



CEPSA THIRD-PARTY DUE DILIGENCE POLICY

*Doing the right thing, the
right way and if you see or
suspect something wrong*

Say it!

1. INTRODUCTION

The Board of Directors of Compañía Española de Petróleos, S.A.U. ("Cepsa" or the "Company") is responsible for determining the business strategy and approving the general policies of the Company, as well as providing oversight for its internal control framework. In the fulfillment of these responsibilities and consistent with the CEPSA Group Code of Ethics and Conduct, and with the Mission, Vision and Values of the Cepsa Group and its ethics and compliance culture, it has approved this Third-Party Due Diligence Policy (the "Policy").

2. PURPOSE

This Third-Party Due Diligence Policy is part of Cepsa's corporate governance system and is intended to define the procedures and actions that must be followed by directors and Employees of the Company, as well as Third Parties with whom the Company has business relationships, in the compliance with applicable laws and regulations governing International Sanctions and embargoes, international trade and/or AML/CTF in all relevant areas of the Company.

3. SCOPE AND APPLICABILITY

This Policy is applicable to all directors, officers, managers and Employees of Cepsa and subsidiaries of the Cepsa Group (understood to be companies in which Cepsa has a shareholding of over 50%). In companies where Cepsa has a non-controlling interest and which are not subsidiaries of the Cepsa Group, Cepsa's representatives in such investee companies shall make every reasonable effort to ensure that they adopt standards and principles that are consistent with those contained in this Policy.

Cepsa expects and endeavors to encourage 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 actions.

4. COMMITMENTS AND GUIDING PRINCIPLES

4.1. GENERAL COMMITMENTS AND PRINCIPLES:

1. Cepsa is firmly committed to fostering and supporting a preventive culture based on the principle of zero tolerance for any type of wrongdoing or misconduct and to maintaining the highest standards of ethical and responsible behavior by all professionals of the Group, regardless of their position and the country where they work. All Cepsa Employees must obey the law and comply with related corporate policies, procedures and regulations.
2. As part of its endeavor to build a culture of prevention across the organization, Cepsa encourages all Employees of the Company to embed ethical considerations into their activities and decision-making, so that any conduct on the part of such persons is based on four principles: (i) that it is ethical; (ii) that it is lawful; (iii) that it is desirable for the Company and the Group; and (iv) that the person involved is willing to accept responsibility and accountability for his or her actions and decisions.
3. Cepsa will highly scrutinize any potential commercial or financial transactions with any individuals, organizations or countries under prevailing International Sanctions applicable to the transaction involved. To the extent Cepsa proceeds with those transactions, it will make the necessary disclosures required by law.
4. Cepsa Employees involved in commercial or financial transactions must understand and comply with the trade regulations and restrictions applicable in the countries and jurisdictions where the Cepsa conducts its businesses or acquires goods and services. Persons in charge or involved in the transaction should seek guidance from the Legal Department from the very start of any discussions and always before signing a MOU; whenever the transaction involves a country, entity or individual subject to International Sanctions, the Ethics & Compliance Office must be duly notified. Trade restrictions are constantly changing and the laws applicable to different jurisdictions may clash. To avoid problems, consult with the Legal Department on the applicable laws and regulations for each jurisdiction.



5. Cepsa Employees have a duty and obligation to willingly cooperate with any investigations or audits carried out and voluntarily provide all available information related to any transactions (whether executed or not). Failure to cooperate with an investigation, or to withhold relevant information for an investigation or provide false, incomplete or misleading information, may result in disciplinary action.
6. Cepsa Employees have a duty and obligation to promptly report any actual or suspected violations of trade laws and International Sanctions laws or to the Ethics & Compliance Office.
7. Cepsa shall endeavor to create an open, honest, fair and transparent environment within the organization, integrating the various systems developed to prevent criminal offenses and maintaining appropriate internal channels for reporting potential violations and misconduct, including the Ethics & Compliance Channel (**canaletica@cepsa.com**) and the Audit, Compliance and Ethics Committee, enabling directors, Employees and other stakeholders to submit concerns and complaints about any possible non-compliance with the Company's corporate governance system or any actual or suspected violations of applicable laws or the rules and standards of the Code of Ethics and Conduct.

4.2. COMMITMENTS ON INTERNATIONAL TRADE:

1. Third-Party Relationship Owners should consistently consider any international trade limitations and the risk of International Sanctions when assessing potential business opportunities. In particular, special care must be taken when engaging in commercial and financial transactions in US dollars or that involve US financial or banking entities and in commercial or financial transactions.
2. Third-Party Relationship Owners shall obtain all the required licenses and documents for each particular transaction before exporting or re-exporting products or technology.
3. Third-Party Relationship Owners shall conduct thorough and comprehensive "Know Your Third Party" Due Diligence reviews on potential business Partners. This data collection should comply with the applicable data privacy laws of each country, and Spanish laws in particular.
4. Third-Party Relationship Owners shall properly screen all business Partners and counterparties and ask questions about Ultimate Beneficial Ownership before doing business with such parties, gathering as much information as possible on who they are, what they do, where they operate and how they use our products. The data collected to support Third Party Due Diligence, and the conclusions reached, should be properly documented and follow all applicable data privacy laws in each country, and be made available to the Compliance Operating Committee if necessary.
5. Cepsa Employees should take precautions with collections or payments coming from or going to tax havens or to individuals who are or have been entrusted with prominent public functions and immediate family members or persons known to be close associates of such persons, defined as "Politically-Exposed Persons" (PEP), given that they pose a higher risk for potential involvement in bribery and corruption by virtue of their position and the influence that they may hold. Special care must be taken particularly when the currency of a transaction is the US dollar or when it involves the rendering of services that are difficult to trace. In these cases, the transaction should be notified to the Ethics & Compliance Office, submitting all the required supporting documents.
6. Third-Party Relationship Owners, including procurement, purchasing, commercial and financial operations, undertake to apply, depending on the level of inherent risk that has arisen of the counterpart analysis, those mitigating measures recommended by the Ethics & Compliance Office, such as the inclusion of contractual clauses. Nonetheless, all medium-level or above inherent risk counterparty contracts must be reviewed by the Ethics and Compliance Office before being approved by the hierarchical level established in the Cepsa Third Party Knowledge procedure. In order to complete the analysis, additional information may be requested from the counterparty by the Compliance & Ethics Office, as well as escalating the analysis depth through a Due Diligence / Enhance Due Diligence as established in the Cepsa Third Party Knowledge procedure.

4.3. ANTI-MONEY LAUNDERING/COUNTER-TERRORIST FINANCING (AML/CTF) COMMITMENTS:

1. Cepsa undertakes to avoid doing any kind of business with persons and/or entities whose aim or purpose may involve or be supportive of Money Laundering or Terrorist Financing and accordingly, upholds a policy of zero tolerance towards such practices.
2. Cepsa undertakes to comply with all tax regulations that are applicable to its activities and to ensure that this principle is observed by each and every one of its companies, acting in the best interest of society while seeking to achieve the Company's long-term business objectives and at the same time, endeavoring to avoid tax risks or inefficiencies in the pursuit of its business and financial activities.
3. Cepsa cooperates with the competent tax authorities in identifying and combating fraudulent tax practices that may occur in the markets where it operates.
4. Cepsa conducts its businesses in compliance with all laws and regulations on Money Laundering and Terrorist Financing in force in the countries where it operates. Cepsa only does business with reputable Customers, Suppliers and Partners who engage in legitimate business activities using funds from legitimate sources.
5. Cepsa Employees who participate in or carry out commercial or financial transactions must be familiar with the Money Laundering and Terrorist Financing Laws applicable to the business and country where the transaction takes place.
6. Cepsa Employees should take particular care with regard to the following:
 - a. Payments where the ultimate beneficiary is not clearly identified.
 - b. Payments that are not specified in the corresponding contract or are made to Third Parties or bank accounts unrelated to the transaction.
 - c. Requests to receive payments urgently or ahead of schedule.
 - d. Unusual or unconventional arrangements for the transfers of funds coming from or going to countries with strict banking secrecy laws, weak anti-Money Laundering controls, tax havens or where corruption is known to be widespread.
 - e. Cash payments/collections and transfers that are not consistent with the counterparty's normal business activities.

- f. Payments that may be the result of splitting up a larger payment and are made to the same beneficiary and for the same purpose.
 - g. Payments that contain repeated or rounded-off amounts.
 - h. Transactions involving unusual or unconventional payment or settlement methods or parties or places unrelated to the transaction.
7. The Procurement Department of Cepsa and the supply chain areas of each of the Business Units play a key role in the identification, certification and registration of Third Parties with whom we do business. Therefore, it is essential that all Cepsa Employees strictly abide by the relevant Manuals and procedures. Cepsa prohibits entering into any commercial transactions with parties that have not been appropriately vetted by the Procurement Department or that have been rejected as a result of a KYTP review.





5. REGISTER

The Ethics & Compliance Office shall be required to keep a single, complete and accurate record of all both analyzed transactions and Counterparties analysis, including purchase orders, contracts, invoices and payments that are detailed enough to provide sufficient information and understanding of the nature and purpose of each transaction, as well as being traceable and understandable to an independent third party. Such records, along with their supporting contracts, shall be available to the Compliance Operating Committee and in particular, to the Legal Department and Internal Audit, Ethics & Compliance Office and Risk Division at all times.

6. OVERSIGHT, EVALUATION AND REVIEW

The Ethics & Compliance office, within the Internal Audit, Ethics & Compliance Office and Risk Division, shall oversee and monitor, on an ongoing basis, all activities related to this Policy to identify any risks or conduct that may be contrary to the contents of this Policy and the Code of Ethics and Conduct; all operations performed by the business units shall be periodically compiled along with the due diligence and enhanced due diligence reports, including its conclusions.

The Ethics & Compliance Operating Committee shall periodically review this Third-Party Due Diligence Policy, and submit recommendations to the Board of Directors regarding any amendments or revisions to the Policy as may be necessary or advisable to ensure that appropriate and effective controls are in place and working as intended to minimize the risks of fraud and corruption in Cepsa, taking into consideration the suggestions and input of the Ethics & Compliance Office and Cepsa Employees.



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