cepsa
102-17	Mechanisms for advice and concerns about ethics	Principle 6	16	Chapter 4.3.Ethics (Pages 54-59)	Cepsa
<b>Governance</b>					
102-18	Governance structure			Chapter 4.2. Corporate Governance (Pages 46-53)	Cepsa
102-19	Delegating authority			The Chief Executive Officer is vested with all the powers of the Board of Directors, and that are necessary for the responsible discharge of the general supervisory function of the Board of Directors, with the exception of those which, in accordance with the law or the Bylaws, cannot be delegated.  Likewise, within the organisational structure, we have a general structure of proxies, by virtue of which certain directors, senior managers and employees are vested with various powers in order to comply with the management guidelines and functions entrusted to them. Cepsa is organised into different Business Units and Functional Areas: financial responsibilities correspond to the Economic and Financial Department; environmental responsibilities to the areas reporting to the Head of Operations and social responsibilities to the Communication and Institutional Relations Department and Secretary General, mainly.	Cepsa
102-20	Executive-level responsibility for economic, environmental, and social topics			Chapter 4.2. Corporate Governance (Pages 46-53)	Cepsa

Indicator	Description	Global Compact	SDG	Page in Report	Scope
102-21	Consulting stakeholders on economic, environmental, and social topics		16	Chapter 4.2. Corporate Governance (Pages 46-53)	Cepsa
102-22	Composition of the highest governance body and its committees	Principle 6	5 16	Chapter 4.2. Corporate Governance (Pages 46-53)	Cepsa
102-23	Chair of the highest governance body		16	Chapter 4.2. Corporate Governance (Pages 46-53 )	Cepsa
102-24	Nominating and selecting the highest governance body			<p>The Sole Shareholder, in exercise of the competencies of the Shareholders General Meeting, is responsible for the appointment, re-election and separation, where relevant, of the directors, upon prior recommendation from the Appointments and Remuneration Committee.</p> <p>As a general principle, criteria of independence and diversity are taken into account when selecting members of the Board of Directors, in order to provide plurality of perspectives and knowledge to the debate of matters in their area. Of the six external directors, three are proprietary and three are independent, making for a very balanced Board. Similarly, in 2016, a female director was appointed (Alyazia Al Kuwaiti), who also sits on two of the Board's Committees. The Audit, Compliance and Ethics Committee has two independent directors, one of whom is the Chairman, of a total of three members (all non-executive members), in compliance with good governance best practice.</p> <p>Members of the Board are elected and appointed based on their knowledge and experience in the energy, industry and finance sectors. It is worth noting that the current directors have a long and prestigious professional career in those sectors and have shown full willingness and a firm commitment to the Company's interest.</p>	Cepsa

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102-25	Conflicts of interest		16	Code of Ethics and Conduct, section III "Integrity on business operations", point 2 "Conflicts of interest". Conflicts of Interest Policy.	Cepsa
102-26	Role of highest governance body in setting purpose, values, and strategy			Chapter 4.2. Corporate Governance (Pages 46-53)	Cepsa
102-27	Collective knowledge of highest governance body		4	Chapter 4.2. Corporate Governance (Pages 46-53)	Cepsa
102-28	Evaluating the highest governance body's performance			Chapter 4.2. Corporate Governance (Pages 46-53)	Cepsa
102-29	Identifying and managing economic, environmental, and social impacts		16	Chapter 4.2. Corporate Governance (Pages 46-53)	Cepsa
102-30	Effectiveness of risk management processes			Chapter 4.2. Corporate Governance (Pages 46-53)	Cepsa
102-31	Review of economic, environmental, and social topics			Chapter 4.2. Corporate Governance (Pages 46-53)	Cepsa
102-32	Highest governance body's role in sustainability reporting			Chapter 4.2. Corporate Governance (Pages 46-53)	Cepsa
102-33	Communicating critical concerns			The CEO, a Member and Vice-Chairman of the governing body, reports the most important matters and concerns to the Board. Similarly, the respective Chairs of the two Committees report the matters discussed at the meetings held prior to the Board meeting.	Cepsa
102-34	Nature and total number of critical concerns			Chapter 4.2. Corporate Governance (Pages 46-53)	Cepsa
102-35	Remuneration policies			Chapter 4.2. Corporate Governance (Pages 46-53)	Cepsa

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102-36	Process for determining remuneration			Chapter 4.2. Corporate Governance (Pages 46-53)	Cepsa																										
102-37	Stakeholders' involvement in remuneration		16	The Management Board, where the Sole Shareholder is represented in, is the decision maker body on remuneration matters. Additionally, Cepsa makes consultations regarding compensation mechanisms in the Climate and Commitment survey that it performs with employees.	Cepsa																										
102-38	Annual total compensation ratio			<table border="1"> <thead> <tr> <th>Country</th> <th>Ratio (*)</th> </tr> </thead> <tbody> <tr> <td>Spain</td> <td>69.7</td> </tr> <tr> <td>Algeria</td> <td>1.7</td> </tr> <tr> <td>Belgium</td> <td>4.0</td> </tr> <tr> <td>China</td> <td>4.2</td> </tr> <tr> <td>Colombia</td> <td>12.2</td> </tr> <tr> <td>U.A.E.</td> <td>3.3</td> </tr> <tr> <td>Malaysia</td> <td>7.9</td> </tr> <tr> <td>Netherlands</td> <td>2.2</td> </tr> <tr> <td>Peru</td> <td>5.1</td> </tr> <tr> <td>United Kingdom</td> <td>1.7</td> </tr> <tr> <td>Singapore</td> <td>1.0</td> </tr> <tr> <td>Thailand</td> <td>6.0</td> </tr> </tbody> </table> <p>* Total annual pay for the highest paid person in the organization by location compared with the average pay of all staff. Only includes fixed and variable pay of local full-time staff with a permanent contract who have met 100% of their objectives.</p>	Country	Ratio (*)	Spain	69.7	Algeria	1.7	Belgium	4.0	China	4.2	Colombia	12.2	U.A.E.	3.3	Malaysia	7.9	Netherlands	2.2	Peru	5.1	United Kingdom	1.7	Singapore	1.0	Thailand	6.0	Cepsa
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Spain	69.7																														
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United Kingdom	1.7																														
Singapore	1.0																														
Thailand	6.0																														
102-39	Percentage increase in annual total compensation ratio			Not available																											
<b>Stakeholders Engagement</b>																															
102-40	List of stakeholder groups			Chapter 4.1. Stakeholders (Pages 41-45)	Cepsa																										

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102-41	Collective bargaining agreements	Principle 1 Principle 3	8	Chapter 5.1. People and Talent (Págs. 61-69)	Cepsa
102-42	Identifying and selecting stakeholders			Chapter 4.1. Stakeholders (Pages 41-45)	Cepsa
102-43	Approach to stakeholder engagement			Chapter 4.1. Stakeholders (Pages 41-45)	Cepsa
102-44	Key topics and concerns raised			Chapter 4.1. Stakeholders (Pages 41-45)	Cepsa
<b>Reporting Practice</b>					
102-45	Entities included in the consolidated financial statements			Chapter 6. Appendices. About this report (Page 117)	Cepsa
102-46	Defining report content and topic Boundaries			Chapter 4.1. Stakeholders (Pages 41-45) Chapter 6. Appendices. About this report (Page 117)	Cepsa
102-47	List of material topics			Chapter 4.1. Stakeholders (Pages 41-45)	Cepsa
102-48	Restatements of information			Restatements of information are indicated throughout the report.	Cepsa
102-49	Changes in reporting			Chapter 4.1. Stakeholders (Pages 41-45)	Cepsa

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102-50	Reporting period			Chapter 6. Appendices. About this report (Page 117)	Cepsa
102-51	Date of most recent report			2016	Cepsa
102-52	Reporting cycle			Annual	Cepsa
102-53	Contact point for questions regarding the report			Chapter 6. Appendices. About this report (Page 117)	Cepsa
102-54	Claims of reporting in accordance with the GRI Standards			Chapter 6. Appendices. About this report (Page 117)	Cepsa
102-55	GRI content index			Chapter 6. Appendices. About this report (Page 117)	Cepsa
102-56	External assurance			The non-financial information included in the Annual and Corporate Responsibility Report 2017 has not been externally verified. However, Cepsa has done an internal review to ensure the reasonability of the information presented in this report.	Internal Audit
<b><i>GRI 103 Management Approach</i></b>					
103-1	Explanation of the material topic and its Boundary			Chapter 4.1. Stakeholders (Págs. 41-45)	Cepsa
103-2	The management approach and its components			Chapter 4.1. Stakeholders (Págs. 41-45)	Cepsa

Indicator	Description	Global Compact	SDG	Page in Report	Scope
103-3	Evaluation of the management approach			Chapter 4.1. Stakeholders (Págs. 41-45)	Cepsa
<b>GRI 201 Economic Performance 2017</b>					
201-1	Direct economic value generated and distributed			Chapter 3.1. Strategy for value generation (Pages 31-36)	Cepsa
201-2	Financial implications and other risks and opportunities due to climate change	Principle 7 Principle 8		Chapter 5.4. Environment (Pages 78-97)	Cepsa
201-3	Defined benefit plan obligations and other retirement plans			At Cepsa we have social benefit plans and other retirement plans in which 99% of our employees take part. In 2017 we have contributed with €27,2 million to retirement plans, complimentary life assurances and other contributions to saving systems. Additionally, for our employees in Spain we have Capitalisation Life Assurances that are complimentary to the Cepsa Group's Retirement Plans. The contribution percentage of the salary for employees and the company depends on the professional category of each worker, nevertheless, company's input is always higher than the employees' one.	Cepsa in Spain
201-4	Financial assistance received from government			Not available	

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<b>GRI 202 Market Presence 2017</b>					
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	Principle 1 Principle 6	1 5 8	Cepsa pays the minimum salary to its employees that is equal to or higher than the amount established in the country in which it carries out its businesses. In Spain, the relation between starting salary and local minimum salary is 1.42.	Cepsa
202-2	Proportion of senior management hired from the local community	Principle 6	8	The percentage of Senior Managers that were born at the same country where they work for Cepsa Group is 93%.	Cepsa
<b>GRI 203 Indirect Economic 2017</b>					
203-1	Infrastructure investments and services supported		1 2 3 4 5 6 8 10 11 12 13 14 15	Chapter 5.7. Social Welfare (Pages 109-115)	Cepsa
203-2	Significant indirect economic impacts		1 2 3 4 5 6 8 10 11 12 13 14 15	Chapter 5.7. Social Welfare (Pages 109-115)	Cepsa
<b>GRI 204 Procurement practices 2017</b>					
204-1	Proportion of spending on local suppliers		12	Chapter 5.6. Responsible Supply Chain (Pages 102-108)	Cepsa

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<b>GRI 205 Anti-corruption 2017</b>																																																																																																																														
205-1	Operations assessed for risks related to corruption	Principle 10	16	In 2017, the Ethics and Compliance Office carried out six compliance risk assessments, including corruption risks, both private and public, related to the operations in Spain of the following companies: Compañía Española de Petróleos, SAU, Cepsa Química, SA, Cepsa Comercial Petróleo, SAU, Cepsa Trading, SAU, Cepsa Business Services, SA and Cedipsa. Corruption risks were assessed as "Medium", given the nature of the counterparts and the type of operations.	Compañía Española de Petróleos, SAU, Cepsa Química, SA, Cepsa Comercial Petróleo, SAU, Cepsa Trading, SAU, Cepsa Business Services, SA y Cedipsa.																																																																																																																									
205-2	Communication and training about anti-corruption policies and procedures	Principle 10	16	<p>Number of people who have received circulars regarding anti-corruption policies and procedures</p> <table border="1"> <thead> <tr> <th></th> <th colspan="2">Africa</th> <th colspan="2">Americas</th> <th colspan="2">Asia</th> <th colspan="2">Spain</th> <th colspan="2">Rest of Europe</th> </tr> <tr> <th></th> <th>Nº</th> <th>%</th> <th>Nº</th> <th>%</th> <th>Nº</th> <th>%</th> <th>Nº</th> <th>%</th> <th>Nº</th> <th>%</th> </tr> </thead> <tbody> <tr> <td>Board of Directors</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>7</td> <td>100%</td> <td>-</td> <td>-</td> </tr> <tr> <td>Executive Committee</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>7</td> <td>100%</td> <td>-</td> <td>-</td> </tr> <tr> <td>Executives</td> <td>2</td> <td>2%</td> <td>3</td> <td>3%</td> <td>5</td> <td>5%</td> <td>85</td> <td>89%</td> <td>1</td> <td>1%</td> </tr> <tr> <td>Heads of Department</td> <td>27</td> <td>4%</td> <td>64</td> <td>10%</td> <td>22</td> <td>3%</td> <td>496</td> <td>79%</td> <td>20</td> <td>3%</td> </tr> </tbody> </table> <p>Number of people who have received training regarding anti-corruption policies and procedures</p> <table border="1"> <thead> <tr> <th></th> <th colspan="2">Africa</th> <th colspan="2">Americas</th> <th colspan="2">Asia</th> <th colspan="2">Spain</th> <th colspan="2">Rest of Europe</th> </tr> <tr> <th></th> <th>Nº</th> <th>%</th> <th>Nº</th> <th>%</th> <th>Nº</th> <th>%</th> <th>Nº</th> <th>%</th> <th>Nº</th> <th>%</th> </tr> </thead> <tbody> <tr> <td>Board of Directors</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>7</td> <td>100%</td> <td>-</td> <td>-</td> </tr> <tr> <td>Executive Committee</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>7</td> <td>100%</td> <td>-</td> <td>-</td> </tr> <tr> <td>Executives</td> <td>2</td> <td>2%</td> <td>2</td> <td>2%</td> <td>2</td> <td>2%</td> <td>79</td> <td>82%</td> <td>1</td> <td>1%</td> </tr> </tbody> </table> <p>Africa includes: Algeria and Kenya.            America includes: Brazil, Canada, Colombia, the United States, Panama and Peru.            Asia includes: China, United Arab Emirates, Malaysia, Singapore and Thailand.            The Rest of Europe includes: Belgium, Italy, the Netherlands, Portugal and the United Kingdom.</p>		Africa		Americas		Asia		Spain		Rest of Europe			Nº	%	Board of Directors	-	-	-	-	-	-	7	100%	-	-	Executive Committee	-	-	-	-	-	-	7	100%	-	-	Executives	2	2%	3	3%	5	5%	85	89%	1	1%	Heads of Department	27	4%	64	10%	22	3%	496	79%	20	3%		Africa		Americas		Asia		Spain		Rest of Europe			Nº	%	Board of Directors	-	-	-	-	-	-	7	100%	-	-	Executive Committee	-	-	-	-	-	-	7	100%	-	-	Executives	2	2%	2	2%	2	2%	79	82%	1	1%	Cepsa																
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205-3	Verified cases of corruption and measures taken	Principle 10	16	In 2017 any legal complaint has been received by corruption cases.	Cepsa																																																																																																																									

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<b>GRI 206 Anti-competitive 2017</b>					
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices		16	Chapter 4.3. Ethics (Pages 54-59)	Cepsa
<b>GRI 301 Materials 2017</b>					
301-1	Materials used by weight or volume		8 12	Chapter 5.4. Environment (Pages 78-97)	Cepsa
301-2	Recycled input materials used	Principle 7 Principle 8	8 12	Chapter 5.4. Environment (Pages 78-97)	Cepsa
301-3	Reclaimed products and their packaging materials	Principle 7 Principle 8 Principle 9	8 12	Chapter 5.4. Environment (Pages 78-97)	Cepsa
<b>GRI 302 Energy 2017</b>					
302-1	Energy consumption within the organization	Principle 7 Principle 8	7 8 12 13	Chapter 5.4. Environment (Pages 78-97)	Cepsa
302-2	Energy consumption outside of the organization	Principle 7 Principle 8	7 8 12 13	Chapter 5.4. Environment (Pages 78-97)	Cepsa
302-3	Energy intensity	Principle 8	7 8 12 13	Chapter 5.4. Environment (Pages 78-97)	Cepsa
302-4	Reduction of energy consumption	Principle 7 Principle 8 Principle 9	7 8 12 13	Chapter 5.4. Environment (Pages 78-97)	Cepsa

Indicator	Description	Global Compact	SDG	Page in Report	Scope
302-5	Reductions in energy requirements of products and services	Principle 7 Principle 8 Principle 9	   	Chapter 5.5. Customer Service (Pages 98-101)	Cepsa
<b>GRI 303 Water 2017</b>					
303-1	Water withdrawal by source	Principle 7 Principle 8	 	Chapter 5.4. Environment (Pages 78-97)	Cepsa
303-2	Water sources significantly affected by withdrawal of water	Principle 7 Principle 8	 	<p>Cepsa collects water, which is an essential material for the development of our business. Water withdrawal is done under the thresholds established in the environmental permissions of each site given by the relevant administrations.</p> <p>In 2017, we have done risk assessments on scarcity, pollution and impacts in the ecosystems related to water in the different river basins where some of our plants are placed (Cepsa Química Bécancour, Cepsa Química Deten, Cepsa Química Palos, Cepsa Química Puente Mayorga, Cepsa Química Shanghái, Refinería Gibraltar - San Roque, Refinería La Rábida, Refinería Tenerife, Sinarmas Cepsa Deutschland and Sinarmas Cepsa Indonesia). For this purpose, we have used the WWF and KFW DEG risk assessment tool "The Water Risk Filter Tool". In 2018 it is planned to carry out the assessment on E&amp;P sites, and also the update of the mentioned assessments by using the most recent environmental information. These assessments are the starting point for the identification of improvement opportunities and strategy establishment at facilities and company levels.</p>	Cepsa
303-3	Water recycled and reused	Principle 8 Principle 9	 	Chapter 5.4. Environment (Pages 78-97)	Cepsa

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<b>GRI 304 Biodiversity 2017</b>					
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Principle 8	6 14 15	Chapter 5.4. Environment (Pages 78-97)	Cepsa
304-2	Significant impacts of activities, products, and services on biodiversity	Principle 8	6 14 15	Chapter 5.4. Environment (Pages 78-97)	Cepsa
304-3	Habitats protected or restored	Principle 8	6 14 15	Chapter 5.4. Environment (Pages 78-97)	Cepsa
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	Principle 8	14 15	Chapter 5.4. Environment (Pages 78-97)	Cepsa
<b>GRI 305 Emissions 2017</b>					
305-1	Direct (Scope 1) GHG emissions	Principle 7 Principle 8 Principle 9	12 13	Chapter 5.4. Environment (Pages 78-97)	Cepsa
305-2	Energy indirect (Scope 2) GHG emissions	Principle 7 Principle 8 Principle 9	12 13	Chapter 5.4. Environment (Pages 78-97)	Cepsa
305-3	Other indirect (Scope 3) GHG emissions	Principle 8	12 13	Chapter 5.4. Environment (Pages 78-97)	Cepsa
305-4	GHG emissions intensity	Principle 8 Principle 9	12 13	Chapter 5.4. Environment (Pages 78-97)	Cepsa

Indicator	Description	Global Compact	SDG	Page in Report	Scope
305-5	Reduction of GHG emissions	Principle 8 Principle 9		Chapter 5.4. Environment (Pages 78-97)	Cepsa
305-6	Emissions of ozone-depleting substances (ODS)			Not material	
305-7	Nitrogen oxides (NO <sub>x</sub> ), sulfur oxides (SO <sub>x</sub> ), and other significant air emissions	Principle 8 Principle 9	12	Chapter 5.4. Environment (Pages 78-97)	Cepsa
<b>GRI 306 Effluents and Waste 2017</b>					
306-1	Water discharge by quality and destination	Principle 7 Principle 8	3 6 12 14	Chapter 5.4. Environment (Pages 78-97)	Cepsa
306-2	Waste by type and disposal method	Principle 7 Principle 8	3 6 12	Chapter 5.4. Environment (Pages 78-97)	Cepsa
306-3	Significant spills	Principle 8	3 6 12 14 15	Chapter 5.3. Safety (Pages 72-77)	Cepsa
306-4	Transport of hazardous waste	Principle 8	3 12	Chapter 5.4. Environment (Pages 78-97)	Cepsa

Indicator	Description	Global Compact	SDG	Page in Report	Scope
306-5	Water bodies affected by water discharges and/or runoff	Principle 8	6 14 15	<p>Any water body nor habitat is significantly affected by water discharges and/or runoff from production sites and facilities of Cepsa. The environmental authorizations, permissions and licenses have been granted by the relevant administrations. Once they were studied and evaluated the correspondent environmental risks and impacts, they were established the conditions and the monitoring and control plans to minimize these risks and impacts on the receiving medium and to preserve the environment and biodiversity.</p> <p>At oil refineries and chemical plants in Spain, whose water discharges are made to near sensitive and/or protected areas, there are specialized and accredited environmental companies who analyze the environment affection and verify the compliance of the quality targets which are established by law.</p>	Cepsa
<b>GRI 307 Environmental Compliance 2017</b>					
307-1	Non-compliance with environmental laws and regulations	Principle 7 Principle 8	16	Cepsa has not received any significant sanctions or fines for failing to comply with environmental regulations in 2017. It has been fixed as general significance criteria the amount of €1 million and it has not been reached in the global computation.	Cepsa
<b>GRI 308 Supplier Environmental Assessment 2017</b>					
308-1	New suppliers that were screened using environmental criteria	Principle 9	12	Chapter 5.6. Responsible Supply Chain (Pages 102-108)	Cepsa
308-2	Negative environmental impacts in the supply chain and actions taken	Principle 9	12	Chapter 5.6. Responsible Supply Chain (Pages 102-108)	Cepsa

Indicator	Description	Global Compact	SDG	Page in Report	Scope
<b>GRI 401 Employment 2017</b>					
401-1	New employee hires and employee turnover	Principle 6	5 8	Chapter 5.1. People and Talent (Pages 61-69)	Cepsa
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Principle 6	8	There is no distinction between the employment benefits for full-time and part-time employees.	Cepsa
401-3	Parental leave	Principle 6	5 8	Chapter 5.1. People and Talent (Pages 61-69)	Cepsa
<b>GRI 402 Labor/Management 2017</b>					
402-1	Minimum notice periods regarding operational changes	Principle 3	8	Cepsa complies with the minimum notice periods for operational changes according to collective bargaining agreements, or according to the legislation in each country.	Cepsa
<b>GRI 403 Occupational Health and Safety 2017</b>					
403-1	Workers representation in formal joint management-worker health and safety committees		3 8	Chapter 5.1. People and Talent (Pages 61-69)	Cepsa
403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities		3 8	Chapter 5.3. Safety (Pages 72-77)	Cepsa
403-3	Workers with high incidence or high risk of diseases related to their occupation		3 8	Cepsa has not identified any position with performance conditions that give rise to a high risk of illness.	Cepsa SAU
403-4	Health and safety topics covered in formal agreements with trade unions		3 8	At Cepsa's Health and Safety Committees, they are addressed topics related to the employees' health and safety with their legal representants, and the agreements are recorded on the Committee's minutes.	Cepsa

Indicator	Description	Global Compact	SDG	Page in Report	Scope																																																																		
<b>GRI 404 Training and education 2017</b>																																																																							
404-1	Average hours of training per year per employee	Principle 6	4 5 8	Chapter 5.1. People and Talent (Pages 61-69)	Spain																																																																		
404-2	Programs for upgrading employee skills and transition assistance programs		4 8	At Cepsa we promote learning and training among all our workers in different areas in order to develop their skills to broaden their knowledge and reinforce the commitment with our Company's values; improving this way their performance and abilities during their whole career.	Cepsa																																																																		
404-3	Percentage of employees receiving regular performance and career development reviews	Principle 6	5 8	Chapter 5.1. People and Talent (Pages 61-69)	Cepsa																																																																		
<b>GRI 405 Diversity and equal opportunity 2017</b>																																																																							
405-1	Diversity of governance bodies and employees	Principle 6	5 8 10	Chapter 5.1. People and Talent (Pages 61-69)	Cepsa																																																																		
405-2	Ratio of basic salary and remuneration of women to men	Principle 6	5 8 10	<p>Cepsa does not apply any discrimination in the base salary of its employees due to their gender, and the remuneration for all employees is based on their level of responsibility and compliance with objectives.</p> <p>Ratio of basic salary and remuneration of women to men</p> <table border="1"> <thead> <tr> <th></th> <th>Senior Manager</th> <th>Department Head</th> <th>Higher and Medium technicals</th> <th>Specialist and Administratives</th> <th>Assistants</th> </tr> </thead> <tbody> <tr> <td>Spain</td> <td>88%</td> <td>90%</td> <td>90%</td> <td>75%</td> <td>92%</td> </tr> <tr> <td>Algeria</td> <td>-</td> <td>-</td> <td>137%</td> <td>57%</td> <td>-</td> </tr> <tr> <td>Belgium</td> <td>-</td> <td>-</td> <td>93%</td> <td>-</td> <td>-</td> </tr> <tr> <td>China</td> <td>-</td> <td>140%</td> <td>97%</td> <td>99%</td> <td>-</td> </tr> <tr> <td>Colombia</td> <td>-</td> <td>115%</td> <td>91%</td> <td>98%</td> <td>-</td> </tr> <tr> <td>Malaysia</td> <td>-</td> <td>-</td> <td>57%</td> <td>352%</td> <td>-</td> </tr> <tr> <td>Netherlands</td> <td>-</td> <td>-</td> <td>-</td> <td>91%</td> <td>-</td> </tr> <tr> <td>Peru</td> <td>-</td> <td>57%</td> <td>91%</td> <td>-</td> <td>-</td> </tr> <tr> <td>United Kingdom</td> <td>-</td> <td>-</td> <td>104%</td> <td>129%</td> <td>-</td> </tr> <tr> <td>Thailand</td> <td>-</td> <td>70%</td> <td>84%</td> <td>-</td> <td>-</td> </tr> </tbody> </table>		Senior Manager	Department Head	Higher and Medium technicals	Specialist and Administratives	Assistants	Spain	88%	90%	90%	75%	92%	Algeria	-	-	137%	57%	-	Belgium	-	-	93%	-	-	China	-	140%	97%	99%	-	Colombia	-	115%	91%	98%	-	Malaysia	-	-	57%	352%	-	Netherlands	-	-	-	91%	-	Peru	-	57%	91%	-	-	United Kingdom	-	-	104%	129%	-	Thailand	-	70%	84%	-	-	Cepsa
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<b>GRI 406 Non-discrimination 2017</b>					
406-1	Incidents of discrimination and corrective actions taken	Principle 6	5 8 16	During 2017, Cepsa has had no knowledge of any discrimination incident.	Cepsa
<b>GRI 407 Freedom of association 2017</b>					
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Principle 2	8 16	Cepsa has defined its position with respect to compliance and respect of human rights, and it intends to establish a channel to ensure compliance. However, the current channels have not given rise to any claim regarding any failure to comply with human rights in 2017.	Cepsa
<b>GRI 408 Child Labor 2017</b>					
408-1	Operations and suppliers at significant risk for incidents of child labor	Principle 5	8 16	Cepsa has defined its position with respect to compliance and respect of human rights, and it intends to establish a channel to ensure compliance. However, the current channels have not given rise to any claim regarding any failure to comply with human rights in 2017.	Cepsa
<b>GRI 409 Forced or compulsory labor 2017</b>					
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Principle 4	8 16	Cepsa has defined its position with respect to compliance and respect of human rights, and it intends to establish a channel to ensure compliance. However, the current channels have not given rise to any claim regarding any failure to comply with human rights in 2017.	Cepsa

Indicator	Description	Global Compact	SDG	Page in Report	Scope
<b>GRI 410 Security practices 2017</b>					
410-1	Security personnel trained in human rights policies or procedures	Principle 1 Principle 2	16	Chapter 5.3. Safety (Pages 72-77)	Cepsa
<b>GRI 411 Rights of indigenous people 2017</b>					
411-1	Incidents of violations involving rights of indigenous peoples	Principle 1	11 16	During 2017, Cepsa has had no knowledge of any incidents of violations involving rights of indigenous peoples.	Cepsa
<b>GRI 412 Human Rights Assessment 2017</b>					
412-1	Operations that have been subject to human rights reviews or impact assessments	Principle 1	11 16	Not available	
412-2	Employee training on human rights policies or procedures	Principle 1 Principle 2		At Cepsa we are aware of the importance of following Human Rights policies and procedures for everyone working at the company. To that end in 2017 we gave a total of 310 hours of training to 155 people to train Cepsa professionals in better knowledge of matters related to Human Rights to improve our management in daily tasks.	Spain
412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	Principle 1 Principle 2		Not available	

Indicator	Description	Global Compact	SDG	Page in Report	Scope
<b>GRI 413 Local Communities 2017</b>					
413-1	Operations with local community engagement, impact assessments, and development programs	Principle 1	11	Chapter 5.7. Social Welfare (Pages 109-115)	Cepsa
413-2	Operations with significant actual and potential negative impacts on local communities	Principle 1	11	Chapter 5.7. Social Welfare (Pages 109-115)	Cepsa
<b>GRI 414 Supplier Social Assessment 2017</b>					
414-1	New suppliers that were screened using social criteria	Principle 2	5 8 16	Chapter 5.6. Responsible Supply Chain (Pages 102-108)	Cepsa
414-2	Negative social impacts in the supply chain and actions taken	Principle 2	5 8 16	Chapter 5.6. Responsible Supply Chain (Pages 102-108)	Cepsa
<b>GRI 415 Public Policy 2017</b>					
415-1	Political contributions	Principle 10	16	<p>The Cepsa Group's Code of Ethics and Conduct prohibits donations or any type of economic aid to political parties or public entities that can be understood as financing of political parties.</p> <p>In 2017, there was no record of any non-compliance in this area via the mechanisms established in the Group.</p>	

Indicator	Description	Global Compact	SDG	Page in Report	Scope
<b>GRI 416 Customer Health and Safety 2017</b>					
416-1	Assessment of the health and safety impacts of product and service categories		12	Chapter 5.3. Safety (Pages 72-77)	Cepsa
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services		16	During 2017, Cepsa has had no knowledge of any incidents of non-compliance concerning the health and safety impacts of products and services.	Cepsa
<b>GRI 417 Marketing and labeling 2017</b>					
417-1	Requirements for product and service information and labeling		12	Chapter 5.3. Safety (Pages 72-77)	Cepsa
417-2	Incidents of non-compliance concerning product and service information and labeling		16	They have not been identified incidents of voluntary non-compliance of regulation or voluntary codes concerning products and services information and labelling.	Cepsa
417-3	Incidents of non-compliance concerning marketing communications		16	We have not identified any failure to comply with regulations or voluntary codes relating to marketing communications. Cepsa is a member of Autocontrol, a non-profit association responsible for managing the self-regulation system in the Spanish advertising market to ensure confidence and credibility in advertising.	Cepsa

Indicator	Description	Global Compact	SDG	Page in Report	Scope
<b>GRI 418 Customer Privacy 2017</b>					
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data		16	We have not received any significant claims relating to privacy violations or the leaking of customer data in 2017.	Cepsa
<b>GRI 419 Socioeconomic Compliance 2017</b>					
419-1	Non-compliance with laws and regulations in the social and economic area		16	Chapter 4.3. Ethics (Pages 54-59)	Cepsa
<b>OG – Sector Disclosures (Oil &amp; Gas)</b>					
OG-1	Volume and type of estimated proved reserves and production			Chapter 2.3. Our activities (Pages 14-29)	Cepsa
OG-2	Total amount invested in renewable energy	Principle 8 Principle 9	7	Chapter 5.6. Environment (Pages 78-97)	Cepsa
OG-3	Total amount of renewable energy generated by source	Principle 8 Principle 9	7	Currently, Cepsa does not have any renewable energy generation sources.	Cepsa
OG-4	Number and percentage of significant operating sites in which biodiversity risk has been assessed and monitored	Principle 8	6 14 15	Chapter 5.6. Environment (Pages 78-97)	Cepsa

Indicator	Description	Global Compact	SDG	Page in Report	Scope						
OG-5	Volume and disposal of formation or produced water	Principle 8	6 12 14 15	Volume of produced water in 2017 is 27,935 thousands of m <sup>3</sup>	Cepsa						
				<table border="1"> <thead> <tr> <th></th> <th>2017</th> <th>2016</th> </tr> </thead> <tbody> <tr> <td>Volume of flared hydrocarbon (Tn)</td> <td>135,278</td> <td>219,767</td> </tr> </tbody> </table>		2017	2016	Volume of flared hydrocarbon (Tn)	135,278	219,767	
	2017	2016									
Volume of flared hydrocarbon (Tn)	135,278	219,767									
OG-6	Volume of flared and vented hydrocarbon	Principle 8	6 12 13	The volume of flared hydrocarbons during 2017 at Exploration and Production assets has decreased by 38% compared to the last year. Despite the arising of the flaring at Ourhoud (Algeria) due to a production increase in this asset and to different operational aspects, the global value of gasses sent to burn has decreased because of the great reduction registered at the Malaysia asset.	Exploration and Production assets						
OG-7	Amount of drilling waste (drill mud and cuttings) and strategies for treatment and disposal	Principle 8	6 12 14 15	Chapter 5.6. Environment (Pages 78-97)	Cepsa						
OG-8	Benzene, lead and sulfur content in fuels	Principle 8	3 12	Chapter 5.6. Environment (Pages 78-97)	Cepsa						
OG-9	Operations where indigenous communities are present or affected by activities and where specific engagement strategies are in place	Principle 1	11 16	Chapter 5.6. Environment (Pages 78-97)	Cepsa						

Indicator	Description	Global Compact	SDG	Page in Report	Scope
OG-10	Number and description of significant disputes with local communities and indigenous peoples		11 16	<p>On 15th June, 2011 a group of fishermen from Songkhla province (Thailand) presented a complaint against NuCoastal (Cepsa's subsidiary) for the activities' impacts, requesting the repeal of the its concession at the Block G5/43 in Thailand and a compensation for damages. On 18th March, 2015 the Administrative Court of Songkhla ordered to pay a compensation of 11.879.828 Baht (€51.077,52 approximately) to the 45 plaintiffs that live in the province, however, it ruled that there had been no breach of the law nor caused damages based on the given evidence. On 17th April, 2015 NuCoastal appealed in cassation against the previous sentence on the Songkhla's Provincial Court. Currently the Administrative Chamber of the Supreme Court is examining this appeal and there are no news thereon.</p> <p>During 2017, there has not been new significant litigations with our local communities.</p>	Cepsa
OG-11	Number of sites that have been decommissioned and sites that are in the process of being decommissioned			<p>During 2017, 34 wells were decommissioned in 3 platforms located in the Gulf of Thailand (G5/43 asset). Additionally, one of the platforms (SKL-G) decommissioning works were completed with the mobilization of the Jack-Up and the retirement of the equipment from the Mobile Offshore Production Unit (MOPU). The rest of the decommissioning works are in process in two sites, a MOPU and a fixed platform, which are likely to be continued in 2019.</p>	Cepsa

Indicator	Description	Global Compact	SDG	Page in Report	Scope
OG-12	Operations where involuntary resettlement took place, the number of households resettled in each and how their livelihoods were affected in the process		11	There were no cases of involuntary reassignment within our operations in 2017.	Cepsa
OG-13	Number of processes safety events, by business activity		3 6 11	Chapter 5.3. Safety (Pages 72-77)	Cepsa
OG-14	Volume of biofuels produced and purchased meeting sustainability criteria		7 9 12	Not available	



## PRINCIPLES OF THE GLOBAL COMPACT

1. Businesses should support and respect the protection of internationally proclaimed human rights.
2. Make sure that they are not complicit in human rights abuses.
3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.
4. The elimination of all forms of forced and compulsory labour.
5. The effective abolition of child labour.
6. The elimination of discrimination in respect of employment and occupation.
7. Businesses should support a precautionary approach to environmental challenges.
8. Undertake initiatives to promote greater environmental responsibility.
9. Encourage the development and diffusion of environmentally friendly technologies.
10. Businesses should work against corruption in all its forms, including extortion and bribery.



## SUSTAINABLE DEVELOPMENT GOALS

<b>1</b> No poverty	<b>7</b> Affordable and clean energy	<b>13</b> Climate action
<b>2</b> Zero hunger	<b>8</b> Decent work and economic growth	<b>14</b> Life below water
<b>3</b> Good health and well-being	<b>9</b> Industry, innovation and infrastructure	<b>15</b> Life on land
<b>4</b> Quality education	<b>10</b> Reduced inequalities	<b>16</b> Peace, justice and strong institutions
<b>5</b> Gender equality	<b>11</b> Sustainable cities and communities	<b>17</b> Partnerships for the goals
<b>6</b> Clean water and sanitation	<b>12</b> Responsible consumption and production	