

Cepsa Doubles Its Investments in Environmental Protection at San Roque

- The company is investing 76 million euro in the environmental management of its refinery and chemical plant
- These voluntary environmental statements demonstrate the Company's commitment to transparency, innovation and taking responsibility for the environment

The Gibraltar-San Roque Refinery and the Puente Mayorga Chemical Plant, Cepsa's industrial centers in San Roque, invested 76.1 million euro in environmental management improvements last year. This figure was double that of 2018, which stood at 42 million euro.

According to the two statements (<u>Refinery</u> and <u>Chemical Plant</u>), the Gibraltar-San Roque Refinery obtained the unique ISO 14001 Environmental Management System Certification and had its Environmental Statement validated. The environmental report for Cepsa's maritime terminal, in compliance with Puertos del Estado's Good Environmental Practices Guide, was also verified.

In turn, the Puente Mayorga Chemical Plant obtained the ISO 50001 Energy Management Certificate, which the Refinery has also had since 2014, had its ISO 14001 Environmental Management Certificate renewed, and had its Environmental Statement validated.

The investment of 65 million euro (out of the 100 million planned) in the new unit's project to manufacture LAB—the raw material used in detergents—with Detal technology should be highlighted as exemplifying sustainability. This project will improve waste management, reduce emissions and increase energy efficiency and security at Puente Mayorga. It has been recognized by the Spanish Ministry for Ecological Transition and is eligible for the European Business Awards for the Environment.

During the presentation, Miguel Pérez de la Blanca, Director of the Gibraltar-San Roque Refinery, highlighted that "the publication of the environmental statements demonstrates the Company's commitment to sustainability, energy efficiency and continuous improvement." Jesús Ivars, Production Director for Cepsa's chemical plants in Andalusia, added that "investments in environmental protection are necessary in the sector in which Cepsa operates."

These advances in sustainability at the facilities in San Roque are part of the organizational restructuring being carried out at Cepsa this year, the objective of which is to establish a strategy centered around international expansion and the development of new businesses that will drive transformation and growth from an energy perspective and in a constantly changing market environment, while also addressing the challenges of energy transition.

The Company and Fundación Cepsa are committed to the UN's Sustainable Development Goals (SDGs), with particular focus on the following: affordable and clean energy; decent



work and economic growth; industry, innovation and infrastructure; responsible consumption and production; climate action; and peace, justice and strong institutions.

Main Results in the Environmental Statements

Atmospheric emissions. For the Gibraltar-San Roque Refinery, the weighted average annual concentrations were this year once again below the limits established by the Integrated Environmental Authorization (AAI), specifically 55% lower in terms of SO2 and 24% lower in terms of NOx. Moreover, mass emissions of SO_2 (2,270 metric tons in 2019) reached a record low.

These gradual reductions in SO_2 emissions are due to the improvement in the quality of the fuel used in the operations of the unit, which in turn was achieved through the decrease in fuel oil consumption, as well as an increase in gas consumption and the installation of new amine treatment units, meaning that the fuel gas consumed is virtually sulfur free. Particle emissions were 232 metric tons and NO_2 emissions were 1,661 metric tons.

As the Puente Mayorga Chemical Plant only uses gaseous fuel in production processes, mainly natural gas, SO_2 and particle emissions are minimal, remaining below detection limits. As for NO_x emissions (301 metric tons in 2019), they remain at levels below the established limits.

Wastewater. The wastewater from the Puente Mayorga Chemical Plant is treated at the Refinery's treatment plant. The environmental statements indicate that the volume of wastewater at the main discharge point was 8% lower than that permitted, and that the monthly average values were within the permitted limits at all times.

Energy efficiency. At San Roque, Cepsa strives to be more energy efficient in order to make a significant contribution to reducing the environmental impact of its processes, because a reduction in energy consumption automatically implies lower emissions both of greenhouse gases and other gases which have an impact on air quality. Cepsa at San Roque is ISO-50001 certified. The aim of this standard is to promote energy efficiency, reduce greenhouse gas emissions, guarantee compliance with energy legislation, and increase the use of surplus energy.

 ${
m CO_2}$ emissions. The third period of allocation (2013–2020) of ${
m CO_2}$ emission allowances began in 2013, with co-generation facilities ceasing to receive allowances for free. Although the Refinery and Chemical Plant facilities receive free allowances, the allowances allocated gradually drop each year. The Refinery's total emissions balance for 2019 (excluding the co-generation units) amounted to 28,536 metric tons of ${
m CO_2}$ allowances beyond the amount allocated. The Puente Mayorga Chemical Plant released 6,709 metric tons less of ${
m CO_2}$ allowances than allocated.

Other activities. The environmental statements contain detailed information about many other matters ranging from noise and soil monitoring, water and raw materials usage to activities which have an influence on environmental improvements to products manufactured, in order to reduce their impact when used by consumers. Cepsa's environmental management is not limited to monitoring the impact of its activities. It also extends to such sensitive issues as the training of its own employees about the





environment and also those of the businesses which provide services at the Company's facilities or communication with the community.

Through Fundación Cepsa, which was set up in 2016, Cepsa adopts a proactive stance in the defense and improvement of biodiversity in the areas surrounding its production facilities. A good example of this type of activity is the recovery of and improvements to the wetlands along the Madrevieja river. With this program, Fundación Cepsa is providing local people with a space and activities which make them aware of the natural environment of the area.

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