

## **Cepsa converts €2.0 billion revolving credit facility into sustainability-linked financing under *Positive Motion* strategy**

- **Cepsa extends its five-year €2.0 billion multi-currency syndicated revolving credit facility and links it to sustainability indicators, including carbon and gender diversity, for the first time**
- **Cepsa and its syndicated banks agree to donate 100% of the interest adjustment to environmental and social projects**

Cepsa has signed the extension of its €2.0 billion multi-currency revolving credit facility (RCF) through September 2027 with 18 financial institutions and agreed its financial terms to be linked for the first time to the fulfillment of key environmental and social indicators. This transaction illustrates the continued support that Cepsa has received from the financial community for the company's *Positive Motion* strategy and commitment to the energy transition.

Two key performance indicators (KPIs) are linked to Cepsa's 2030 carbon targets: progressive reduction in Scope 1 & 2 emissions to reach a 55% decrease in 2030 versus 2019 and a 15-20% decrease in the carbon intensity index of its energy products sales, which includes Scope 1, 2 & 3. A third KPI is aligned with Cepsa's gender diversity target that 30% of leadership positions be held by women by 2025.

As part of the financing agreement, Cepsa and its banking syndicate have committed to donating 100% of the interest adjustment, with each party designating the destiny of such donation equally. The donation mechanism is equivalent to a virtual credit margin adjustment where the achievement of each KPI determines if the donation is borne by Cepsa, the banks or shared among Cepsa and its lenders.

Cepsa has pledged to devote its 50% share of the donation to the Cepsa Foundation, which is particularly active in developing projects dedicated to improving the environment and biodiversity, as well as to social action and promoting gender diversity. The syndicated banks have also committed to channel their share of the donation through a foundation or non-profit organization.

Carmen de Pablo, Chief Financial Officer, said: "Cepsa's first sustainable KPI-linked facility shows our determination to align our sustainability and financing objectives, placing sustainability criteria at the core of our financing and investment decisions, as well as our day-to-day operations. We are fully committed to transforming our business into one that is aligned with the net zero challenge and making Cepsa a diverse and inclusive place to work. In addition, it gives us great

pleasure to see that by working closely with our core relationship banks we have been able to achieve what is a unique combination in syndicated markets, by having Cepsa and its syndicated banks equally agreeing to donate 100% of the interest adjustment to environmental and social projects.”

BBVA and Natixis Corporate & Investment Banking acted as Sustainability Coordinators for this transaction.

Cepsa is currently executing investments of €7-8 billion over the course of the decade under its *Positive Motion* strategy to promote the energy transition and become leaders in sustainable mobility, green hydrogen and biofuels in Spain and Portugal.

Aside from the €2.0 billion credit facility, Cepsa will also continue to align its financing strategy with other financial instruments linked to sustainability KPIs, to accompany the execution of energy transition projects as part of its *Positive Motion* strategy.

**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 goals. ESG criteria inspire everything Cepsa does as it advances toward its Net Positive objective. 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 reaching net zero emissions by 2050.

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