

The logo for Exolum, featuring the word "exolum" in a lowercase, sans-serif font. The letters "ex" are blue, and "olum" are green. The background of the slide features a stylized globe with a grid of blue dots and a green-to-blue gradient.

Consolidated report of the  
non-financial statement of Compañía  
Logística de Hidrocarburos CLH, S.A.  
and subsidiaries (Exolum Group)

A small green arrow pointing to the right, located to the right of the text block.The year "2020" in a large, bold, green font. The background of the slide features a stylized globe with a grid of blue dots and a green-to-blue gradient.

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# About this report

This document, which is an integral part of the consolidated management report as at 31 December 2020 for Compañía Logística de Hidrocarburos CLH, S.A (hereinafter, “CLH” or the “Company”), and its subsidiaries (hereinafter, “Exolum Group” or “Exolum”).

The Exolum Group, within the strategy and its future objectives, based on innovation, diversification and sustainability, has modified its brand since March 1, using Exolum as the Group’s unique brand

This report has been prepared in accordance with the requirements laid down in Act 11/2018 of 28 December, amending the Commercial Code, the consolidated text of the Spanish Companies Act passed under Royal Legislative Decree 1/2010 of 2 July, and Accounts Auditing Act 22/2015 of 20 July relating to non-financial information and diversity.

For reporting purposes, Exolum Group has used the Global Reporting Initiative’s standards for Sustainability reporting (GRI Standards) and the International Integrated Reporting Framework (IR). In accordance with these standards, the report sets out all matters reflecting the significant economic, environmental and social impacts of the company. The scope of this Non-Financial Statement includes information relating to the Exolum Group financial year 2020.

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# Letter from the Chairman and the CEO



**Jorge Lanza**  
CEO



**José Luis López de Silanes**  
Chairman

We are pleased to present the Consolidated Report of the Non-Financial Statement for 2020. This report is published as part of our commitment to transparency and explains our financial and non-financial results, as well as our main strategic lines and ESG actions.

It has been a hard year, marked by the health crisis caused by the new coronavirus, but our company has been able to react quickly and effectively and we have lived up to society's expectations by ensuring fuel supply at all times, particularly during the hardest months of the pandemic, when ensuring the movement of health professionals, law enforcement authorities or goods transport was essential.

There is no doubt that in 2020 we have been forced to change our routines and to work in a different way but, even so, we have managed to progress on our main strategic lines and obtain positive results despite the unprecedented drop in fuel demand, particularly in the aviation sector.

This achievement has been possible thanks to the efforts, commitment and involvement of everyone within the company and has helped us to move forward and continue to grow in such difficult times, as evidenced by one of the most relevant highlights of the year: the acquisition of 15 storage terminals from InterTerminals Limited located in the United Kingdom, Ireland, Germany and the Netherlands.

With this operation, we have become the European leader in liquid product logistics and have incorporated the expertise of a highly valuable team of individuals in different business segments where we were not present until now, such as chemical products, thus reinforcing our diversification objectives as well as consolidating our presence in the United Kingdom.

Furthermore, we have reduced the number of safety incidents at our plants and progressed on our efficiency agenda, thus achieving a reduction of the electricity bill and our carbon footprint thanks to different initiatives such as the implementation of LED lighting at our facilities, pump electrification and long-term purchase agreements for more economical and sustainable electricity.

Our commitment to sustainability has been strengthened and we aim to become a carbon neutral company by 2050 and successfully embrace the major challenges of the future, such as climate change or decarbonisation.

The digitalisation of our operations has been another great challenge that we have faced through different projects that will enable us to use more advanced technologies and equipment in strategic areas such as demand prediction, asset maintenance or pipeline monitoring. In this regard, one of the most significant developments relating to our internal customers has been the modernisation of our computer systems as part of our ONE Project which, coupled with the implementation of new tools and agile methodologies, has enabled us to prepare the ground for an improvement in our working methods.

All of the above has been achieved in addition to our commitment to society in a particularly hard year where we have taken action to respond to the social emergency and help those who are hardest hit by the pandemic.

Among other actions, we donated medical supplies, such as masks, gloves and protective clothing, to the Spanish government in one of the most critical moments of the pandemic. We also donated essential supplies to over 20 hospitals and nursing homes. Moreover, we cooperated in campaigns organised by different NGOs, such as the Red Cross or Action Against Hunger, in order to mitigate, where possible, the effects of COVID-19.

Apart from these specific actions, we have continued to develop new volunteering projects in cooperation with our staff and to support entrepreneurship in areas where we have special links.

All in all, and despite the circumstances, in 2020 we have once again confirmed our commitment to the principles of the UN Global Compact and our own Code of Conduct in human rights, labour, environmental and anticorruption matters, not only in the course of our direct activities but also through the cooperation with our suppliers.

As for the future, we are optimistic and believe that the much-desired recovery will come soon. So far, 2021 has been special for our company, as we have unfolded a new chapter with Exolum, a new name with which we will be known around the world.

This new identity is not only a brand change, but also an evolution in order to adapt ourselves to present and future challenges and to better reflect the transformation we have undergone in recent years which has led us to expand our logistics services to new liquid products, such as chemical products, and to innovate in sectors such as renewable energy, hydrogen and eco-fuels. We are, therefore, setting out on a new path and we are really excited to be able to do it together.

Hopeful for the future, we bid you farewell, but not before inviting you to peruse this report in order to discover the progress made by our company in 2020.

# Highlights from 2020

## Future

### We are growing internationally

We have added 15 InterTerminals Limited facilities in the UK, Ireland, the Netherlands and Germany to our logistics network, thus strengthening our international expansion and bringing on board a team with a wealth of experience in managing chemical products.

### “Avikor” takes flight

We launched Avikor, a new platform that gives individuals and businesses the opportunity to fly more sustainably by substituting the proportion of traditional kerosene used in their flight with sustainable aviation fuel (SAF), and successfully participated in Spain’s first transoceanic flight with sustainable aviation fuel covering the Zaragoza to Miami route.

### We launched Yubick

We created a new parking service and rest area for cargo truck drivers at our facility in Barcelona, where drivers can rest and prepare for the next leg of their journey.

### Agreement to promote eco-fuels

We signed an agreement with the Spanish Association of Oil Product Operators (AOP) to jointly promote the development of low-carbon liquid fuels, eco-fuels, in Spain.

### We are researching alternative fuel sources

In conjunction with the company Urbaser, we managed to develop diesel fuel from plastic waste and successfully tested it in an urban waste collection truck.

### We achieved the highest rating in the GRESB benchmark

We garnered a five-star rating in the GRESB 2020 sustainability benchmark, with a score of 89 points out of 100, and were the industry leader in the maintenance and operation categories.

## Safety

### First Spain Safety Day held simultaneously with United Kingdom

To celebrate Safety Day, we held lectures, talks and various safety and prevention initiatives simultaneously with our colleagues in the UK.

### New Safety Foundations

We approved new basic safety standards for all our activities in conjunction with a cross-disciplinary team and the support of Exolum-PS, which launched the project in the UK last year.

### We strengthened individual safety in plants

We launched a new cutting-edge personal safety device in the plants, which enables rapid identification and immediate assistance in the event of an incident during work shifts.

### New smart mailboxes

We tested a new smart mailbox system at the facilities in Villaverde and Rivabellosa whereby staff members do not have to interrupt their work to deal with courier deliveries.

## Efficiency

### We rolled out Formula ONE

We improved our systems with new IT developments that have allowed us to streamline recruitment processes, strengthen the budgeting and consolidation of our accounts and add a new corporate portal.

### Digitalisation of delivery notes

We developed a new digital delivery note system, which allows road tanker drivers to download loading operation documentation to a mobile device, thus providing a more efficient and sustainable service.

### Predictive maintenance of assets

We implemented predictive maintenance for the day-to-day management of our logistics network, and rolled out digital systems to gather information, which allows us to compile operational data and monitor our equipment.

### We are harnessing artificial intelligence

We have begun to use artificial intelligence to improve our output forecasts, strengthen our leak detection systems and monitor our pipelines, supported in the latter case by satellite technology.

### We upgraded the Zaragoza Airport facility

We have commenced the construction of a new pipeline in the facilities we manage at Zaragoza Airport in order to provide a better service and to be able to meet increased demand over the coming years with greater flexibility.

### We joined the Spanish tax authorities' new SILICIE accounting system

We have joined the new SILICIE accounting system introduced by the tax authorities for products subject to excise duties. The SILICIE project is a new bookkeeping system for all products subject to excise duties, in accordance with the provisions of section 50 of the Excise Duty Regulations.

### **Our Quality, Environmental, Health and Safety and Information Security certifications have been renewed**

We successfully passed the audits performed by AENOR for the renewal of the company's ISO 9001 certification for the Quality Management System, ISO 14001 certification for the Environmental Management System, and ISO 45001 and ISO 27001 certification for Health & Safety and Information Security, respectively.

## **Environment**

### **First Water Footprint report**

We published our first Water Footprint report, where we analyse our water consumption to identify opportunities for improvement and initiatives to help us reduce consumption.

### **Purchase agreement for renewable energy**

We signed a power purchase agreement whereby part of our facilities' electricity needs will be met by 100% renewable energy, thus reducing emissions to the atmosphere.

### **We improved the lighting in the facilities**

We approved a project to upgrade the lighting system in our facilities to make it more sustainable by replacing the old lights with highly-efficient LED lights.

### **New motor pump unit in Loeches**

We installed a new electric motor pump unit at the Loeches plant to replace the diesel pumps used to supply the pipeline, thus enhancing the safety and efficiency of operations.

## **People**

### **We signed the 2016-2019 Collective Bargaining Agreement for CLH**

Company management and the UGT, CCOO and CGT trade unions signed the CLH 2016-2019 Collective Bargaining Agreement and agreed to its automatic renewal until a new agreement is signed.

### **We foster diversity**

Ware of the importance of diversity, we have created the Women in Movement (WIM) group with the aim of contributing value to the company from an inclusive, collaborative and pluralistic perspective.

## Community engagement

### We donated medical supplies during the pandemic...

We donated almost one million euros worth of medical supplies, including masks, gloves and protective clothing, for distribution to the national security forces, hospitals and various nursing homes.

### ...and non-medical supplies to hospitals and nursing homes

We also donated non-medical but essential supplies, such as hygiene kits, thermometers and reusable water bottles, to hospitals and nursing homes with whom we have close links.

### We launched Energía Positiva+

We developed Energía Positiva+ together with other energy companies to support small businesses in the development of innovative projects that will contribute to economic and social recovery in the aftermath of the COVID-19 crisis.

### Spreading our charitable energy

We collaborated on different initiatives and activities organised by various NGOs, such as the Red Cross, Action Against Hunger and Aviation Without Borders, to address the needs arising from the pandemic.

### We supported the social integration school of San Fernando

We visited the social values and football sports school which the Real Madrid Foundation is running in San Fernando de Henares (Madrid) with the sponsorship of our company.



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# Company profile

## Who we are

CLH, in its capacity as parent company of the Exolum Group, is the leading company in the transport and storage of oil products in Spain and one of the largest private companies in the industry worldwide.

The Exolum Group operates in Spain directly or indirectly through the companies CLH, CLH Aviación, TERQUIMSA (Terminales Químicos, S.A.), Exolum Solutions and Garbium Circular Initiatives.

Globally, the Exolum Group has various subsidiaries and partly owned companies and currently operates in seven countries through Exolum Pipeline System (Exolum-PS) in the UK, Exolum Aviation Ireland in Ireland, CLH Panamá in Panama, CLH Aviación Ecuador in Ecuador, OQ Logistics L.L.C. (OQL) in Oman and Exolum International UK in the UK, Ireland, Germany and the Netherlands.

## Purpose

The purpose of the Exolum Group can be summarised as follows: “We contribute to the development of society and the sustainability of the planet, managing essential infrastructure for the well-being of individuals”.

## Our vision

The Exolum Group vision is to contribute to economic, environmental and social progress, to provide our customers with excellent service, guarantee profitability for our shareholders and develop the employment prospects and promotion of our employees, as well as helping them balance their family and professional lives.

We aim to be an international benchmark in energy distribution, contributing to its responsible use, ensuring the safety of people and protecting the environment, and contributing to the prosperity of the communities where we have business units.

Furthermore, we also aim for our employees to feel proud of being part of the company, aware of the importance of their work.

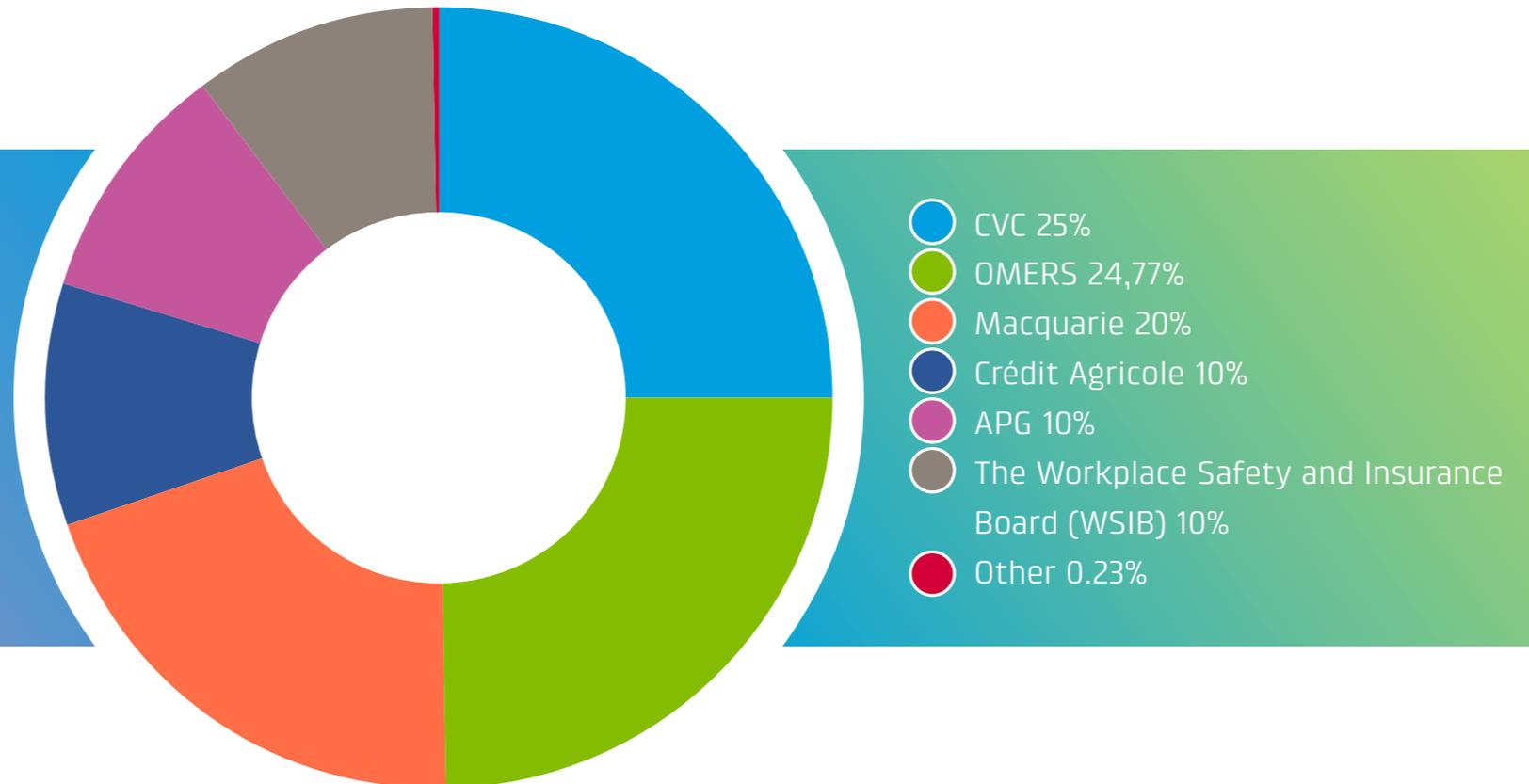
## Our values

The Exolum Group culture is based on values such as safety, commitment and the ability to generate trust among stakeholders: Safety, Efficiency, Commitment, Responsibility, Excellence, Integrity and Trust.

## Our shareholders

The shareholding structure of the CLH Group is composed of financial shareholders and investment funds specialised in infrastructure management.

The shareholding structure with voting rights at 31/12/2020 is as follows:



# Our strategy

## How do we create long-term value?

Exolum Group's core activity is the storage and transportation of oil products from port facilities or refineries to the places where these are consumed, thus guaranteeing easy and safe access to fuel. CLH Aviación is a benchmark in international airport logistics and guarantees an efficient and safe supply of aviation fuel at airports in Spain and abroad.

In this regard, Exolum Aviation Ireland offers fuel receipt, storage and dispatch logistics services at Dublin Airport, CLH Panamá operates fuel terminals and performs into-plane fuelling services at six airports in Panama, and CLH Aviación Ecuador carries out operational, maintenance and into-plane fuelling activities at José Joaquín de Olmedo International Airport in Guayaquil city.

In addition, Exolum Pipeline System (Exolum-PS) provides fuel storage and transport logistics services to various military facilities and airports in the UK.

Furthermore, in 2020, the Exolum Group purchased 15 liquid product storage terminals in the UK, Ireland, Germany and the Netherlands from the company InterTerminals. This operation strengthens the company's international expansion, and makes the Exolum Group the largest liquid product logistics company in Europe.

As a result, the Exolum Group now operates in eight countries: Spain, the United Kingdom, Ireland, Germany, the Netherlands, Panama, Ecuador and Oman with a pipeline network of over 6,000 kilometres, 68 storage terminals and 45 airport facilities, with more than 11 million cubic metres of capacity.

One of the greatest benefits of this acquisition is the addition of a team with a wealth of expertise in the storage of chemical and biofuel products, which will be a huge asset to Exolum as it continues to expand into new countries and new markets with non-hydrocarbon products in its endeavour to meet the enormous challenges of climate change.

Eleven of these terminals are in the UK, which significantly strengthens the business in this country. In addition, the complementary nature of the teams and assets will enable the creation of synergies and puts us on track to become the leader in the UK market.

In the Netherlands, the acquisition of the terminal in Amsterdam is of strategic importance as it provides access to the ARA (Amsterdam-Rotterdam-Antwerp) region, and the two state-of-the-art terminals in Mannheim in Germany in the Rhine-Ruhr-Main region are beside one of the world's largest chemical clusters.

This operation represents a unique opportunity for Exolum to continue advancing with the diversification of its activities and geographic expansion, extending its services and influence.

In a changing scenario characterised by the energy transition and the digitisation of the economy, the strategy of the Exolum Group is to build an ever more competitive and robust organisation that is capable of weathering the changes taking place in society and ensuring its continuity.

To this end, the company is promoting the diversification of activities by developing new business opportunities in industries or sectors where it has not traditionally been present, both for the supply of energy and the storage of products other than hydrocarbons. In addition, the Exolum Group has developed a strategy to reduce its carbon footprint by 50% by 2025 and to completely eliminate it by 2050.

Furthermore, the Exolum Group is continuously adapting to the needs of the market, increasing the capacity of its systems and adapting the infrastructure to meet ever more stringent requirements in terms of quality, safety and environmental protection. It has also introduced new biofuels, product qualities and energy supplies so that it can continue to grow and create value for society.

In Spain, the high level of automation, integration and capillarity of Exolum's operating model has earned it an international reputation as one of the most economically efficient supply schemes in the world, as has been pointed out by the International Energy Agency (Group CLH has one of the largest and most efficient integrated oil storage and transportation networks in the world).

# Strategic pillars of the Exolum Group Strategic Plan

The current Strategic Plan is structured around five main areas of action:

## Strengthening and growing the main business: basic logistics and aviation

Maintaining operational excellence and promoting business growth by carrying out specific actions that make it possible to adapt infrastructure to market requirements and enhance company competitiveness.

## Development of new services

Continuously analysing customer demands in order to offer new services that are tailored to their needs, particularly at maritime terminals and facilities adjacent to refineries, while including diversified logistics activities and services in connection with new products.

## International growth

Consolidating existing international businesses, as well as searching for new opportunities in other countries.

## Efficiency improvement

Continuing to incorporate the latest technology and furthering process automation, while promoting document digitisation and fostering research and development.

## Revitalisation and Cultural Change

Reviewing company processes and implementing new ways of working based on cooperation, discussion and a focus on the customer in order to have a more united team and a company that is more modern and flexible.

Within the Strategic Plan, the Exolum Group has a **CSR Master Plan** which covers priority aspects such as environmental management and protection; control and safety of facilities, occupational health and safety, relations with the community, stakeholders, ethics and integrity, and the attraction and retention of talent.

The Exolum Group also wishes to play an important role in the energy transition process and, accordingly, is working on three strategic lines: reducing the environmental impact of our operations, guaranteeing efficient access to energy in those countries where there is currently none and exploring opportunities for diversification and the possibility of developing logistics systems beyond traditional hydrocarbon systems for the new types of energy that may be needed in the future.

# Our activity in 2020

## Financial results

Profit after tax of the Exolum Group in 2020 amounted to almost 168 million euros, which represents a decrease of 41.2% compared to the previous year.

Operating income totalled 635,3 million euros, 16.6% less than in 2019, mainly owing to commercial logistics both in Spain and the UK, the storage of oil products and the aviation sector.

The contribution of international business continued to grow and reached 120.4 million euros in operating income, which represents 19.4% of the total for the group.

Operating expenses amounted to 407.3 million euros, 3.5% more than in 2019, due to the efficiency and cost reduction plans promoted by the company.

The EBITDA of the Exolum Group amounted to 337.4 million euros, which is 27% lower than in 2019, due to the impact of the COVID-19 crisis on logistics network activity in all companies of the group.

The impact of the COVID-19 pandemic on economic activity caused the Exolum Group's recurring operating profit to fall by 38.1% compared to the previous year and stood at 227.9 million euros.

### Generation of wealth. Million euros

	2018	2019	2020
Operating profit	317.2	368.3	227.9
Net profit	238.3	285.3	167.6
Operating income	724.4	761.6	635.3
Operating expenses	407.2	393.3	407.3
Investments	77.6	85.4	101.3
Dividends*	240.2	270.2	186
Total assets	2,245.3	2,346.8	2,941.2

\* The dividend for 2020 came to 186 million euros (€2.6383/share), of which 51.7 million (€0.7337/share) corresponded to an additional dividend to be proposed to the General Shareholders' Meeting for approval.

## Direct economic value generated and distributed

GRI 201-01 indicator for the company CLH and the company CLH Aviación. This work was performed using the audited financial statements for 2020.

	S/CLH	S/CLH AVI	Total
<b>Direct economic value generated</b>	<b>525,047</b>	<b>31,061</b>	<b>556,108</b>
Sales and other operating income	493,017	29,936	522,953
Financial income	31,762	435	32,197
Results for disposal of fixed assets	268	690	958
<b>Economic value distributed</b>	<b>281,566</b>	<b>34,063</b>	<b>315,629</b>
Operating expenses	(144,127)	(18,506)	(162,633)
Employee wages and benefits	(75,392)	(18,146)	(93,538)
Payments to capital providers (dividends to shareholders and interest payments to capital providers)	(8,222)	–	(8,222)
Payments to the government	53,825	2,589	51,236
<b>Economic value retained</b>	<b>243,481</b>	<b>3,002</b>	<b>240,479</b>

## Investments

The Exolum Group invested 101.3 million euros in 2020 in the continued improvement of its infrastructure and services, both in Spain and in the other countries where it is present.

In Spain, the company invested 54.2 million euros in the implementation of various projects. Specifically, 67.6% of this amount was devoted to investments in maintenance and business growth, which was necessary to ensure the optimum condition of the infrastructure and the delivery of value to customers; 18.9% was allocated to the replacement, extension and modernisation of equipment, and 13.5% to environmental and safety projects.

In the UK, Exolum-PS earmarked 37.6 million euros for the continued upgrade of its logistics infrastructure in order to improve efficiency and safety.

Exolum Aviation Ireland invested 2.6 million euros in the ongoing extension of the fuel storage facility at Dublin Airport.

In November 2020, the facilities owned by the InterTerminals Limited in the UK, Ireland, Germany and the Netherlands were acquired by the Exolum Group, which has invested 6 million euros in the terminals over the past two months.

CLH Panamá invested 0.4 million euros in the acquisition of supply vehicles.

Spanish-based company Exolum Solutions, which is engaged in the diversification of activities and the search for new business opportunities for the Group, invested 0.4 million euros in 2020.

The remaining investment was allocated to CLH Ecuador, a subsidiary of CLH Aviación, which has been providing services at Guayaquil airport since November 2019, and to financial investments.

# Activity of the Exolum Group in the world



**1**  
Spain

- 4,000** km of oil pipelines
- 39** storage facilities
- 8** million m<sup>3</sup> of storage capacity
- 13** port facilities
- 37** airport facilities
- 6** hydrant networks

**TERQUIMSA**

JV 50/50% Exolum Group Vopak

**2**  
UK

- 2,000** km of oil pipelines
- 24** storage facilities
- 2.5** million m<sup>3</sup> of storage capacity

**3**  
Ireland

- 1** airport facility
- 15,000** m<sup>3</sup> of storage capacity
- 1** hydrant network
- 1** storage facility
- 142,000** m<sup>3</sup> of storage capacity

**4**  
Germany

- 2** storage facilities
- 313,000** m<sup>3</sup> of storage capacity

**5**  
Netherlands

- 1** storage facility
- 614,000** m<sup>3</sup> of storage capacity

**6**  
Panama

- 6** airport facilities
- 18,000** m<sup>3</sup> of storage capacity
- 1** hydrant network

**7**  
Ecuador

- 1** airport facility
- 5,800** m<sup>3</sup> of storage capacity
- 1** hydrant network

**8**  
Oman

- 290** km of oil pipelines
- 1** storage facility
- 174,000** m<sup>3</sup> of storage capacity

## CLH

CLH is the leading company engaged in the transport and storage of oil products in the Spanish market. The company has one of the largest and most efficient integrated networks for the transport and storage of oil products in the world, with more than 4,000 kilometres of pipeline and 39 terminals with a storage capacity of almost 8 million cubic metres.

CLH is engaged in the following activities:

- Storage, transport and distribution of oil products, primarily gasoline, diesel oil, kerosene, fuel oil and biofuel, on the Iberian Peninsula and the Balearic Islands.
- Storage of strategic and commercial reserves.
- The provision of specialised services tailored to customers' needs: biofuel blending, quality analysis and control, metrology and additivation, etc.

The integrated management of storage and transportation activities and the use of the latest technology allows the company to maintain a high level of efficiency, thus it was able to keep the average price of its logistics services in 2020 below one euro cent per litre, which represents less than 1% of the price paid by the end consumer per litre of fuel.

### Deliveries of oil products

Oil product deliveries from CLH facilities in Spain in 2020 amounted to 36 million cubic metres, which represents a decrease of 24.3% over the previous year. This decline is due to the reduction in mobility as a result of the COVID-19 pandemic and continues to affect demand for automotive and particularly aviation products, which have been severely affected by the dramatic slump in air traffic in 2020.

Broken down by product, deliveries of gasoline and diesel oil fell by 15.0% compared to 2019, kerosene and aviation fuel decreased by 62.8% and fuel oils and IFOs fell by 47.2%. Furthermore, CLH continues to provide the naphtha dispatch service that started in December 2017, supplying nearly 1.1 million cubic metres in 2020.

The volume of oil products transported by pipeline reached 17.8 million tonnes. The company also transported 1.8 million tonnes by vessel, which represents a decrease of 33.8% compared to the previous year.

With regard to biofuel services, CLH managed 1.48 million cubic metres of biodiesel and HVO (hydrobiodiesel) and 0.16 million cubic metres of bioethanol. The company received biofuels already blended with diesel oil and gasoline and in their pure form or denatured in order to be blended in the loading arm and in-line.

At 31 December 2020, the storage capacity of CLH in Spain was 7.8 million cubic metres, with 7.5 million being for clean products and 0.3 million for fuel oil and other product storage.

### Activity data

	2018	2019	2020
<b>Deliveries from facilities</b> (thousand cubic metres)	46,880	47,531	35,988
Gasoline and diesel oil (thousand cubic metres)	36,066	36,544	31,068
Gasoline (thousand cubic metres)	5,715	6,089	4,919
Diesel oil (thousand cubic metres)	30,351	30,455	26,149
Aviation fuels (thousand cubic metres)	7,134	7,520	2,797
Kerosene (thousand cubic metres)	7,131	7,517	2,793
Aviation gasoline (thousand cubic metres)	3	3	3
Naphtha (thousand cubic metres)	1,376	1,458	1,064
Fuel oil (thousand cubic metres)	570	355	207
IFOs (thousand cubic metres)	1,734	1,654	853
<b>Modes of transport activity</b>			
Tankers (thousand tonnes)	2,874	2,782	1,841
Oil pipelines (thousand tonnes)	23,456	24,160	17,795

## CLH Aviación

In 2020, CLH Aviación had to adjust operations to the global crisis caused by the COVID-19 pandemic. This resulted in a significant decline in operations at various airports, and the adoption of the necessary biosecurity measures.

CLH Aviación operates at 36 major airports in Spain and also provides services to the Airbus plant in Getafe. In addition, it manages the six hydrant networks at the country's main airports: Adolfo Suárez Madrid-Barajas, Barcelona-El Prat, Málaga, Palma de Mallorca, Alicante and Tenerife South, and has an extensive fleet of refuelling units and dispensers.

The company offers storage, distribution and into-plane services for aircraft fuels and lubricants. It also manages and provides advice and technical assistance for the installation and maintenance of distribution networks for different types of aviation fuels.

In 2020, CLH Aviación distributed 3 million cubic metres of fuel.



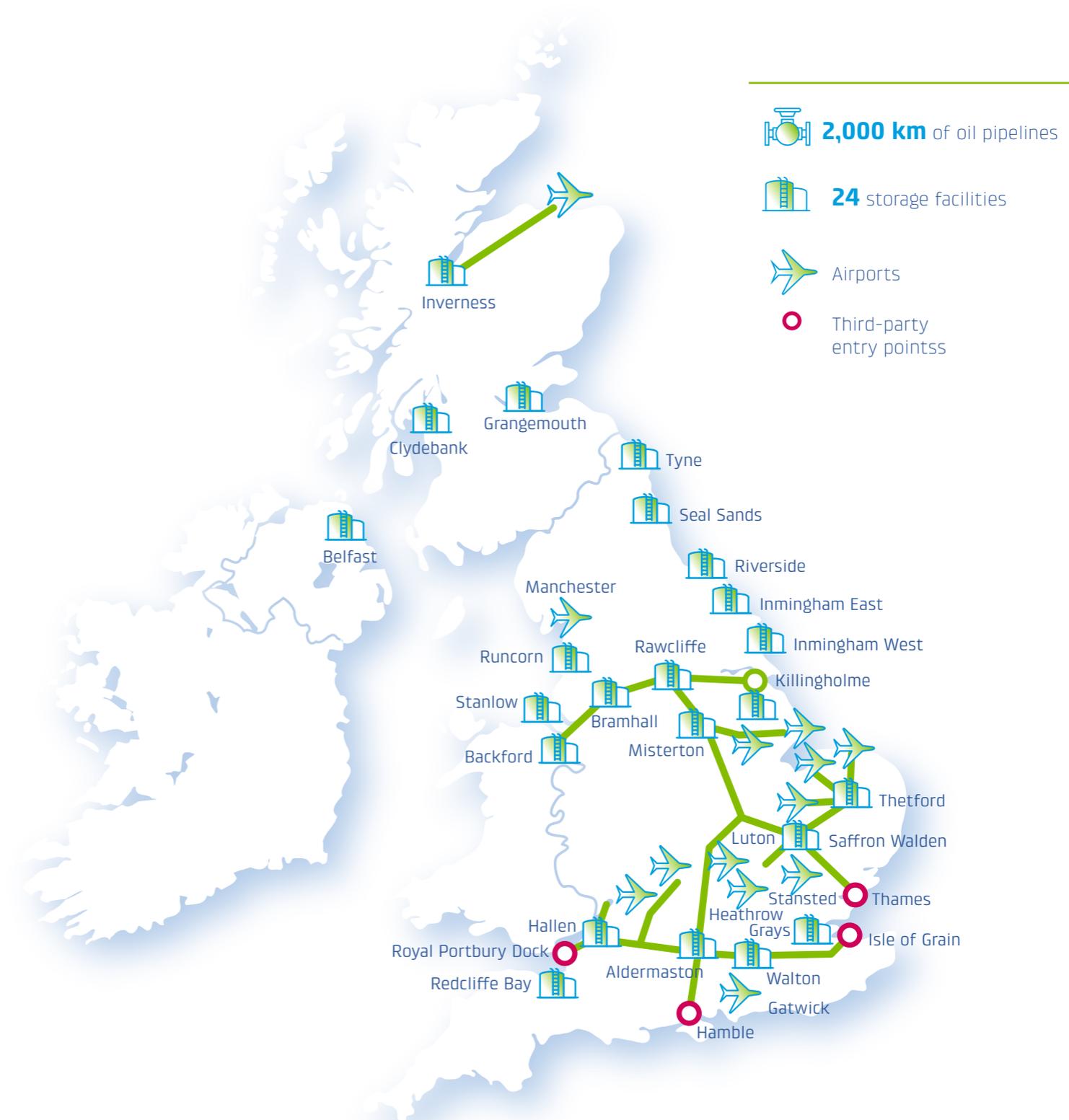
# Exolum-PS

Exolum Pipeline System (Exolum-PS) provides fuel storage and transport services to various military facilities and airports in the UK, such as Heathrow, Gatwick, Stansted and Manchester. To this end, it has a 2,000-kilometre pipeline system and 24 terminals with a capacity of 2.5 million cubic metres.

In 2020, the company renewed the agreement with the UK Ministry of Defence and laid the foundation for a long-term contract. Furthermore, it made significant progress on the terminal upgrade plan, particularly the improvement of the electrical installations in classified areas, and reviewed the maintenance strategy to improve maintenance management. In addition, in a year dominated by the pandemic, the company continued to provide its services without significant incidents.

In 2021, the company is facing the important challenge of integrating the 15 new terminals acquired at the end of 2020 into the system.

These transactions contribute to guaranteeing the company's financial stability in forthcoming years and cement Exolum-PS's position as one of the main operators in the UK fuel industry.



## Exolum Aviation Ireland

Exolum Aviation Ireland offers logistics services for the receipt, storage and dispatch of Jet A1 to all suppliers operating at Dublin Airport, as well as to the different into-plane fuelling agents.

The company is currently undertaking a major renovation of the fuel storage terminal at Dublin Airport, which includes the expansion of the plant's capacity and the construction of a new hydrant system that will enable faster and more efficient operations.

In 2020, construction of the terminal and the hydrant system at Pier 1 and all civil works at the facility were completed, and the new loading areas and the CCTV and fire-fighting systems were commissioned. The commissioning of the hydrant system at Pier 1 is merely awaiting the approval of Dublin Airport Authority (DAA).

Furthermore, Exolum Aviation Ireland replaced 75% of its light vehicle fleet with plug-in hybrids in line with the Exolum Group's commitment to be carbon neutral by 2050.

Exolum Aviation Ireland also renewed its ISO 9001 and 14001 certifications and obtained ISO 45001 certification.

## CLH Panamá

CLH Panamá operates the fuel terminals and provides into-plane services at four airports in Panama. The company manages fuel storage and supply at Tocumen International Airport and at three other regional airports, where it consolidated operations in 2020.

In addition, the company is implementing a major project to modernise the supply system at Tocumen airport, one of the largest on the American continent. In this regard, in 2020 CLH Panamá collaborated on the expansion of new tanks, which are now in operation, as well as a new hydrant network for the new terminal and its integration into the existing system, and coordinated the necessary works.

## CLH Aviación Ecuador

CLH Aviación Ecuador, a wholly owned subsidiary of CLH Aviación, has been performing operation, maintenance and into-plane services at José Joaquín de Olmedo International Airport in the city of Guayaquil (Ecuador) since November 2019 after being awarded the contract tendered by the airport management company, Terminal Aeropuerto Guayaquil S.A. (TAGSA).

The company is operating under a concession scheme for a period of ten years, for which purpose it has incorporated new supply vehicles and implemented improvements at the facility and in operations.

In 2020 the company was able to have the red code imposed on the airport as a result of a nonconformity by the previous operator definitively lifted. This meant that certain airlines did not refuel in Guayaquil. This year, CLH Aviación Ecuador earned the trust of the various airlines and successfully passed the inspections and audits performed. In addition, it has received several compliments from airline companies and aviation bodies for the quality of operations and into-plane fuelling services.

Furthermore, operations have been consolidated, and procedures, equipment and processes have been improved to bring them into line with Exolum standards.

## OQL

The OQL company is jointly owned by Exolum (40%) and Omani company OQ, formerly Orpic (60%). It designed, constructed and manages a storage terminal near Muscat with a capacity of 170,000 cubic metres, and a 300-kilometre pipeline connecting this new plant to two existing refineries and to Muscat International Airport.

This network makes it possible to offer transportation and storage services for kerosene and diesel oil, increasing the safety of oil product supply, optimising distribution costs and reducing road tanker traffic.

In 2020 it began to provide a new strategic storage service for the government of Oman for a total volume of 75,000 cubic metres comprising diesel, gasoline and Jet A-1. It also commenced the provision of a new differentiated MOGAS98 additivation service for an estimated volume of 2,000 cubic metres per year.

In 2020, OQL assets handled a volume of 3.7 million cubic metres. The high degree of flexibility of OQL's assets and the experience provided by the Exolum Group have been decisive in minimising the impact of the COVID-19 crisis on OQL business, while ensuring an uninterrupted fuel supply in the Sultanate of Oman.

## TERQUIMSA

TERQUIMSA, in which Royal Vopak N.V. and CLH each own a 50% interest, is engaged in the receipt, storage and forwarding of bulk liquid products from its facilities in the ports of Tarragona and Barcelona.

TERQUIMSA has a total capacity of 643,000 cubic metres and stores more than 100 different oil, biofuel, chemical and petroleum products.

In 2020, the company expanded the facilities in Tarragona by adding four new tanks with a total capacity of 17,000 cubic metres.

The company handles approximately 2.5 million tonnes of products each year.

## Other companies in the Exolum Group

To facilitate the international expansion of the Exolum Group and promote diversification, Exolum has set up various companies in the USA and France, with the initial goal of seeking out new business opportunities or the development and implementation of these opportunities. However, these companies are not currently engaged in any industrial activity.

In 2020, the Exolum Group incorporated a new company under the name of Exolum Solutions, whose primary mission is to promote the diversification of Exolum Group into new businesses, and entrepreneurship.

# Our setting

The energy sector is currently undergoing a process of transformation in a bid to meet the triple challenge of reconciling supply safety with sustainability and competitiveness.

Furthermore, the logistics sector has always been highly sensitive to economic trends and, therefore, is constantly evolving. However, we are now facing an unclear future with more uncertainty than ever as a result of the unprecedented health crisis we are experiencing.

Despite the trend toward the decarbonisation of the energy sector and reducing emissions, society continues to depend on oil products and demand will therefore continue to rise.

Oil continues to be the most important primary energy in the world, and most business activities depend on oil as their power source, which accounts for around 31.41% of the world's energy needs.

Two issues dominated activity in 2020: the impact of COVID-19 on the energy sector and the prospects of accelerating the energy transition.

The immediate effects of the pandemic on total energy demand predictably fell by 5% in 2020, while demand for oil decreased by 8%.

According to the latest report by the International Energy Agency (IEA), in terms of volume, demand for oil will remain below 100 million barrels/day, at a similar level to 2019, which was 97.8 million barrels/day. This is due to the effects of the pandemic, which affects the oil situation in numerous ways.

Nevertheless, global consumption of oil products will increase slightly by 0.3% up to 2040, although consumption patterns will change. Therefore, the success of the business largely depends on the company's ability to develop a sound strategy that will enable it to identify and mitigate the risks posed by the environment, including how society responds to adverse situations such as a pandemic, and exploit opportunities in this new market context.

## 1

### Global growth in demand for oil products, with differences between regions

As mentioned previously, global energy demand and demand for oil products in particular has fallen, primarily due to the effects of COVID-19. However, the slight growth in demand in China has remained steady compared to previous years and even with respect to forecasts for 2030, while in the United States demand has stagnated compared to last year and has fallen slightly with respect to 2030; in Europe, meanwhile, demand continues to decrease marginally.

In Spain, specifically, total demand for oil products had plummeted by 28.5% at 30 November 2020 according to CORES.

The latest World Energy Outlook report, published by the International Energy Agency, forecasts moderate global growth in the demand for oil products of 0.6% per year in the lead-up to 2030 and 0.4% per year in the lead-up to 2040. This growth in demand will be asymmetric, with solid growth in non-OECD countries and a slight progressive decline in OECD countries.

The Exolum Group's response to these perspectives is to promote the company's international expansion in growing markets, boosting the competitive advantages of the Exolum Group, and seizing opportunities to develop new logistics infrastructure in other countries and businesses related to our core activity.

Likewise, the Exolum Group is reinforcing its activity, focusing on efficiency and the development of new services in countries with stagnant demand. In the case of Spain, it is increasing the flexibility of the Group's coastal terminals so that they are capable of accepting all product and blend types.

## 2

### Trends in demand for the different oil products during the COVID-19 crisis

As mentioned previously, energy demand is expected to fall by approximately 5% per year from 2020 onwards. During the last century, only the two world wars and the Great Depression caused a greater decline in demand than the COVID-19 crisis. At the time, some energy sectors were more affected than others and the same is expected to occur again.

Measures to halt the pandemic, such as local lockdowns, ongoing remote working and a currently weak aviation sector will continue to slow down consumption, which means that the shadow of the pandemic still looms over the short-term outlook for oil.

In fact, demand for oil will decrease by 8%, and the aviation fuel segment, which currently accounts for more than 7% of total oil consumption, will be the hardest hit, as changes in consumer behaviour will have longer-lasting effects.

The 10% decline in business travel will largely be responsible for reducing demand for oil by approximately 0.2 million barrels/day up to 2030. In the aviation sector, consumption stood at around 3 million barrels/day, which represents a drop of 40% over 2019 levels.

Despite this, however, demand for oil in the aviation sector is expected to rise by 1.2 million barrels/day between 2019 and 2030, accounting for a quarter of total growth in demand for oil.

The use of sustainable biofuels and low-carbon hydrogen-based fuels will play a key role in long-term efforts to reduce the use of oil derivatives in the aviation industry.

However, following the drop in demand for automotive oil in the aftermath of the pandemic, consumption will return to pre-COVID-19 levels in 2021, and remain stable at 2019 levels up to 2030. Demand for petrochemical oil remains robust during the recession.

In order to alleviate this situation, the Exolum Group has put a greater focus on products with prospects for greater growth, particularly sustainable aviation fuels and non-oil products.

Exolum Solutions, S.L, the Exolum Group subsidiary dedicated to exploiting new business opportunities and committed to the sustainable development of our planet, launched the Avikor platform which offers individuals and businesses the possibility to fly more sustainably by using sustainable aviation fuel (SAF) to reduce emissions.

Furthermore, the Exolum Group is adapting its assets to new demands for marine fuels and increasing the flexibility of its coastal terminals in Spain so that they are capable of accepting all product and blend types.

### 3 **Transition towards a low-carbon economy**

The 2015 Paris Agreement, part of the United Nations Framework Convention on Climate Change, marked a milestone with the accession of more than 120 countries.

Specifically, the European Union has developed a Climate and Energy Framework for 2030, which sets ambitious targets for the reduction of greenhouse gas emissions, energy efficiency and the development of renewable energies, and is working to establish a reference framework in the lead-up to 2050 in line with the progressive decarbonisation of the economy. Within all this, biofuels play an important role.

In this context, the Exolum Group continues to develop new services associated with fuel storage and transportation, progressing towards diversification and expanding its logistics services to cater for other products which allow the Group to take advantage of its capabilities and ensure the sustainability of the business. It is also focusing on RDI projects for the development of alternative energies, thus enabling us to contribute to the sustainability of the planet and gain a foothold in new sectors where the company's experience brings added value.

In this regard, the Exolum Group has identified and is developing business models for the production, distribution and use of energy solutions and fuels made from waste or sustainable raw materials.

### 4 **Digital revolution**

The rapid development of new information technologies and mobile connectivity is quickly transforming a large number of economic sectors, including the oil products logistics sector.

In this regard, the Exolum Group is focusing on technology as a source of competitive advantage, enhancing automation and remote management, predictive maintenance through big data techniques, the development of proprietary logistic system optimisation technologies, and advanced expert project engineering.

The Exolum Group is laying the groundwork to become a data-driven company, thus allowing it to make informed strategic decisions based on data analysis and interpretation. To this end, it is designing new digital systems by developing cloud infrastructure and platforms in preparation for the implementation of digital initiatives that will allow it to secure efficiencies and even new business opportunities.

# Corporate governance

## Governance structure

## General Shareholders' Meeting

The General Shareholders' Meeting is the main governing body of CLH and has the power to resolve on matters that affect the company that, by law or under the Articles of Association, are not assigned to other company bodies. Ordinary General Shareholders' Meetings are held within the first six months of each calendar year in order to assess company management, approve the financial statements and decide on the allocation of the results.

## Board of Directors

The Board of Directors is the top decision-making body of CLH, except in matters that are reserved to the General Meeting, and holds authority over matters related to the management of the organisation. The Board acts at all times with the principle of maximisation of the company's value, both in the long and the short term, supervising the performance of business and securing its present and future viability. The composition, powers and functioning of the Board are regulated through the Articles of Association and the Board of Directors' Regulations.

Within the Board of Directors, there are complementary bodies to optimise corporate governance, such as the Audit Committee and the Appointments and Remuneration Committee.

## Composition

In 2020 the Board comprised 21 directors: a chairman, a chief executive officer and 19 external proprietary directors. The term of office of its members is five years.

The composition of the Board at 31 December is as follows:

<b>Chairman</b>	Mr José Luis López de Silanes Busto
<b>Chief Executive Officer</b>	Mr Jorge Lanza Perea - Executive Director
<b>Members</b>	Borchi Investments Holding B.V., represented by Mr Lee James Crossingham
	Borealis Spain Holdings B.V., represented by Mr Marco Pugliese
	Borealis Spain Parent B.V., represented by Mr Philippe Anastase Busslinger
	Borealis Spain Parent 2, B.V., represented by Ms Sarah Vartanouche Juliette Obozian
	Castillo Spanish Holdings LP, represented by Mr Timothy Gerald Formuziewich
	MEIF 5 Co-Invest Rey Investments, S.à.r.l., represented by Ms Irene Otero-Novas Miranda
	MEIF 5 Rey Holdings, S.L., represented by Mr Juan Sebastián Caño Sterck
	MEIF 5 Rey Investments, S.à.r.l., represented by Mr Willem Smit
	MEIF 5 Rey Ventures, S.à.r.l., represented by Mr Miguel Antoñanzas Alvear
	Mr Charles Son Portalier
	Jean Baptiste Michel Renard
	Mr Juan Rodríguez Inciarte
	Simcoe Titán, S.L., represented by Mr Guillermo Briones Godino
	Stichting Depository APG Infrastructure Pool 2017 II, represented by Mr Carlo Maddalena
	Theatre Directorship Services Alpha, S.à.r.l., represented by Mr Juan Arbide Estensoro
	Theatre Directorship Services Beta, S.à.r.l., represented by Mr José Antonio Torre de Silva López de Letona
	Theatre Directorship Services Gama, S.à.r.l., represented by Mr Arnau Doria Torra
	Vaugirard Infra, S.L., represented by Mr Frédéric Jean Daniel Payet
	Mr Jan Reinier Voute
<b>Secretary</b>	Mr Luis Valero Quirós

## Board Committees

### Audit Committee

The role of the Audit Committee is to establish the relevant relationships with external auditors and supervise the company's internal control and risk management systems, as well as conducting internal audits and regulated financial reporting. This body consists of five non-executive external directors, all of whom are proprietary directors with knowledge and experience in accounting and auditing.

**Chairman** Mr Juan Rodríguez Inciarte

**Members** MEIF 5 Co-Invest Rey Investments, S.à.r.l., represented by Ms Irene Otero-Novas Miranda

Mr Jan Reinier Voute

Vaugirard Infra, S.L., represented by Mr Frédéric Jean Daniel Payet

Stichting Depositary APG Infrastructure Pool 2017 II, represented by Mr Carlo Maddalena

**Secretary** Mr Luis Valero Quirós

### Appointments and Remuneration Committee

The Appointments and Remuneration Committee is responsible for reporting or making proposals regarding the appointment and remuneration of directors, members of the Board and company executives. This body consists of four non-executive external directors, all of whom are proprietary directors.

**Chairman** MEIF 5 Rey Holdings, S.L., represented by Mr Juan Sebastián Caño Sterck

**Members** Borealis Spain Holdings B.V., represented by Mr Marco Pugliese

Castillo Spanish Holdings LP, represented by Mr Timothy Gerald Formuziewich

Theatre Directorship Services Beta, S.à.r.l., represented by Mr José Antonio Torre de Silva López de Letona

**Secretary** Mr Luis Valero Quirós

## Board of Directors' Regulations

The Board of Directors' Regulations follow the recommendations of the Unified Good Governance Code of Listed Companies as regards the need for the Board to devote at least one meeting per year to assessing its functioning and the quality of the work it has done. The result of this assessment for 2020 is that the functioning and the performance of duties by the Board and its committees, chairman, chief executive officer and secretary have been satisfactory.

The information on remuneration accrued in 2020 by the directors and executives of the companies pertaining to the Exolum Group is contained in the notes to the financial statements.

# Management Committee

The Management Committee is an internal governance and oversight body in charge of reporting to the top governing body on the most relevant issues of company management.

The mission of the Management Committee is to define CLH's strategic guidelines, to align the operational strategies of all the business units and to coordinate corporate management departments with the company's general strategy and the needs of the business units.

## Duties of the Management Committee:

- Approval of annual budgets and management plans, which are submitted to the Board of Directors for final approval.
- Follow-up on the Exolum Group's income statement.
- Planning of the company's operational needs in the short and medium term..
- Analysis of new market trends and identification of new strategic projects.
- Approval of strategic and investment projects according to current regulations and their follow-up.
- Analysis and follow-up of operational and commercial activities and new business projects.
- Analysis and follow-up of process safety and quality indicators.
- Progress on the design of a single scorecard that identifies criteria, information resources and the person responsible for updates to serve as a basis for monitoring the business.

In 2020 the Exolum Group adapted the organisational structure of the Management Committee to the new challenges that have arisen as the company progresses with the internationalisation and diversification process.

These changes were intended to simplify the structure and to organise the Exolum Group's different businesses by geographic region, thus making it easier for them to share good practices and exploit the synergies between the different activities.

Accordingly, **two regional Performance Units** have been created:

- Spain Region: comprising the current network and aviation businesses in Spain, and the aviation activities the Exolum Group is currently carrying out in Ireland, Panama and Ecuador.
- North West Europe (NWE) Region: encompassing the activities the Exolum Group is currently carrying out in the UK, Ireland, Germany and the Netherlands.

In addition, to ensure that uniform policies and standards are implemented across all the Group's business areas, and to more clearly separate the global and corporate functions providing support to all business units **four broad support areas** have been created:

- Global Strategy & Innovation: encompasses the activities previously carried out by the Corporate Strategy and Business Development areas. It focuses on developing the strategy of the businesses in Spain, NWE and Exolum, the business unit responsible for promoting the diversification of our business model and innovation within the Group.

- Global Finance: comprises the same economic and financial functions with an overall vision, and provides support to the different regions and companies.
- Global People: encompasses human resources management and other company management support units with the goal of continuing to promote talent within the Exolum Group in a more integrated and coordinated manner.
- Global HSSE & Technology: includes the activities carried out by the technical area in addition to HSSE activities. Its objective is to facilitate the uniform development of technology throughout the organisation from all perspectives (IT, cybersecurity, OT, Digital Agenda, Asset Management and Global Engineering).

#### Composition of the Management Committee (at 31 December 2020):

Chief Executive Officer	Jorge Lanza Perea
General Secretary and Secretary to the Board	Luis Valero Quirós
Global Strategy & Innovation Lead	Andrés Suarez Fernández
Global Finance Lead	David Folgado Delgado
Global People Lead	Cristina Jaraba Delgado
Global HSSE & Technology Lead	Javier Alonso González
Spain Region Lead	Jorge Guillén García
NWE (North West Europe) Lead	Ignacio Casajús López

## Corporate culture and identity

The Exolum Group promotes behaviour based on ethical criteria of transparency and good corporate governance. This commitment is set out in the Code of Conduct, which includes guidelines for conduct applicable to all persons in the Group, including senior management and directors, and compliance is also encouraged among suppliers, contractors and partners.

CLH also has an Ethics Committee that ensures compliance with the Code of Conduct and is responsible for promoting awareness of the Code. In addition, there is an Internal Communication Channel (Code of Conduct Mailbox) on the company website and the Corporate Portal for all stakeholders. This is the platform established for the confidential and anonymous submission of questions and clarification of doubts in relation to suspected misconduct, including, due to their serious nature, potential criminal risks.

The Ethics Committee is also responsible for assessing these communications and deciding what action to take, depending on the nature of the case. In 2020 no communications were received in relation to bribery or corruption.

Another responsibility of the Ethics Committee is to supervise the performance of the criminal risk prevention model, which entails a strict, independent, autonomous, objective and confidential analysis of alleged criminal incidents reported through the Internal Communication Channel (Code of Conduct Mailbox).

Moreover, the Exolum Group guarantees equal opportunities in job recruitment and promotion. This commitment is materialised in the Equal Opportunities Plan and the Protocol for the prevention of and response to harassment at work.

In compliance with section 7.3 of the Exolum Group's Protocol for the prevention of and response to harassment at work, which provides that statistical information on incidents of harassment at work shall be reported to the Ethics Committee, no investigations were opened in 2020. In addition, the investigation initiated in 2019 was concluded and the mandatory final report drawn up, which concluded that no evidence of harassment had been found, and the case was therefore closed.

CLH policy on ethics, integrity and criminal risk prevention was extended to the company's international subsidiaries in early 2020. Therefore, in 2020, CLH reviewed and simplified the regulations on ethics, integrity and criminal risk prevention in order to streamline them and enable their application in all companies of the Exolum Group and in every jurisdiction in which it operates.

# What we focus on

The contents of this report are based on the material issues identified by the Exolum Group, which cover the expectations and perceptions of the stakeholders with whom the company engages and creates value in the short, medium and long term. In 2020, the company conducted an internal materiality review to verify the relevance of material issues.

The process to identify matters that are relevant to the company consists of four stages: Identification, Prioritisation, Validation and Review.

Once all the data obtained were identified and weighted, the following materiality matrix was generated and subsequently reviewed and validated by those responsible for the main areas.



# Risks and opportunities

The Exolum Group has an integrated Risk Control and Management System, which makes it possible to appropriately deal with any risks to which the company's activities are exposed.

The company has structured risks into four main groups: strategic risks, operational risks, reporting/financial risks and compliance risks.

The bodies responsible for the supervision, maintenance and implementation of the Risk Management System are as follows:

- Audit Committee
- Management Committee
- Corporate Responsibility Committee
- Ethics Committee
- Risk Map Technical Secretary's Office

One of the key elements of the system is the Risk Map, a document in which Exolum identifies the main risks that impact the achievement of its strategic objectives. The Risk Map is subject to the approval of the Audit Committee and monitored regularly.

In 2020, the Group updated the Risk Map for CLH, CLH Aviación and Exolum-PS, and estimated the financial impact on the income statement should the risks identified for Exolum, CLH Aviación and Exolum-PS occur.

# How we engage with others

The Exolum Group has various communication channels in place to allow it to maintain an open, close and transparent dialogue with its main stakeholders.

The company uses its website and the main social media to report all types of information on its activities. In addition, it publishes a quarterly corporate magazine that is distributed to employees of the organisation and its main external contacts.

Moreover, Exolum regularly participates in consulting sessions, newsletters, trade publications and surveys, to name a few.



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# Creating value through **CSR**

Management of Corporate Social Responsibility in the Exolum Group is structured at three levels:

- The **Strategic Plan**, which includes the company's main lines of work, and encompasses: improving the efficiency of its activities, developing new business opportunities, searching for new international projects and creating value in local communities.
- The **Corporate Social Responsibility Policy**, based on the establishment of relations of trust with the company's stakeholders, in accordance with its mission, vision and values and the ten principles of the United Nations Global Compact.
- The **Corporate Social Responsibility Master Plan**, included in the Strategic Plan, which defines the actions of the company in this area. The plan provides for the roll-out of the model to the Group's international businesses, after tailoring it to the conditions and specific features of the countries where these are located.

The main lines of action the company pursues in relation to its stakeholders (employees, customers, suppliers, society as a whole or the area surrounding its facilities) are described in this report.

# Creating value for our employees

**The Exolum Group is to offer company employees a satisfactory working environment and an attractive career through training**

One of the priorities of the Exolum Group is to offer company employees a satisfactory working environment and an attractive career through training, career development, work-life balance, diversity, talent attraction and retention, and occupational health and safety policies.

The company also actively promotes responsible management in line with the principles of ethical behaviour enshrined in the Code of Ethics and corporate values.

The workforce of the Exolum Group is made up of a total of 2,137 people, of whom 1,187 work in Spain and the remaining 930 (44%) in the other countries where the Exolum Group operates.

## Workforce characteristics

In 2020, the workforce of the Exolum Group in Spain comprised 1,183 professionals, as well as four employees working abroad on international projects (Exolum-PS, OLC and Exolum Aviation Ireland). For its part, Exolum-PS has 265 employees, Exolum Aviation Ireland, 15; CLH Panamá, 92; CLH Aviación Ecuador, 29; ITL, 527 and Exolum Solution S.L., 4.

In Spain, the plans for termination of employment by mutual agreement, agreed with the workers' representatives, have allowed the company to align professional profiles with company needs.

These plans have also promoted the creation of youth employment and the gradual incorporation of women into the workforce. In 2020 in Spain, women accounted for 73% of technical hires and 26% of total hires.

2. Creating value among our stakeholders

Creating value for our employees

Evolution of the workforce

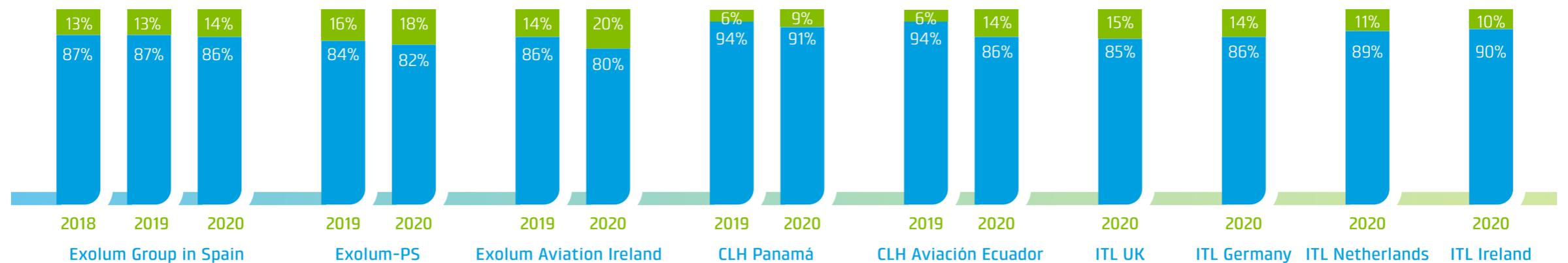
	2018	2019	2020
Number of Exolum Group employees in Spain (CLH + CLH Aviación)	1,319	1,277	1,183
Exolum-PS	–	263	265
Exolum Aviation Ireland	–	14	15
CLH Panamá	–	129	92
CLH Aviación Ecuador	–	33	29
ITL UK	–	–	411
ITL Germany	–	–	69
ITL Netherlands	–	–	47
ITL Ireland	–	–	20
Other	5	6	6

Total Exolum Group



Percentage distribution of workforce by gender

Men (Blue)  
Women (Green)

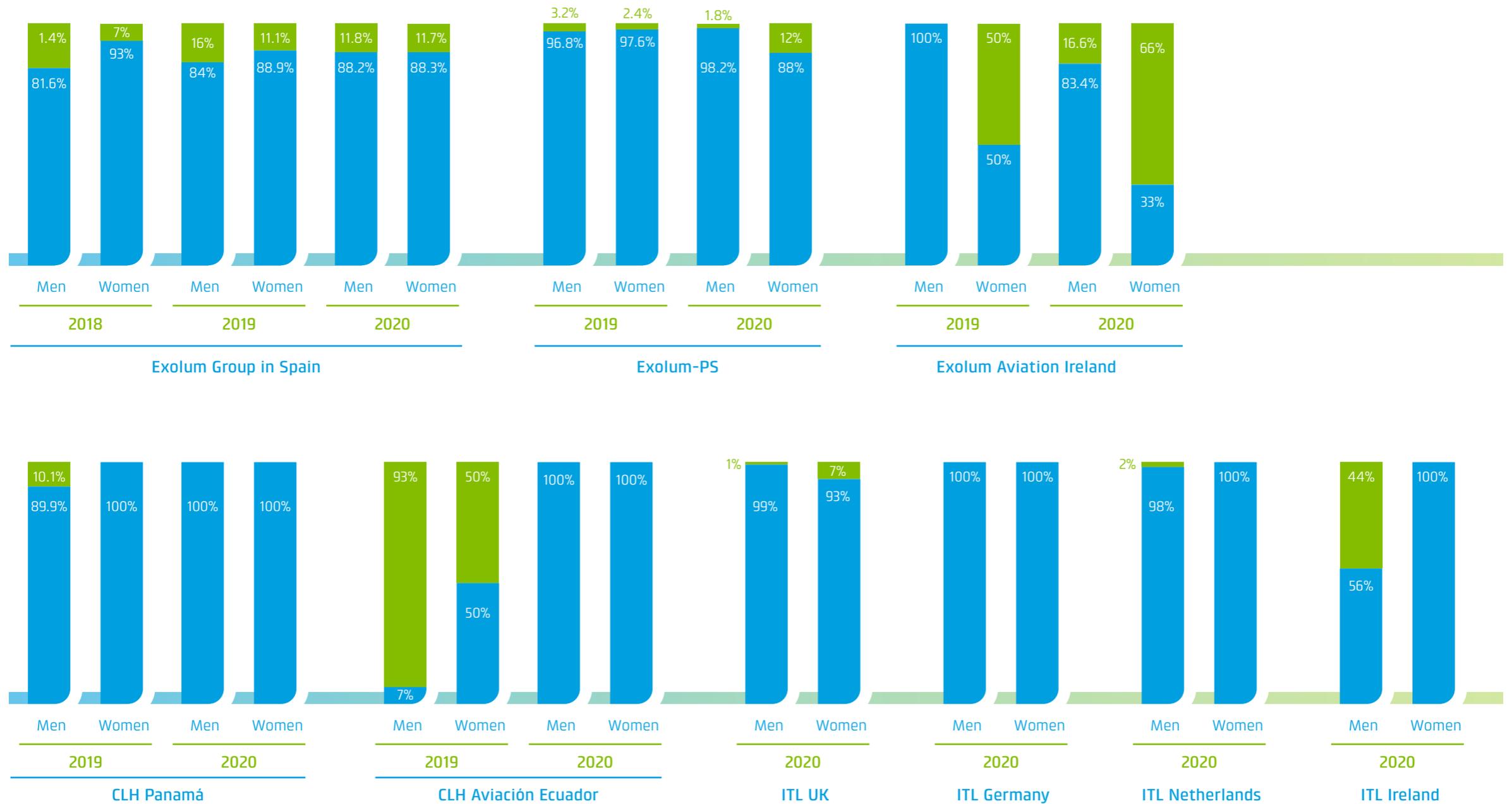


2. Creating value among our stakeholders

Creating value for our employees

Percentage distribution by type of contract, broken down by gender

Permanent (Blue)  
Other (Green)



## Other workforce diversity indicators

	2018	2019	2020
<b>Exolum Group in Spain</b>			
% international employees	1.1%	0.7%	0.7%
Average age	42.5	42.6	42.5
% of women hired for technical positions	14%	56%	73%
<b>Exolum-PS</b>			
% international employees	–	8.8%	7.9%
Average age	–	46.8	47.5
% of women hired for technical positions	–	0%	0
<b>Exolum Aviation Ireland</b>			
% international employees	–	21.4%	26.6%
Average age	–	37	37.8
% of women hired for technical positions	–	50%	33%
<b>CLH Panamá</b>			
% international employees	–	5.5%	0%
Average age	–	42.1	43.0
% of women hired for technical positions	–	2.3%	3,8%
<b>CLH Aviación Ecuador</b>			
% international employees	–	3%	3%
Average age	–	38	36
% of women hired for technical positions	–	3%	7%

	2018	2019	2020
<b>ITL UK</b>			
% international employees	–	–	1.7%
Average age	–	–	46
% of women hired for technical positions	–	–	–
<b>ITL Germany</b>			
% international employees	–	–	8.7%
Average age	–	–	43.4
% of women hired for technical positions	–	–	–
<b>ITL Netherlands</b>			
% international employees	–	–	0%
Average age	–	–	47
% of women hired for technical positions	–	–	–
<b>ITL Ireland</b>			
% international employees	–	–	0%
Average age	–	–	57
% of women hired for technical positions	–	–	–

## 2. Creating value among our stakeholders

## Creating value for our employees



## Percentage distribution by professional category

	2018		2019		2020	
	Men	Women	Men	Women	Men	Women
<b>Exolum Group in Spain</b>						
Management Departments	2.7%	0.3%	2.7%	0.4%	2.5%	0.5%
Supervisors/Middle-managers	7.8%	2.4%	8.1%	2.3%	9.6%	3.0%
Professionals	25.2%	7.2%	23.3%	7.7%	23.1%	8.0%
Administrative staff	4.9%	1.9%	5.2%	2.2%	5.2%	2.0%
Specialists/Qualified operators	46.5%	1.2%	47.3%	0.9%	45.4%	0.8%
<b>Exolum-PS</b>						
Management Departments	–	–	1.9%	0.4%	1.9%	0.4%
Supervisors/Middle-managers	–	–	14.1%	1.1%	17.4%	2.7%
Professionals	–	–	9.2%	6.1%	9.4%	6.8%
Administrative staff	–	–	1.9%	8.0%	1.5%	7.9%
Specialists/Qualified operators	–	–	56.9%	0.4%	51.7%	0.4%
<b>Exolum Aviation Ireland</b>						
Management Departments	–	–	–	–	–	–
Supervisors/Middle-managers	–	–	21.4%	7.1%	13.3%	6.6%
Professionals	–	–	0.0%	0.0%	0%	0%
Administrative staff	–	–	0.0%	7.1%	0%	6.6%
Specialists/Qualified operators	–	–	64.3%	0.0%	66.6%	6.6%
<b>CLH Panamá</b>						
Management Departments	–	–	–	–	–	–
Supervisors/Middle-managers	–	–	1.6%	2.3%	1.6%	2.3%
Professionals	–	–	7.0%	3.1%	7.5%	2.5%
Administrative staff	–	–	8.6%	1.6%	8.3%	1.6%
Specialists/Qualified operators	–	–	72.7%	0.0%	76.2%	0.0%
<b>CLH Aviación Ecuador</b>						
Management Departments	–	–	–	–	–	–
Supervisors/Middle-managers	–	–	–	–	3%	0%
Professionals	–	–	–	–	10%	7%
Administrative staff	–	–	–	–	–	3%
Specialists/Qualified operators	–	–	–	–	77%	0%

	2018		2019		2020	
	Men	Women	Men	Women	Men	Women
<b>ITL UK</b>						
Management Departments	–	–	–	–	6.8%	0.7%
Supervisors/Middle-managers	–	–	–	–	17.0%	1.5%
Professionals	–	–	–	–	11.4%	3.9%
Administrative staff	–	–	–	–	0.2%	0.7%
Specialists/Qualified operators	–	–	–	–	49.4%	8.3%
<b>ITL Germany</b>						
Management Departments	–	–	–	–	5.8%	0%
Supervisors/Middle-managers	–	–	–	–	7.3%	0%
Professionals	–	–	–	–	17.4%	0%
Administrative staff	–	–	–	–	0%	8.7%
Specialists/Qualified operators	–	–	–	–	55.1%	5.8%
<b>ITL Netherlands</b>						
Management Departments	–	–	–	–	10.6%	2.1%
Supervisors/Middle-managers	–	–	–	–	8.5%	0%
Professionals	–	–	–	–	23.4%	2.1%
Administrative staff	–	–	–	–	2.1%	4.3%
Specialists/Qualified operators	–	–	–	–	44.7%	2.1%
<b>ITL Ireland</b>						
Management Departments	–	–	–	–	0%	0%
Supervisors/Middle-managers	–	–	–	–	10%	0%
Professionals	–	–	–	–	5%	0%
Administrative staff	–	–	–	–	0%	0%
Specialists/Qualified operators	–	–	–	–	75%	10%

## 2. Creating value among our stakeholders

## Creating value for our employees

## Hours of absenteeism

	Total				Women				Men			
	2019	%	2020	%	2019	%	2020	%	2019	%	2020	%
<b>Exolum Group in Spain</b>												
Theoretical hours	2,291,965		2,098,946		286,375		296,540		2,005,590		1,802,406	
Hours of absenteeism common illness + non-work-related accidents	109,598	4.78%	105,309	5.02%	13,685	4.78%	8,061	2.72%	95,914	4.78%	97,248	5.40%
Hours of absenteeism accidents at work	7,947	0.35%	19,037	0.91%	16	0.01%	400	0.13%	7,931	0.40%	18,637	1.03%
<b>Total hours lost</b>	<b>117,545</b>	<b>5.13%</b>	<b>124,346</b>	<b>5.92%</b>	<b>13,700</b>	<b>4.78%</b>	<b>8,461</b>	<b>2.85%</b>	<b>103,845</b>	<b>5.18%</b>	<b>115,885</b>	<b>6.43%</b>
<b>Exolum-PS</b>												
Theoretical hours	471,934.52		464,423.86		81,198.15		78,270.34		390,736.37		386,153.52	
Hours of absenteeism common illness + non-work-related accidents	18,968.69	4.02%	10,403.85	2.24%	5,736.82	7.07%	2,529.25	3.23%	13,231.87	3.39%	11,912.5	3.08%
Hours of absenteeism accidents at work	12	0.00%	585	0.13%	0	0.00%	0	0%	12	0.00%	585	0.13%
<b>Total hours lost</b>	<b>18,980.69</b>	<b>4.02%</b>	<b>10,988.85</b>	<b>2.37%</b>	<b>5,736.82</b>	<b>7.07%</b>	<b>2,529.25</b>	<b>3.23%</b>	<b>13,243.87</b>	<b>3.39%</b>	<b>12,497.5</b>	<b>3.24%</b>
<b>Exolum Aviation Ireland</b>												
Theoretical hours	25,148		24,340		3,065		3,740		22,083		20,600	
Hours of absenteeism common illness + non-work-related accidents	190	0.75%	148	0.58%	26	0.85%	8	0.21%	152	0.69%	140	0.68%
Hours of absenteeism accidents at work	–	–	12	0.05%	–	–	–	–	–	–	12	0.05%
<b>Total hours lost</b>	<b>190</b>	<b>0.75%</b>	<b>172</b>	<b>0.67%</b>	<b>26</b>	<b>0.85%</b>	<b>8</b>	<b>0.21%</b>	<b>152</b>	<b>0.69%</b>	<b>152</b>	<b>0.74%</b>

## 2. Creating value among our stakeholders

## Creating value for our employees



## Hours of absenteeism (continuation)

	Total		Women		Men	
	2020	%	2020	%	2020	%
<b>CLH Panamá</b>						
Theoretical hours	161,332		17,795		143,537	
Hours of absenteeism common illness + non-work-related accidents	1,672	1.03%	0	0	1,672	1.16
Hours of absenteeism accidents at work	0	0	0	0	0	0
<b>Total hours lost</b>	<b>1,672</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,672</b>	<b>1.16</b>
<b>CLH Ecuador</b>						
Theoretical hours	68,224		5,200		63,024	
Hours of absenteeism common illness + non-work-related accidents	5,822	8.54%	–	–	5,822	9.24%
Hours of absenteeism accidents at work	–	–	–	–	–	–
<b>Total hours lost</b>	<b>5,822</b>	<b>8.54%</b>	<b>–</b>	<b>–</b>	<b>5,822</b>	<b>9.24%</b>
<b>ITL UK</b>						
Theoretical hours	97,818		14,756		83,062	
Hours of absenteeism common illness + non-work-related accidents	2,226	2.28%	210	1.42%	2,016	2.43%
Hours of absenteeism accidents at work	0	0%	0	0%	0	0%
<b>Total hours lost</b>	<b>2,226</b>	<b>2.28%</b>	<b>210</b>	<b>1.42%</b>	<b>2,016</b>	<b>2.43%</b>

	Total		Women		Men	
	2020	%	2020	%	2020	%
<b>ITL Germany</b>						
Theoretical hours	18,009		2,316		15,693	
Hours of absenteeism common illness + non-work-related accidents	1,063	5.90%	118	5.10%	945	6.02%
Hours of absenteeism accidents at work	0	0	0	0	0	0
<b>Total hours lost</b>	<b>1,063</b>	<b>5.90%</b>	<b>118</b>	<b>5.10%</b>	<b>945</b>	<b>6.02%</b>
<b>ITL Netherlands</b>						
Theoretical hours	11,186		119		9,996	
Hours of absenteeism common illness + non-work-related accidents	416	4.16%	0	0.00%	416	4.16%
Hours of absenteeism accidents at work	0	0%	0	0%	0	0.00%
<b>Total hours lost</b>	<b>416</b>	<b>4.16%</b>	<b>0</b>	<b>0.00%</b>	<b>416</b>	<b>4.16%</b>
<b>ITL Ireland</b>						
Theoretical hours	2,870		285.6		2,584	
Hours of absenteeism common illness + non-work-related accidents	17	0.58%	9.6	3.36%	7	0.27%
Hours of absenteeism accidents at work	0	0%	0	0%	0	0%
<b>Total hours lost</b>	<b>17</b>	<b>0.58%</b>	<b>9.6</b>	<b>3.36%</b>	<b>7</b>	<b>0.27%</b>

## Satisfactory working conditions

The Exolum Group guarantees equal opportunities in job recruitment and promotion. In Spain, this commitment is enshrined in the Equal Opportunities Plan for CLH and CLH Aviación and the Protocol for the prevention of and response to harassment at work.

Throughout 2020, work has been carried out to develop a strategy to promote diversity and inclusion in the company, and a working group, Women in Movement (WIM), was set up to create a forum and space to listen to and identify needs and take concrete actions to further and support this initiative. The main objectives of the group are as follows:

- Provide value to the company by fostering diversity through inclusion.
- Think, work and feel like a diverse team that is open and inclusive in order to contribute to the achievement of the Exolum Group's strategy, investing in digital transformation, innovation, sustainability and diversity.
- Be a part of the companies that are leading the way in diversity.

The group presented its strategic lines to the Board, which are as follows:

- Create awareness of the value of diversity: empirical evidence shows that diversity is an asset, as indicated in reports such as Diversity Matters (McKinsey).
- Provide value to the Exolum Group: diverse teams are more innovative and creative and increase productivity; our differences complement each other, and it is easier to retain talent.

- Transformation of leadership: diverse leadership is complementary, it brings different visions. New forms of leadership are needed to better showcase and promote diverse talent.
- Cultural change: internalise the value that diversity brings and the need to embrace it in Exolum.

The Exolum Group pays the same base salary to all employees in the same professional category and development level. The entry-level salary in the Exolum Group in Spain for the lowest category is € 20,448 per annum, which is 60% higher than the national minimum wage.

In Spain, any differences in the final wage rate of men and women are not gender-related, but due to differences in the average length of service of employees in the company and in the position, and the gap tends to level out over time. This situation is primarily due to the company's historical gender composition, which means that men generally have a longer service record than women, in line with the rest of the industry.

## 2. Creating value among our stakeholders

## Creating value for our employees

## Minimum wage (€)

	2019		2020	
	Men	Women	Men	Women
<b>Exolum Group in Spain</b>				
Minimum wage by gender	20,216	23,624	20,448	24,147
National minimum wage	12,600	12,600	13,300	13,300
Ratio	160%	187%	154%	182%
<b>Exolum-PS</b>				
Minimum wage by gender	14,160	24,334	17,767	23,433
National minimum wage	9,066	18,891	10,410	18,704
Ratio	156%	129%	171%	125%
<b>Exolum Aviation Ireland</b>				
Minimum wage by gender	45,000	33,500	45,000	34,501
National minimum wage	19,872	19,872	20,483	20,483
Ratio	226%	169%	220%	168%
<b>CLH Panamá</b>				
Minimum wage by gender	–	–	6,443.32	5,476.82
National minimum wage	–	–	5,868.38	5,868.38
Ratio	–	–	109.8%	93.3%
<b>CLH Aviación Ecuador</b>				
Minimum wage by gender	4,800.00	16,200.00	5,616.00	5,400.00
National minimum wage	4,704.00	4,704.00	4,800.00	4,800.00
Ratio	102%	344%	117%	113%

	2019		2020	
	Men	Women	Men	Women
<b>ITL UK</b>				
Minimum wage by gender	–	–	15,807 (Apprentice)	20,669
National minimum wage	–	–	17,457.44	17,457
Ratio	–	–	91%	118%
<b>ITL Germany</b>				
Minimum wage by gender	–	–	28,222	28,330
National minimum wage	–	–	19,448	19,448
Ratio	–	–	145%	146%
<b>ITL Netherlands</b>				
Minimum wage by gender	–	–	31,800	38,320
National minimum wage	–	–	20,218	20,218
Ratio	–	–	157%	190%
<b>ITL Ireland</b>				
Minimum wage by gender	–	–	40,411	34,057
National minimum wage	–	–	20,384	20,384
Ratio	–	–	198%	167%

## 2. Creating value among our stakeholders

## Creating value for our employees



## Average remuneration by category (€)

	2019	2020
<b>Exolum Group in Spain</b>		
Management Departments/Sections	196,750	184,623
Supervisors/Middle-managers	81,847	80,653
Professionals	57,521	57,711
Administrative staff	43,168	43,178
Specialists/Qualified operators	40,407	41,600
<b>Exolum-PS</b>		
Management Departments/Sections	108,615	118,191
Supervisors/Middle-managers	56,799	66,670
Professionals	48,131	58,917
Administrative staff	21,075	26,679
Specialists/Qualified operators	32,101	36,884
<b>Exolum Aviation Ireland</b>		
Management Departments/Sections	–	–
Supervisors/Middle-managers	55,706	56,486
Professionals	–	–
Administrative staff	30,546	32,470
Specialists/Qualified operators	45,686	46,053
<b>CLH Panamá</b>		
Management Departments/Sections	–	–
Supervisors/Middle-managers	44,250	37,741
Professionals	12,279	11,636
Administrative staff	9,959	8,318
Specialists/Qualified operators	8,811	7,328
<b>CLH Aviación Ecuador</b>		
Management Departments/Sections	–	–
Supervisors/Middle-managers	–	65,975
Professionals	–	18,425
Administrative staff	–	10,424
Specialists/Qualified operators	–	–

	2019	2020
<b>ITL UK</b>		
Management Departments/Sections	–	115,864
Supervisors/Middle-managers	–	53,073
Professionals	–	58,388
Administrative staff	–	15,905
Specialists/Qualified operators	–	39,065
<b>ITL Germany</b>		
Management Departments/Sections	–	164,034
Supervisors/Middle-managers	–	63,559
Professionals	–	59,898
Administrative staff	–	32,797
Specialists/Qualified operators	–	39,017
<b>ITL Netherlands</b>		
Management Departments/Sections	–	99,342
Supervisors/Middle-managers	–	70,307
Professionals	–	67,446
Administrative staff	–	58,973
Specialists/Qualified operators	–	56,656
<b>ITL Ireland</b>		
Management Departments/Sections	–	–
Supervisors/Middle-managers	–	82,014
Professionals	–	53,060
Administrative staff	–	–
Specialists/Qualified operators	–	36,121

## 2. Creating value among our stakeholders

## Creating value for our employees

## Average remuneration by age (€)

	2019	2020
<b>Exolum Group in Spain</b>		
>50	75,571	73,986
30-50	50,474	52,664
<30	35,402	36,360
<b>Exolum-PS</b>		
>50	42,653	50,356
30-50	52,781	54,093
<30	31,126	38,801
<b>Exolum Aviation Ireland</b>		
>50	45,315	45,655
30-50	46,960	48,666
<30	39,250	39,391
<b>CLH Panamá</b>		
>50	13,029	12,091
30-50	9,464	9,020
<30	9,592	8,642
<b>CLH Aviación Ecuador</b>		
>50	–	3,672
30-50	–	10,139
<30	–	7,807

	2019	2020
<b>ITL UK</b>		
>50	–	50,607
30-50	–	45,450
<30	–	34,888
<b>ITL Germany</b>		
>50	–	76,027
30-50	–	46,555
<30	–	32,384
<b>ITL Netherlands</b>		
>50	–	57,310
30-50	–	48,269
<30	–	34,644
<b>ITL Ireland</b>		
>50	–	50,168
30-50	–	35,218
<30	–	0

## 2. Creating value among our stakeholders

## Creating value for our employees

## Pay gap (€)

	Men	Women	Pay gap
<b>Exolum Group in Spain</b>			
Management Departments/Sections*	196,187	128,729	-34.4%
Supervisors/Middle-managers	80,690	80,538	-0.2%
Professionals	57,815	57,414	-0.7%
Administrative staff	43,202	43,117	-0.2%
Specialists/Qualified operators	41,537	45,028	8.4%
<b>Exolum-PS</b>			
Management Departments/Sections*	118,971	114,290	-3.9%
Supervisors/Middle-managers	68,470	54,613	-20.2%
Professionals	62,867	53,472	-14.9%
Administrative staff	28,791	26,651	-7.4%
Specialists/Qualified operators	36,939	33,328	-9.8%
<b>Exolum Aviation Ireland</b>			
Management Departments/Sections*	–	–	–
Supervisors/Middle-managers	67,479	34,501	-49%
Professionals	–	–	–
Administrative staff	–	32,470	–
Specialists/Qualified operators	46,143	45,000	-2%
<b>CLH Panamá</b>			
Management Departments/Sections*	–	–	–
Supervisors/Middle-managers	4,298	1,992	-53.6%
Professionals	850	1,389	63.5%
Administrative staff	687	695	1.2%
Specialists/Qualified operators	–	–	–
<b>CLH Aviación Ecuador</b>			
Management Departments/Sections*	–	–	–
Supervisors/Middle-managers	4,152	–	–
Professionals	19,286	16,071	-16.7%
Administrative staff	–	0	–
Specialists/Qualified operators	7,071	–	–

	Men	Women	Pay gap
<b>ITL UK</b>			
Management Departments/Sections*	117,883	97,026	-18%
Supervisors/Middle-managers	54,400	37,586	-31%
Professionals	59,254	55,843	-6%
Administrative staff	17,076	15,514	-9%
Specialists/Qualified operators	41,261	25,952	-37%
<b>ITL Germany</b>			
Management Departments/Sections*	164,034	–	–
Supervisors/Middle-managers	63,559	–	–
Professionals	59,898	–	–
Administrative staff	–	32,797	–
Specialists/Qualified operators	27,007	40,281	49%
<b>ITL Netherlands</b>			
Management Departments/Sections*	104,327	74,420	-29%
Supervisors/Middle-managers	56,656	70,307	24%
Professionals	74,154	51,122	-31%
Administrative staff	68,773	56,221	-18%
Specialists/Qualified operators	68,559	47,252	-31%
<b>ITL Ireland</b>			
Management Departments/Sections*	–	–	–
Supervisors/Middle-managers	82,014	–	–
Professionals	53,064	–	–
Administrative staff	–	–	–
Specialists/Qualified operators	41,063	20,500	-50%

\* The ratio of women to men is lower as women have less seniority in the job. Additions to the job category during the year (not including some variable pay items) reduce the average remuneration of women.

## 2. Creating value among our stakeholders

## Creating value for our employees



## Other salary indicators

	2018	2019	2020
<b>Exolum Group in Spain</b>			
Ratio between the remuneration of the highest paid employee and the average received by the rest of the employees	13	12	13
Ratio between the remuneration of the highest paid employee and the remuneration of the lowest paid employee	21	20	22
Ratio between the increase in the remuneration of the highest paid employee and the average increase in the remuneration of all employees	0	0.6	4.9
<b>Exolum-PS</b>			
Ratio between the remuneration of the highest paid employee and the average received by the rest of the employees	-	3.2	3.1
Ratio between the remuneration of the highest paid employee and the remuneration of the lowest paid employee	-	10.3	10.5
Ratio between the increase in the remuneration of the highest paid employee and the average increase in the remuneration of all employees	-	1.18	0
<b>Exolum Aviation Ireland</b>			
Ratio between the remuneration of the highest paid employee and the average received by the rest of the employees	-	1.6	1.6
Ratio between the remuneration of the highest paid employee and the remuneration of the lowest paid employee	-	2.2	2.2
Ratio between the increase in the remuneration of the highest paid employee and the average increase in the remuneration of all employees	-	2.2	2
<b>CLH Panamá</b>			
Ratio between the remuneration of the highest paid employee and the average received by the rest of the employees	-	-	9.7
Ratio between the remuneration of the highest paid employee and the remuneration of the lowest paid employee	-	-	6.5
Ratio between the increase in the remuneration of the highest paid employee and the average increase in the remuneration of all employees	-	-	0.9
<b>CLH Aviación Ecuador</b>			
Ratio between the remuneration of the highest paid employee and the average received by the rest of the employees	-	-	9.6
Ratio between the remuneration of the highest paid employee and the remuneration of the lowest paid employee	-	-	10.3
Ratio between the increase in the remuneration of the highest paid employee and the average increase in the remuneration of all employees	-	-	5.3

	2018	2019	2020
<b>ITL UK</b>			
Ratio between the remuneration of the highest paid employee and the average received by the rest of the employees	-	-	4.5
Ratio between the remuneration of the highest paid employee and the remuneration of the lowest paid employee	-	-	12.9
Ratio between the increase in the remuneration of the highest paid employee and the average increase in the remuneration of all employees	-	-	N/A
<b>ITL Germany</b>			
Ratio between the remuneration of the highest paid employee and the average received by the rest of the employees	-	-	3.8
Ratio between the remuneration of the highest paid employee and the remuneration of the lowest paid employee	-	-	6.5
Ratio between the increase in the remuneration of the highest paid employee and the average increase in the remuneration of all employees	-	-	N/A
<b>ITL Netherlands</b>			
Ratio between the remuneration of the highest paid employee and the average received by the rest of the employees	-	-	2.3
Ratio between the remuneration of the highest paid employee and the remuneration of the lowest paid employee	-	-	3.4
Ratio between the increase in the remuneration of the highest paid employee and the average increase in the remuneration of all employees	-	-	N/A
<b>ITL Ireland</b>			
Ratio between the remuneration of the highest paid employee and the average received by the rest of the employees	-	-	2.0
Ratio between the remuneration of the highest paid employee and the remuneration of the lowest paid employee	-	-	7.9
Ratio between the increase in the remuneration of the highest paid employee and the average increase in the remuneration of all employees	-	-	N/A

# Attracting talent and career development

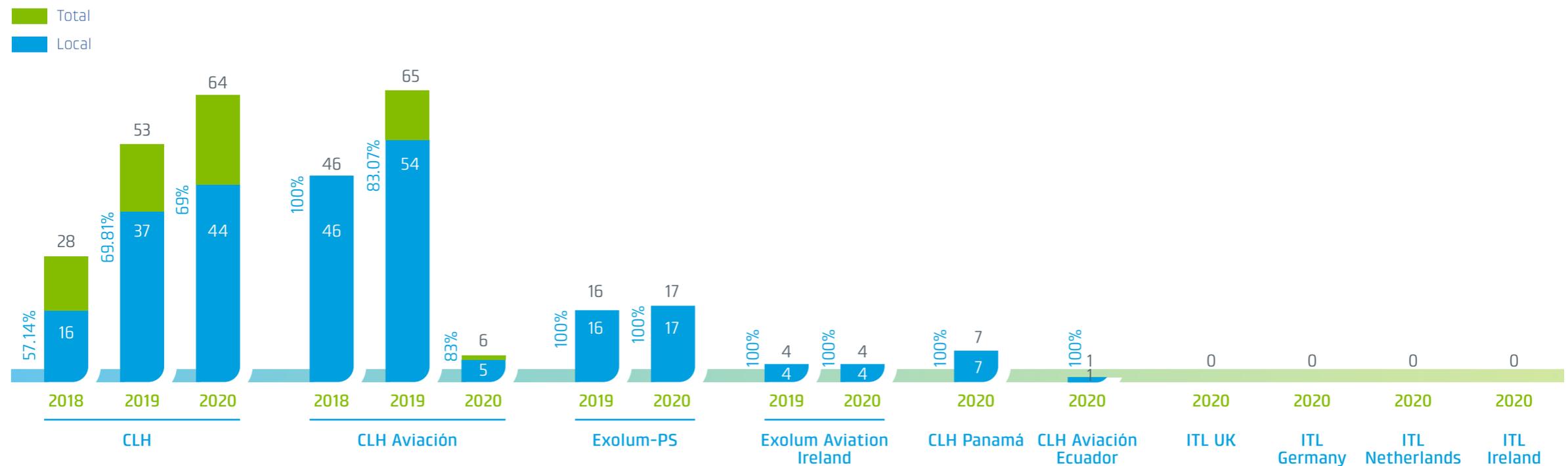
The Exolum Group has various policies for attracting and retaining talent, training, career development and work-life balance, all focused on strengthening employee satisfaction, motivation and commitment.

The percentage of permanent contracts in the Exolum Group in Spain was 88% in 2020. The figure was 90% if internship contracts are included. The percentage of undesired resignations was 1.4%. The average length of service for employees in Spain was 14.9 years.

In addition, in 2020, under the partnership agreements concluded with the Prodis Foundation, one person with different abilities was engaged on a scholarship for the Documentation Centre and General Services.

In addition, at Exolum-PS, gender diversity has increased with new hires.

## Staff recruitment



## 2. Creating value among our stakeholders

## Creating value for our employees

## Collective bargaining

	2018	2019	2020
<b>Exolum Group in Spain</b>			
Employees covered by collective agreements	1,088	1,042	943
Percentage	82%	82%	80%
<b>Exolum-PS</b>			
Employees covered by collective agreements	–	114	122
Percentage	–	43%	46%
<b>Exolum Aviation Ireland</b>			
Employees covered by collective agreements	–	14	15
Percentage	–	100%	100%
<b>CLH Panamá</b>			
Employees covered by collective agreements	–	112	78
Percentage	–	87.5%	84.8%
<b>CLH Aviación Ecuador</b>			
Employees covered by collective agreements	–	–	–
Percentage	–	–	–
<b>ITL UK</b>			
Employees covered by collective agreements	–	–	116
Percentage	–	–	28.22%
<b>ITL Germany</b>			
Employees covered by collective agreements	–	–	0
Percentage	–	–	0%
<b>ITL Netherlands</b>			
Employees covered by collective agreements	–	–	0
Percentage	–	–	0
<b>ITL Ireland</b>			
Employees covered by collective agreements	–	–	0
Percentage	–	–	0%

## Average length of service of the workforce

	2018	2019	2020
<b>Exolum Group in Spain</b>			
Average length of service	14.8	14.7	14.9
Voluntary turnover (undesired resignations)	1.23%	3.90%	1.41%
<b>Exolum-PS</b>			
Average length of service	–	8.3	9
Voluntary turnover (undesired resignations)	–	18%	4.1%
<b>Exolum Aviation Ireland</b>			
Average length of service	–	2.1	2.7
Voluntary turnover (undesired resignations)	–	21.43%	26.6%
<b>CLH Panamá</b>			
Average length of service	–	7.8	1.7
Voluntary turnover (undesired resignations)	–	9.37%	1.1%
<b>CLH Aviación Ecuador</b>			
Average length of service	–	0.2	1.2
Voluntary turnover (undesired resignations)	–	0%	15%
<b>ITL UK</b>			
Average length of service	–	–	12.1
Voluntary turnover (undesired resignations)	–	–	1%
<b>ITL Germany</b>			
Average length of service	–	–	11.36
Voluntary turnover (undesired resignations)	–	–	0%
<b>ITL Netherlands</b>			
Average length of service	–	–	8.6
Voluntary turnover (undesired resignations)	–	–	0%
<b>ITL Ireland</b>			
Average length of service	–	–	6.8
Voluntary turnover (undesired resignations)	–	–	0%

2. Creating value among our stakeholders

Creating value for our employees

New hires, broken down by gender



Staff reductions, broken down by gender

	2018		2019		2020	
	Men	Women	Men	Women	Men	Women
<b>Exolum Group in Spain</b>						
Total turnover	164	20	192	18	205	18
Turnover rate	13.7%	11.1%	16.5%	10.7%	18.5%	10.5%
<b>Exolum-PS</b>						
Total turnover	-	-	22	9	15	2
Turnover rate	-	-	9.95%	21.95%	6.9%	4.2%
<b>Exolum Aviation Ireland</b>						
Total turnover	-	-	3	0	4	0
Turnover rate	-	-	21%	0%	26.6%	0%
<b>CLH Panamá</b>						
Total turnover	-	-	34	0	42	0
Turnover rate	-	-	26.6%	0.0%	31.3%	0.0%
<b>CLH Aviación Ecuador</b>						
Total turnover	-	-	-	-	7	0
Turnover rate	-	-	-	-	22.6%	0.0%

	2018		2019		2020	
	Men	Women	Men	Women	Men	Women
<b>ITL UK</b>						
Total turnover	-	-	-	-	2	0
Turnover rate	-	-	-	-	0.6%	0%
<b>ITL Germany</b>						
Total turnover	-	-	-	-	0	0
Turnover rate	-	-	-	-	0%	0%
<b>ITL Netherlands</b>						
Total turnover	-	-	-	-	0	0
Turnover rate	-	-	-	-	0%	0%
<b>ITL Ireland</b>						
Total turnover	-	-	-	-	0	0
Turnover rate	-	-	-	-	0%	0%

## 2. Creating value among our stakeholders

## Creating value for our employees

## New hires, broken down by age group. Total new hires

	2018			2019			2020		
	<30 years	30-50 years	>50 years	<30 years	30-50 years	>50 years	<30 years	30-50 years	>50 years
Exolum Group in Spain	25	47	2	43	73	2	30	40	0
Exolum-PS	–	–	–	12	8	7	2	13	2
Exolum Aviation Ireland	–	–	–	2	2		1	3	1
CLH Panamá	–	–	–	6	22	3	0	6	1
CLH Aviación Ecuador	–	–	–	7	25	1	6	23	0
ITL UK	–	–	–	–	–	–	3	2	1
ITL Germany	–	–	–	–	–	–	0	0	0
ITL Netherlands	–	–	–	–	–	–	0	0	0
ITL Ireland	–	–	–	–	–	–	0	0	0

## 2. Creating value among our stakeholders

## Creating value for our employees

## Staff reductions, broken down by age group

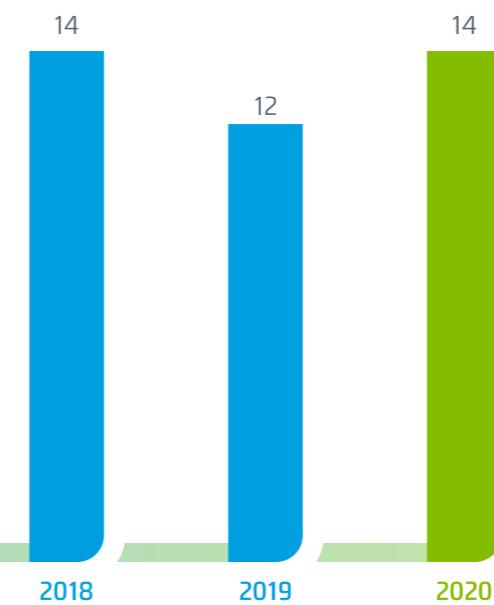
	2018			2019			2020		
	<30 years	30-50 years	>50 years	<30 years	30-50 years	>50 years	<30 years	30-50 years	>50 years
<b>Exolum Group in Spain</b>									
Total turnover	20	80	84	31	125	54	30	125	68
Turnover rate	15.5%	9.2%	26.6%	28.7%	14.3%	18.4%	31.3%	14.9%	27.4%
<b>Exolum-PS</b>									
Total turnover	–	–	–	4	11	16	1	7	9
Turnover rate	–	–	–	13.7%	9.7%	13.3%	4%	5.5%	7.9%
<b>Exolum Aviation Ireland</b>									
Total turnover	–	–	–	1	2	0	–	3	1
Turnover rate	–	–	–	7%	14%	0%	0%	20%	6.6%
<b>CLH Panamá</b>									
Total turnover	–	–	–	–	–	–	2	28	15
Turnover rate	–	–	–	–	–	–	2.17%	30.4%	19.5%
<b>CLH Aviación Ecuador</b>									
Total turnover	–	–	–	–	–	–	0	5	2
Turnover rate	–	–	–	–	–	–	0%	16.1%	6.5%
<b>ITL UK</b>									
Total turnover	–	–	–	–	–	–	0	0	2
Turnover rate	–	–	–	–	–	–	0%	0%	1.1%
<b>ITL Germany</b>									
Total turnover	–	–	–	–	–	–	0	0	0
Turnover rate	–	–	–	–	–	–	0%	0%	0%
<b>ITL Netherlands</b>									
Total turnover	–	–	–	–	–	–	0	0	0
Turnover rate	–	–	–	–	–	–	0%	0%	0%
<b>ITL Ireland</b>									
Total turnover	–	–	–	–	–	–	0	0	0
Turnover rate	–	–	–	–	–	–	0%	0%	0%

## 2. Creating value among our stakeholders

## Creating value for our employees

## Number of employees with disabilities

	2018	2019	2020
Exolum Spain	14	10	9
Exolum-PS	–	1	1
Exolum Aviation Ireland	–	0	0
CLH Panamá	–	0	0
CLH Aviación Ecuador	–	1	1
ITL UK	–	–	0
ITL Germany	–	–	3
ITL Netherlands	–	–	0
ITL Ireland	–	–	0

**Total Exolum Group**

## Dismissals by gender, age group and professional category

	2018	2019	2020
<b>Exolum Group in Spain</b>			
Men	2	5	9
Women	1	0	1
<30	0	0	0
30-50	2	3	4
>50	1	2	6
Management Departments/Sections	0	0	4
Supervisors/Middle-managers	1	2	0
Professionals	0	0	2
Administrative staff	1	0	0
Specialists/Qualified operators	1	3	4

	2018	2019	2020
<b>Exolum-PS</b>			
Men	–	7	3
Women	–	3	0
<30	–	2	0
30-50	–	1	2
>50	–	7	1
Management Departments/Sections	–	0	0
Supervisors/Middle-managers	–	1	0
Professionals	–	0	0
Administrative staff	–	1	0
Specialists/Qualified operators	–	8	3

## 2. Creating value among our stakeholders

## Creating value for our employees

## Dismissals by gender, age group and professional category (continuation)

	2018	2019	2020
<b>Exolum Aviation Ireland</b>			
Men	–	0	0
Women	–	0	0
<30	–	0	0
30-50	–	0	0
>50	–	0	0
Management Departments/Sections	–	–	–
Supervisors/Middle-managers	–	0	0
Professionals	–	–	–
Administrative staff	–	0	0
Specialists/Qualified operators	–	0	0
<b>CLH Panamá</b>			
Men	–	3	41
Women	–	–	–
<30	–	–	2
30-50	–	3	28
>50	–	–	11
Management Departments/Sections	–	–	–
Supervisors/Middle-managers	–	2	–
Professionals	–	1	–
Administrative staff	–	–	–
Specialists/Qualified operators	–	–	41

	2018	2019	2020
<b>CLH Aviación Ecuador</b>			
Men	–	0	5
Women	–	0	0
<30	–	0	0
30-50	–	0	3
>50	–	0	2
Management Departments/Sections	–	0	0
Supervisors/Middle-managers	–	0	0
Professionals	–	0	0
Administrative staff	–	0	0
Specialists/Qualified operators	–	0	5
<b>ITL UK</b>			
Men	–	–	1
Women	–	–	0
<30	–	–	0
30-50	–	–	0
>50	–	–	1
Management Departments/Sections	–	–	1
Supervisors/Middle-managers	–	–	0
Professionals	–	–	0
Administrative staff	–	–	0
Specialists/Qualified operators	–	–	0

## 2. Creating value among our stakeholders

## Creating value for our employees

## Dismissals by gender, age group and professional category (continuation)

	2018	2019	2020
<b>ITL Germany</b>			
Men	–	–	0
Women	–	–	0
<30	–	–	0
30-50	–	–	0
>50	–	–	0
Management Departments/Sections	–	–	0
Supervisors/Middle-managers	–	–	0
Professionals	–	–	0
Administrative staff	–	–	0
Specialists/Qualified operators	–	–	0
<b>ITL Netherlands</b>			
Men	–	–	0
Women	–	–	0
<30	–	–	0
30-50	–	–	0
>50	–	–	0
Management Departments/Sections	–	–	0
Supervisors/Middle-managers	–	–	0
Professionals	–	–	0
Administrative staff	–	–	0
Specialists/Qualified operators	–	–	0

	2018	2019	2020
<b>ITL Ireland</b>			
Men	–	–	0
Women	–	–	0
<30	–	–	0
30-50	–	–	0
>50	–	–	0
Management Departments/Sections	–	–	0
Supervisors/Middle-managers	–	–	0
Professionals	–	–	0
Administrative staff	–	–	0
Specialists/Qualified operators	–	–	0

## Recruitment of new talent

The Exolum Group's recruitment processes are based on objective and transparent criteria, promote equal opportunities and seek to attract the best talent to meet the company's current and future challenges. Furthermore, in order to foster cross-disciplinary learning and retain internal talent, the company promotes actions for horizontal career development, promotions and appointments.

Exolum has a scholarship programme that gives university, vocational training and dual vocational training students the opportunity to receive on-the-job training. In 2020, the company took on 46 interns from different education centres and provinces, of whom 13 were eventually hired, accounting for 19% of total external recruits.

At Exolum-PS, the hiring of interns was suspended in 2020 due to the global pandemic.

In addition, Exolum took part in the third edition of "Compartiendo Talento" (Sharing Talent), a career development programme that promotes networking and the development of new skills through mentoring, and in the "Promociona" and "Progresa" programmes to promote career progression for women.

Exolum also participates in different employment forums and fairs, such as Induforum and Induempleo organised by the Polytechnic University of Madrid, to attract new young talent. However, there were no fairs in 2020 on account of the COVID-19 pandemic

## Commitment to a flexible working environment

The Exolum Group includes specific measures in its Human Resources policies and in its collective bargaining agreements to foster a flexible, open and tolerant working environment.

These include the Work-Life Balance and Employment Flexibility policies, which aim to promote a balance between the work and personal life of the company's employees.

In Spain, the Exolum Group offers more than 65 employee benefits and work-life balance measures, such as reduced working hours in the summer months, and unpaid or extended leaves of absence to care for family members. The company also offers leaves of absence for longer periods than those established by law for maternity leave, time off for feeding the baby, for the birth of a child, serious illness or hospitalisation of family members, moving house and attending exams.

Other significant initiatives are meal and childcare vouchers, access to health insurance under advantageous conditions, advances and pension plans, in addition to a wide variety of financial assistance measures for family members at school or university, encouraging employees to play sport or for disabled family members, among others.

In 2020, the company launched a number of initiatives and measures to help alleviate some of the effects the pandemic has had on employees' lives, such as:

- Flexible working and work-life balance measures such as remote working for all employees that can do their job remotely.
- Emotional support and psychological care service for employees and their families.

## 2. Creating value among our stakeholders

## Creating value for our employees



- The possibility to defer holiday leave until next year.
- The possibility to work remotely from other provinces during the holiday period.
- Gifts in recognition and appreciation for the commitment shown by the staff working on-site.
- Training in managing remote teams.

In addition, the Exolum Group in Spain provides other employee benefits such as the Corporate Benefits platform offering employees a range of discounts, and the Baby Hamper, a personalised gift for workers who had babies during the year.

Furthermore, Exolum Spain signed an agreement with a financial institution for membership of a Partner Bank programme that allows employees to contract banking products and financial services under advantageous conditions.

All these measures have helped the Exolum Group to earn the EFR (Family-Responsible Company) certificate in Spain, with a rating of “B+ Proactive”.

## Number employees, broken down by working hours and gender

	2018		2019		2020	
	Men	Women	Men	Women	Men	Women
<b>Exolum Group in Spain</b>						
Full-time	1,136	168	1,093	162	1,002	163
Part-time	11	4	13	9	10	8
<b>Exolum-PS</b>						
Full-time	–	–	213	35	212	40
Part-time	–	–	8	7	5	8
<b>Exolum Aviation Ireland</b>						
Full-time	–	–	12	1	12	2
Part-time	–	–	–	1	–	1
<b>CLH Panamá</b>						
Full-time	–	–	119	9	83	9
Part-time	–	–	–	–	–	–
<b>CLH Aviación Ecuador</b>						
Full-time	–	–	31	2	25	4
Part-time	–	–	0	0	0	0

	2018		2019		2020	
	Men	Women	Men	Women	Men	Women
<b>ITL UK</b>						
Full-time	–	–	–	–	346	46
Part-time	–	–	–	–	3	16
<b>ITL Germany</b>						
Full-time	–	–	–	–	59	7
Part-time	–	–	–	–	0	3
<b>ITL Netherlands</b>						
Full-time	–	–	–	–	40	2
Part-time	–	–	–	–	2	3
<b>ITL Ireland</b>						
Full-time	–	–	–	–	10	0
Part-time	–	–	–	–	8	2

## 2. Creating value among our stakeholders

## Creating value for our employees

## Parental leave

	2018		2019		2020	
	Men	Women	Men	Women	Men	Women
<b>Exolum Group in Spain</b>						
Number of employees entitled to leave	56	7	56	6	47	15
Number of employees who took leave	56	7	55	6	47	15
Number of employees who returned to work at the end of their leave	53	7	55	6	47	15
Number of employees who returned to work at the end of their leave and continued working twelve months after their return	51	7	54	6	46	15
<b>Exolum-PS</b>						
Number of employees entitled to leave	–	–	5	1	1	3
Number of employees who took leave	–	–	5	1	1	3
Number of employees who returned to work at the end of their leave	–	–	5	1	1	2
Number of employees who returned to work at the end of their leave and continued working twelve months after their return	–	–	1	2	1	0
<b>Exolum Aviation Ireland</b>						
Number of employees entitled to leave	–	–	1	0	2	0
Number of employees who took leave	–	–	0	0	2	0
Number of employees who returned to work at the end of their leave	–	–	–	–	2	0
Number of employees who returned to work at the end of their leave and continued working twelve months after their return	–	–	–	–	2	0
<b>CLH Panamá</b>						
Number of employees entitled to leave	–	–	4	0	1	0
Number of employees who took leave	–	–	4	0	1	0
Number of employees who returned to work at the end of their leave	–	–	4	0	1	0
Number of employees who returned to work at the end of their leave and continued working twelve months after their return	–	–	4	0	1	0
<b>CLH Aviación Ecuador</b>						
Number of employees entitled to leave	–	–	–	–	2	0
Number of employees who took leave	–	–	–	–	2	0
Number of employees who returned to work at the end of their leave	–	–	–	–	2	0
Number of employees who returned to work at the end of their leave and continued working twelve months after their return	–	–	–	–	2	0

## 2. Creating value among our stakeholders

## Creating value for our employees

## Parental leave (continuation)

	2018		2019		2020	
	Men	Women	Men	Women	Men	Women
<b>ITL UK</b>						
Number of employees entitled to leave	-	-	-	-	347	72
Number of employees who took leave	-	-	-	-	2	-
Number of employees who returned to work at the end of their leave	-	-	-	-	2	-
Number of employees who returned to work at the end of their leave and continued working twelve months after their return	-	-	-	-	N/A	N/A
<b>ITL Germany</b>						
Number of employees entitled to leave	-	-	-	-	0	0
Number of employees who took leave	-	-	-	-	N/A	N/A
Number of employees who returned to work at the end of their leave	-	-	-	-	N/A	N/A
Number of employees who returned to work at the end of their leave and continued working twelve months after their return	-	-	-	-	N/A	N/A
<b>ITL Netherlands</b>						
Number of employees entitled to leave	-	-	-	-	8	0
Number of employees who took leave	-	-	-	-	5	0
Number of employees who returned to work at the end of their leave	-	-	-	-	2	0
Number of employees who returned to work at the end of their leave and continued working twelve months after their return	-	-	-	-	N/A	N/A
<b>ITL Ireland</b>						
Number of employees entitled to leave	-	-	-	-	0	0
Number of employees who took leave	-	-	-	-	N/A	N/A
Number of employees who returned to work at the end of their leave	-	-	-	-	N/A	N/A
Number of employees who returned to work at the end of their leave and continued working twelve months after their return	-	-	-	-	N/A	N/A

## Employee well-being

The year 2020 was a particularly difficult one on account of the global pandemic. In order to ascertain the well-being of employees, the company conducted various surveys and actions to learn about their concerns and alleviate their situation as much as possible.

In May 2020, a survey on the management of the COVID-19 crisis by the company was conducted among all employees in the Exolum Group in Spain. They were asked for their opinion on various matters: safety measures, internal communication, management of COVID-19, the relationship with their line manager, recognition within the company and degree of uncertainty regarding the current situation. The results for each item in the survey were positive and an explanatory video with the findings was produced and made available to respondents on the corporate Intranet.

In early July, a second survey, called “Your opinion is the missing piece,” was conducted, this time for all employees of the head office and the facilities working remotely. The questions focused on issues that were a concern for employees at the time, such as the necessary resources for remote working, the difficulties they encountered at work during lockdown and any doubts they might have about returning to work on-site.

In addition, twelve focus groups were held to support the survey and gain a more in-depth insight into some of the results. The feedback from the focus groups was analysed and different actions were carried out throughout the year based on the results.

At the end of November, another follow-up survey was conducted on the actions taken, which explored in more depth topics such as safety measures, internal communication, productivity, work tools and the relationship with their manager.

Exolum-PS also conducted a survey, which had a response rate of 71%, and the results showed a 25% increase in employee engagement compared to the survey carried out two years before.

## Career development model

The Exolum Group regularly carries out career promotion and development activities based on a merit and effort recognition system. In Spain, a total of 25 people were promoted to positions with greater responsibility in 2020, while 168 others moved up to a higher level of development.

At Exolum-PS, a considerably higher number of performance appraisals were carried out in 2020 compared to the previous year.

The Exolum Group in Spain has a performance assessment model, MyMAP, which aims to engage employees in achieving strategic objectives and boost communication and teamwork.

In addition, a talent review was conducted to identify future development opportunities for Exolum’s talent map, and Exolum-PS drew up its first succession plan.

In 2020, new modules were added to the Success Factors system in the Exolum Group in Spain and in Exolum-PS, which has now become the company's corporate Human Capital Management (HCM) tool. The system enables greater integration, better accessibility and the preparation of reports that will provide a more complete analytical overview to improve monitoring and decision-making.

Specifically, the following modules were added in 2020:

- Employee Central, as the new Human Resources Information System (HRIS) which includes the new employee self-service portal which, in turn, comprises the application for benefits and employee portals.
- Recruiting and Onboarding, along with a new and more modern employment portal.

### Performance assessment

	2018		2019		2020	
	Men	Women	Men	Women	Men	Women
<b>Exolum Group in Spain</b>						
Active average staff (a)	1,197.85	180.42	1,163.64	168.43	1,107.60	171.34
Number of employees who received a formal performance assessment and review during the period (b)	684	150	844	139	730	144
Percentage of employees who received a formal performance assessment and review during the period (b/a)	57.10%	83.13%	72.5%	82.52%	65.90%	84.04%
<b>Exolum-PS</b>						
Active average staff (a)	–	–	221	42	217	48
Number of employees who received a formal performance assessment and review during the period (b)	–	–	107	38	146	36
Percentage of employees who received a formal performance assessment and review during the period (b/a)	–	–	48.42%	90.47%	67.28%	75%
<b>Exolum Aviation Ireland</b>						
Active average staff (a)	–	–	12.4	0.58	12.17	2.33
Number of employees who received a formal performance assessment and review during the period (b)	–	–	12	2	7	2
Percentage of employees who received a formal performance assessment and review during the period (b/a)	–	–	100%	100%	58.33%	66.66%
<b>CLH Panamá</b>						
Active average staff (a)	–	–	118	9	83	9
Number of employees who received a formal performance assessment and review during the period (b)	–	–	5	7	5	8
Percentage of employees who received a formal performance assessment and review during the period (b/a)	–	–	4%	77%	6%	88%

## 2. Creating value among our stakeholders

## Creating value for our employees

## Performance assessment (continuation)

	2018		2019		2020	
	Men	Women	Men	Women	Men	Women
<b>CLH Aviation Ecuador</b>						
Active average staff (a)	–	–	31	3	25	4
Number of employees who received a formal performance assessment and review during the period (b)	–	–	23	–	17	–
Percentage of employees who received a formal performance assessment and review during the period (b/a)	–	–	74.19%	–	68%	–
<b>ITL UK</b>						
Active average staff (a)	–	–	–	–	349	62
Number of employees who received a formal performance assessment and review during the period (b)	–	–	–	–	N/A	N/A
Percentage of employees who received a formal performance assessment and review during the period (b/a)	–	–	–	–	N/A	N/A
<b>ITL Germany</b>						
Active average staff (a)	–	–	–	–	59	10
Number of employees who received a formal performance assessment and review during the period (b)	–	–	–	–	9	0
Percentage of employees who received a formal performance assessment and review during the period (b/a)	–	–	–	–	15.3%	0%
<b>ITL Netherlands</b>						
Active average staff (a)	–	–	–	–	42	5
Number of employees who received a formal performance assessment and review during the period (b)	–	–	–	–	N/A	N/A
Percentage of employees who received a formal performance assessment and review during the period (b/a)	–	–	–	–	N/A	N/A
<b>ITL Ireland</b>						
Active average staff (a)	–	–	–	–	18	2
Number of employees who received a formal performance assessment and review during the period (b)	–	–	–	–	N/A	N/A
Percentage of employees who received a formal performance assessment and review during the period (b/a)	–	–	–	–	N/A	N/A

## 2. Creating value among our stakeholders

## Creating value for our employees

## Performance assessment broken down by professional category and gender

	2019		2020	
	Men	Women	Men	Women
<b>Exolum Group in Spain</b>				
Management Departments/Sections	33	5	31	5
Supervisors/Middle-managers	113	31	116	33
Professionals	314	99	167	101
Administrative staff	1	2	1	2
Specialists/Qualified operators	383	2	415	3
<b>Exolum-PS</b>				
Management Departments/Sections	5	0	4	0
Supervisors/Middle-managers	31	5	34	6
Professionals	18	15	24	14
Administrative staff	2	17	4	18
Specialists/Qualified operators	52	0	75	1
<b>Exolum Aviation Ireland</b>				
Management Departments/Sections	–	–	–	–
Supervisors/Middle-managers	2	1	2	1
Professionals	–	–	–	–
Administrative staff	–	1	–	1
Specialists/Qualified operators	9	–	5	–
<b>CLH Panamá</b>				
Management Departments/Sections	–	–	–	–
Supervisors/Middle-managers	2	3	2	2
Professionals	3	3	3	5
Administrative staff	–	1	–	1
Specialists/Qualified operators	–	–	–	–
<b>CLH Aviación Ecuador</b>				
Management Departments/Sections	–	–	–	–
Supervisors/Middle-managers	–	–	–	–
Professionals	–	–	–	–
Administrative staff	–	–	–	–
Specialists/Qualified operators	–	–	17	–

	2019		2020	
	Men	Women	Men	Women
<b>ITL UK</b>				
Management Departments/Sections	–	–	N/A	N/A
Supervisors/Middle-managers	–	–	N/A	N/A
Professionals	–	–	N/A	N/A
Administrative staff	–	–	N/A	N/A
Specialists/Qualified operators	–	–	N/A	N/A
<b>ITL Germany</b>				
Management Departments/Sections	–	–	N/A	N/A
Supervisors/Middle-managers	–	–	N/A	N/A
Professionals	–	–	N/A	N/A
Administrative staff	–	–	N/A	N/A
Specialists/Qualified operators	–	–	N/A	N/A
<b>ITL Netherlands</b>				
Management Departments/Sections	–	–	N/A	N/A
Supervisors/Middle-managers	–	–	N/A	N/A
Professionals	–	–	N/A	N/A
Administrative staff	–	–	N/A	N/A
Specialists/Qualified operators	–	–	N/A	N/A
<b>ITL Ireland</b>				
Management Departments/Sections	–	–	N/A	N/A
Supervisors/Middle-managers	–	–	N/A	N/A
Professionals	–	–	N/A	N/A
Administrative staff	–	–	N/A	N/A
Specialists/Qualified operators	–	–	N/A	N/A

## Training

The year 2020 was undeniably a year marked by online training due to the health crisis caused by the pandemic. This forced us to adapt to new ways of learning and embrace new communication and collaboration tools and platforms. Given the circumstances, it was also a year that saw a considerable increase in the creation of elearning content.

Investment in training in the Exolum Group in Spain exceeded 430,000 euros in 2020. The company launched several innovative initiatives, including:

- **Participation in career development and progression programmes for women.** In addition to the “Progresía” programme, in 2020, the company also participated in a new programme called the “Advanced Women and Leadership Programme,” which, now in its 31st edition, is provided by the Chamber of Commerce of Madrid to promote career development for women.
- **The online training course on “Ethics, integrity and security at Exolum”** was rolled out to employees that had not yet received the training. Of the staff invited to take the course, 62 people, or 43%, completed it.

- **Online training was provided on the General Data Protection Regulation tailored to the company’s situation.** The aim of the course was to raise awareness of the new regulation and the importance of personal data processing. In 2020, an additional 143 employees received the training, bringing the total number of people trained between 2019 and 2020 to more than one thousand.
- **Safety training:** in 2020, as a follow-up to the safety training for company managers provided by DEKRA in 2019, a second round of coaching sessions was given to check on the progress of each manager’s individual action plan.
- **Promotion of online training on safety and prevention.** New bespoke courses were developed to ensure standardised and quality training. Some of these courses included COVID-19 health and safety, first aid and self-protection plans.
- **Training on subjects such as data analytics and agile methodologies** (Kanban y Agile) with almost 6,000 hours of training and approximately 300 people trained.
- **Training was provided to show** the different business areas how **to use the new tools** that the company is implementing in the form of live sessions via videoconference, pre-recorded videos and support manuals, which allowed us to complete our planned agenda and project phases on schedule.

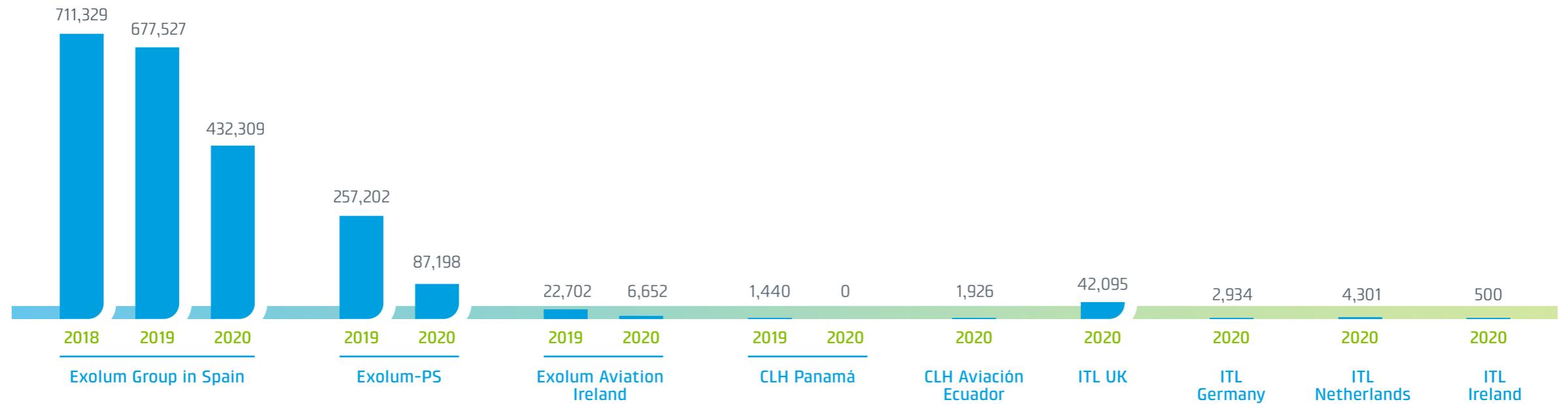
In 2020, the Exolum Group also organised training and career development programmes on the following topics:

- **Simulators for skills development using game-based learning techniques.** A new simulator, called “ECHO,” has been added to train participants on coaching tools.
- **Leadership training programmes** such as the “Executive Leadership and People Management Programme” and the PACIFIC simulator focused on learning to manage teams more effectively.
- **Courses for internal trainers,** such as the “Train with Talent” initiative, where participants are taught the keys to becoming excellent trainers.
- **Other career** development programmes:
  - The “PDD in Company” programme, conducted in collaboration with the IESE Business School and other companies in the energy sector, in which 11 employees from the Exolum Group participated in 2020.
  - The “Sharing Talent” programme with Fundación España, where a group of companies share best practices, and skills are improved through mentoring and shadowing.

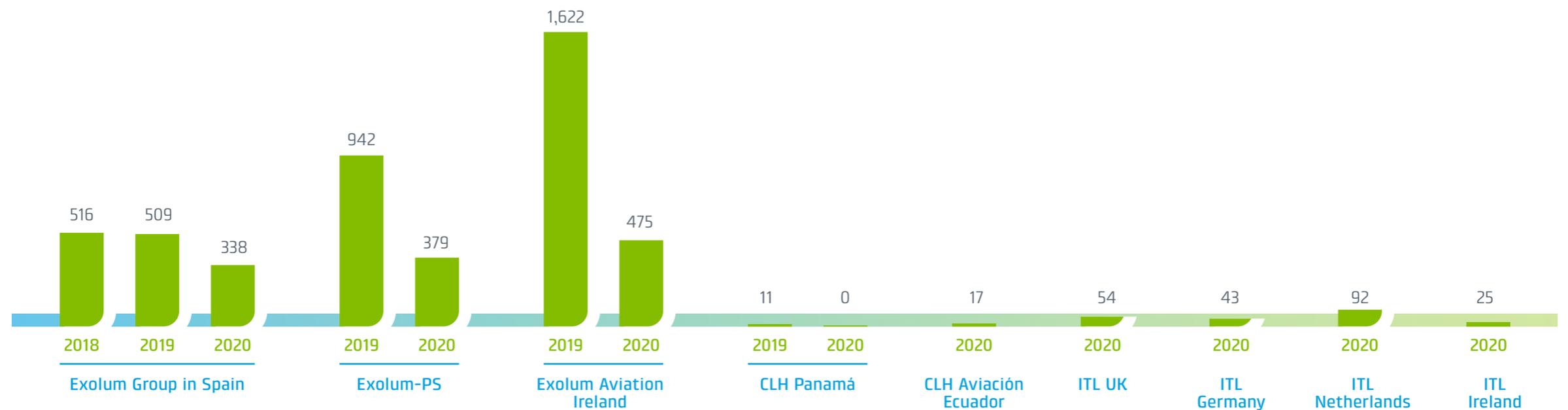
2. Creating value among our stakeholders

Creating value for our employees

Investment in training (€)



Investment per employee (€)



## 2. Creating value among our stakeholders

## Creating value for our employees

## Average hours of training broken down by gender

	2018		2019		2020	
	Men	Women	Men	Women	Men	Women
CLH	35	47	31	34	29	43
CLH Aviación	40	32	30	30	24	49
Exolum-PS	-	-	38	33	23	24
Exolum Aviation Ireland	-	-	40	20	35	55
CLH Panamá	-	-	9	16	0	0
CLH Aviación Ecuador	-	-	-	-	30	30
ITL UK	-	-	-	-	2	1
ITL Germany	-	-	-	-	3	1
ITL Netherlands	-	-	-	-	2	9
ITL Ireland	-	-	-	-	4	0

## 2. Creating value among our stakeholders

## Creating value for our employees

## Average hours of training broken down by group

	2018		2019		2020	
	Men	Women	Men	Women	Men	Women
<b>Exolum Group in Spain</b>						
Management Departments/Sections	76	101	56	104	66	87
Supervisors/Middle-managers	53	62	40	35	48	79
Professionals	37	55	33	39	30	41
Administrative staff	7	6	9	6	8	9
Specialists/Qualified operators	35	28	29	18	23	20
<b>Exolum-PS</b>						
Management Departments/Sections	–	–	45.4	67	8.6	29
Supervisors/Middle-managers	–	–	19.67	214	9.6	57.71
Professionals	–	–	81.83	17.875	56.84	18.45
Administrative staff	–	–	23.2	12.380	50	19.48
Specialists/Qualified operators	–	–	26.95	19	25.61	9
<b>Exolum Aviation Ireland</b>						
Management Departments/Sections	–	–	–	–	–	–
Supervisors/Middle-managers	–	–	45	30	40	60
Professionals	–	–	–	–	–	–
Administrative staff	–	–	–	10	–	40
Specialists/Qualified operators	–	–	35	–	25	25
<b>CLH Panamá</b>						
Management Departments/Sections	–	–	–	–	–	–
Supervisors/Middle-managers	–	–	11	16	–	–
Professionals	–	–	–	–	–	–
Administrative staff	–	–	21	–	–	–
Specialists/Qualified operators	–	–	–	–	–	–
<b>CLH Aviación Ecuador</b>						
Management Departments/Sections	–	–	–	–	–	–
Supervisors/Middle-managers	–	–	–	–	–	–
Professionals	–	–	–	–	2	2
Administrative staff	–	–	–	–	–	–
Specialists/Qualified operators	–	–	–	–	17	1

	2018		2019		2020	
	Men	Women	Men	Women	Men	Women
<b>ITL UK</b>						
Management Departments/Sections	–	–	–	–	2	5
Supervisors/Middle-managers	–	–	–	–	1	0
Professionals	–	–	–	–	0	0
Administrative staff	–	–	–	–	6	1
Specialists/Qualified operators	–	–	–	–	1	1
<b>ITL Germany</b>						
Management Departments/Sections	–	–	–	–	2	0
Supervisors/Middle-managers	–	–	–	–	4	0
Professionals	–	–	–	–	3	0
Administrative staff	–	–	–	–	0	2
Specialists/Qualified operators	–	–	–	–	2	1
<b>ITL Netherlands</b>						
Management Departments/Sections	–	–	–	–	2	0
Supervisors/Middle-managers	–	–	–	–	0	0
Professionals	–	–	–	–	2	3
Administrative staff	–	–	–	–	0	12
Specialists/Qualified operators	–	–	–	–	2	2
<b>ITL Ireland</b>						
Management Departments/Sections	–	–	–	–	0	0
Supervisors/Middle-managers	–	–	–	–	3	0
Professionals	–	–	–	–	0	0
Administrative staff	–	–	–	–	0	0
Specialists/Qualified operators	–	–	–	–	4	0

## Collective bargaining and participation

The Exolum Group guarantees its staff the freedom to affiliate with associations and unions that defend and protect their rights, in accordance with the ten principles of the United Nations Global Compact.

The workers' representatives of the trade union sections are freely elected, fully respecting legality and the freedom to join a trade union. In addition, trade union sections and their representatives are guaranteed the right to exercise their functions of negotiation, participation and representation, in accordance with the law and collective agreements.

In Spain, the Exolum Group has two collective agreements regulating labour relations that affect all workers, except those whose employment conditions are set out in an individual contract, due to the nature or responsibilities of their position, and are therefore excluded from these agreements.

In Spain, in October 2020, the management and the UGT, CC.OO. and CGT trade union sections, through the negotiating committee, signed the Exolum Collective Bargaining Agreement for the period 2016-2019 pursuant to the provisions of the preliminary agreement concluded in December 2019. At the same time, it was agreed that the 2016-2019 Collective Bargaining Agreement would be renewed automatically until a new agreement was signed.

Among other aspects, the Agreement incorporates the Partial Agreements signed on 23 December 2015, 30 March 2017 and 10 January 2018 concerning the working hours at Head Office, pension plans and various issues relating to working conditions.

In terms of wage increases, the new Agreement provides for an increase of 2.2% for 2016 based on the 2015 revised tables, actual CPI for the years 2017 and 2018, and 1.0% for 2019.

The wording and structure of the new Agreement was also updated and amended to ensure that it provides the necessary legal certainty which, together with the other items agreed, will help Exolum meet the important challenges that lie ahead for the company and the workforce.

Due to the effects of the pandemic on the aviation sector, CLH Aviación implemented a temporary workforce resizing plan (ERTE, according to its Spanish acronym) under Royal Decree Law 8/2020, which was passed by the government to alleviate the impact of the COVID-19 crisis, after agreeing on the conditions of the scheme with the CC.OO., UGT and CGT trade union sections and obtaining the authorisation of the labour authority.

Of the main measures agreed, CLH Aviación undertook to pay all employees affected a monthly wage supplement to cover the difference between unemployment benefit and 100% of their basic salary under the Collective Agreement, consisting of the base salary, personal, length-of-service and managerial and special responsibility positions (PMER) supplements and disability allowance.

In addition, when determining what workers to include in the temporary workforce resizing plan, the company took into account aspects such as the continuity of essential operations, volunteers for the scheme, length of service and whether the workers belonged to vulnerable groups.

At both CLH and CLH Aviación in Spain, the various Framework Agreements for the Termination of Contracts by mutual agreement remained in force in 2020.

At Exolum-PS, the UNITE trade union represents pipeline operators, technicians and maintenance experts in all the company's facilities. Collective Bargaining is carried out in a pragmatic manner, and a pay freeze was agreed for 2021 on account of the impact of the pandemic on the aviation fuel industry.

## We care for our employees. Health and Safety in the Workplace

Safety in the Exolum Group is present in all its activities. The Group has Basic Guidelines for Safety and Regulatory Management Systems in place for all companies in the Group. These set out the standards and management systems to implement to ensure that the assets are designed, maintained and operated properly from the perspective of health, safety and the environment (HSE).

In Spain, the Joint Committee for Health and Safety (CISS) is the equal representation body for Exolum and CLH Aviación. There are also local committees and prevention officers depending on the number of employees in the workplace.

Exolum and CLH Aviación have an Occupational Risk Prevention Plan, which includes measures to guarantee the health and safety of everybody in the company.

In 2020, because of the exceptional situation caused by the COVID-19 pandemic, one of the biggest challenges the Exolum Group faced was adapting its operations and activities to provide all staff with a safe working environment so that it could guarantee the supply of liquid fuels to all of society.

Accordingly, it developed new operating procedures, automated processes, adapted infrastructure, implemented and rolled out remote working, etc., all of which allowed it to maintain the fuel supply service throughout the pandemic and, particularly, during the total lockdown.

Having carried out a cultural diagnosis in 2019, a strategic project for cultural change, "Safety Foundations" (life-saving rules), was launched in 2020. The aim of the project is to improve the company's safety culture maturity scale by increasing proactivity and reducing the percentage of potential accidents involving serious injury and fatality (SIF). This safety project has been rolled out to the entire Exolum Group.

Despite the mobility and organisational challenges posed by the pandemic, in 2020 we were nevertheless able to hold our first Corporate Safety Day, which focused on the first life-saving rules of Safety Foundations and covered aspects such as isolation and lockouts (Loto) as well as the safe handling of products.

In addition, in Spain, campaigns that were already under way continued, such as the Corporate Chats on Health and Safety, known as "5.5 Chats". This year, the chats focused on highlighting the lessons learned from the main incidents that had occurred and on strengthening the concepts of self-protection and the new Safety Foundations (life-saving rules).

Similarly, the Exolum Group has continued to closely monitor and investigate accidents and near misses in order to continue fostering accident prevention and the design of training and information activities.

## 2. Creating value among our stakeholders

## Creating value for our employees

## Number of accidents and evolution of the FR (Frequency Rate)

	2019			2020		
	Total	Men	Women	Total	Men	Women
<b>Exolum Group in Spain</b>						
Average workforce	1,277	1,111	166	1,278.65	1,107.35	171.3
Hours worked	2,174,420	1,901,745	272,675	1,903,609.25	1,634,494.05	269,115.2
Accidents with leave	9	9	0	2	1	1
Accidents without leave	1	1	0	0	0	0
No. of working days lost	266	266	0	324	296	28
FR (Frequency Rate) for every 200,000 hours worked	0.83	0.95	0	0.21	0.12	0.74
FR (Frequency Rate) for every 1,000,000 hours worked	4.14	4.73	0	1.05	0.61	3.72
TFR (Total Frequency Rate) for every 200,000 hours worked	0.92	1.05	0	0.21	0.12	0.74
TFR (Total Frequency Rate) for every 1,000,000 hours worked	4.60	5.26	0	1.05	0.61	3.72
SR (Severity Rate) for every 1,000 hours worked	0.12	0.14	0	0.17	0.18	0.10
<b>Exolum-PS</b>						
Average workforce	236	221	42	265	217	48
Hours worked	452,954	377,493	75,461	427,954	362,529.10	65,424.90
Accidents with leave	0	0	0	0	0	0
Accidents without leave	0	0	0	0	0	0
No. of working days lost	0	0	0	0	0	0
FR (Frequency Rate) for every 200,000 hours worked	0	0	0	0	0	0
FR (Frequency Rate) for every 1,000,000 hours worked	0	0	0	0	0	0
TFR (Total Frequency Rate) for every 200,000 hours worked	0	0	0	0	0	0
TFR (Total Frequency Rate) for every 1,000,000 hours worked	0	0	0	0	0	0
SR (Severity Rate) for every 1,000 hours worked	0	0	0	0	0	0

## 2. Creating value among our stakeholders

## Creating value for our employees

## Number of accidents and evolution of the FR (Frequency Rate) (continuation)

	2019			2020		
	Total	Men	Women	Total	Men	Women
<b>Exolum Aviation Ireland</b>						
Average workforce	14	12	2	15	12	3
Hours worked	24,958	21,931	3,039	23,573	20,373	3,201
Accidents with leave	0	0	0	0	0	0
Accidents without leave	0	0	0	1	1	0
No. of working days lost	0	0	0	0	0	0
FR (Frequency Rate) for every 200.000 hours worked	0	0	0	0	0	0
FR (Frequency Rate) for every 1,000,000 hours worked	0	0	0	0	0	0
TFR (Total Frequency Rate) for every 200,000 hours worked	0	0	0	8.48	9.82	0
TFR (Total Frequency Rate) for every 1,000,000 hours worked	0	0	0	42.42	49.09	0
SR (Severity Rate) for every 1,000 hours worked	0	0	0	0	0	0
<b>CLH Panamá</b>						
Average workforce	129	121	8	81	72	9
Hours worked	260,518	242,047	18,471	183,020	168,171	14,848
Accidents with leave	0	0	0	0	0	0
Accidents without leave	0	0	0	0	0	0
No. of working days lost	0	0	0	0	0	0
FR (Frequency Rate) for every 200,000 hours worked	0	0	0	0	0	0
FR (Frequency Rate) for every 1,000,000 hours worked	0	0	0	0	0	0
TFR (Total Frequency Rate) for every 200,000 hours worked	0	0	0	0	0	0
TFR (Total Frequency Rate) for every 1,000,000 hours worked	0	0	0	0	0	0
SR (Severity Rate) for every 1,000 hours worked	0	0	0	0	0	0

## 2. Creating value among our stakeholders

## Creating value for our employees

## Number of accidents and evolution of the FR (Frequency Rate) (continuation)

	2019			2020		
	Total	Men	Women	Total	Men	Women
<b>CLH Aviación Ecuador</b>						
Average workforce	N/A	N/A	N/A	30	27	3
Hours worked	N/D	N/A	N/A	65,547	58,974	6,573
Accidents with leave	N/D	N/A	N/A	0	0	0
Accidents without leave	N/D	N/A	N/A	0	0	0
No. of working days lost	N/D	N/A	N/A	0	0	0
FR (Frequency Rate) for every 200,000 hours worked	N/D	N/A	N/A	0	0	0
FR (Frequency Rate) for every 1,000,000 hours worked	N/D	N/A	N/A	0	0	0
TFR (Total Frequency Rate) for every 200,000 hours worked	N/D	N/A	N/A	0	0	0
TFR (Total Frequency Rate) for every 1,000,000 hours worked	N/D	N/A	N/A	0	0	0
SR (Severity Rate) for every 1,000 hours worked	N/D	N/A	N/A	0	0	0
<b>Exolum Group</b>						
Average workforce	1,683	1,465	218	1,669.15	1,434.85	234.30
Hours worked	2,912,861.78	2,543,216	369,646	2,603,702.78	2,244,540.78	359,162.00
Accidents with leave	0	0	0	0	0	0
Accidents without leave	9	9	0	2	1	1
No. of working days lost	1	1	0	1	1	0
FR (Frequency Rate) for every 200,000 hours worked	266	266	0	324	296	28
FR (Frequency Rate) for every 1,000,000 hours worked	0.62	0.71	0.00	0.15	0.09	0.56
TFR (Total Frequency Rate) for every 200,000 hours worked	3.09	3.54	0.00	0.77	0.45	2.78
TFR (Total Frequency Rate) for every 1,000,000 hours worked	0.69	0.79	0.00	0.23	0.18	0.56
SR (Severity Rate) for every 1,000 hours worked	3.43	3.93	0.00	1.15	0.89	2.78
IG (Índice de gravedad) por cada 1.000 horas trabajadas	0.09	0.10	0.00	0.12	0.13	0.08

2. Creating value among our stakeholders

Creating value for our employees

Accident Frequency Rate

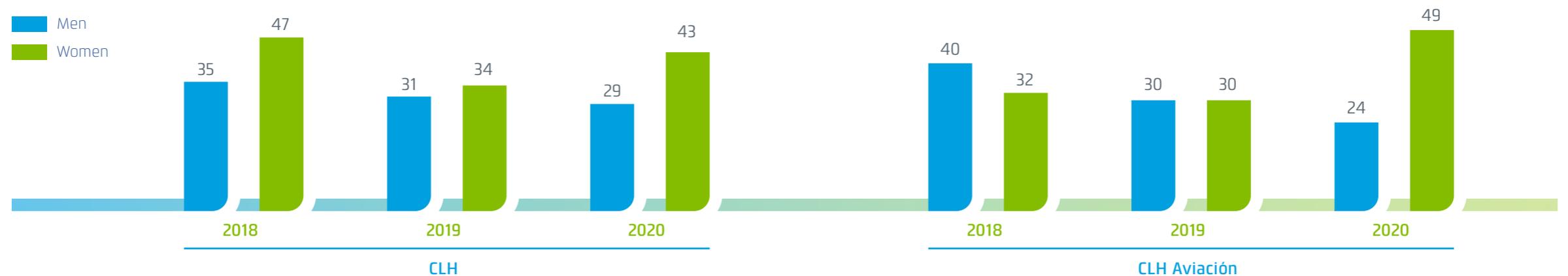
	2018		2019		2020	
	Men	Women	Men	Women	Men	Women
<b>Exolum Group in Spain</b>						
Accident Frequency Rate* (with leave)	0.72	0	4.73	0	0.61	3.72
Accident Severity Rate**	0.09	0	0.14	0	0.18	0.10
<b>Exolum-PS</b>						
Accident Frequency Rate* (with leave)	-	-	0	0	0	0
Accident Severity Rate**	-	-	0	0	0	0
<b>Exolum Aviation Ireland</b>						
Accident Frequency Rate* (with leave)	-	-	0	0	0	0
Accident Severity Rate**	-	-	0	0	0	0

	2018		2019		2020	
	Men	Women	Men	Women	Men	Women
<b>CLH Panamá</b>						
Accident Frequency Rate* (with leave)	-	-	0	0	0	0
Accident Severity Rate**	-	-	0	0	0	0
<b>CLH Aviación Ecuador</b>						
Accident Frequency Rate* (with leave)	-	-	0	0	0	0
Accident Severity Rate**	-	-	0	0	0	0
<b>Exolum Group</b>						
Accident Frequency Rate* (with leave)	2.76	0.00	3.54	0	0.45	2.78
Accident Severity Rate**	0.07	0	0.10	0	0.13	0.08

\* Accident Frequency Rate: Number of accidents involving sick leave for every million hours worked

\*\*Accident Severity Rate: Number of calendar days lost through accidents involving sick leave for every thousand hours worked

Average hours of training broken down by gender



### Average hours of training broken down by group

	2018		2019		2020	
	Men	Women	Men	Women	Men	Women
Managers and Assistant Managers	76	101	56	104	66	87
Supervisors/Middle-managers	53	62	40	35	48	79
Professionals	37	55	33	39	30	41
Administrative staff	7	6	9	6	8	9
Specialists/Qualified operators	35	28	29	18	23	20

### Safety training in the Exolum Group in Spain

	2018	2019	2020
Safety training (hours)	9,818	11,186	6,347.3
Attendees (no. of people)	1,720	1,920	1,694
Prevention training (basic level) (hours)	4,609	3,018.5	7,129.5
Attendees (no. of people)	973	836	2,384
Investment (thousand euros)	163.2	190.4	64.82

In 2020, the number of hours devoted to safety training decreased due to the fact that the scheduled face-to-face courses could not be held on account of the COVID-19 pandemic. Nevertheless, the number of hours devoted to prevention training in 2020 more than doubled compared to 2019, with the focus on COVID-19 prevention. In addition, other training courses were provided online and at the facilities through on-the-job training.

## Promoting health and safety in the workplace

The Exolum Group continued to promote various activities in the areas of Occupational Health and Safety in 2020, and took additional protective actions for all workers to protect them against the coronavirus.

In this regard, remote working measures were implemented immediately, except for operations staff at the facilities. In addition, special consideration was given to the numerous personal circumstances of the employees as a result of the pandemic.

Furthermore, to safeguard employees' physical and emotional well-being, they were given free access to online wellness programmes offering emotional support and psychological care for them and their families.

An online training course on COVID-19 health and safety was also designed to inform and train employees on how to recognise and prevent contagion, and preventive measures were adopted in all the company's workplaces.

An online first aid course was also developed and launched for all Exolum employees in Spain, where they were trained on basic first aid and how to act in the event of an emergency.

Exolum-PS also began to provide mental health first aid in most of the workplaces, and monthly wellness promotions were carried out on a wide variety of topics through noticeboards, the Intranet and email.

### Occupational Risk Prevention programmes and activities

- Epidemiological surveillance of workers' health with regard to work-related risks.
- Protection of particularly vulnerable workers and pregnant and nursing employees.
- COVID-19 employee protection plan.
- Diagnostic and screening tests for COVID-19.
- Personal medical advice and consultation for cases related to COVID-19.
- Emotional support and psychological care.

### Screening for chronic diseases:

- Prostate disease.

### Promotion of Health

- Fruit service at head office.
- Physiotherapy service.

### Occupational Health and Safety training

- First aid course.
- COVID-19 prevention course.

### Awareness-raising activities

- Healthcare contacts.
- Articles about health in Acerca magazine.
- Monthly Corporate Chats (5.5 Chats).

# We generate value for **our customers**

## Quality and management systems

The Exolum Group works to meet customer expectations, offering services that are adapted to their needs and improving existing ones.

The Exolum Group works to meet customer expectations, offering services that are adapted to their needs and improving existing ones.

The company has an Integrated Management System that covers the processes and activities of all companies in the Group. This system is continuously improved through the ongoing review of its component processes and the incorporation of new, successful practices.

The Exolum Group holds several quality certifications:

- **ISO 9001 Quality Certification for all activities in Spain.** Exolum-PS in the UK and Exolum Aviation Ireland also hold this certification.
- **ISO/IEC 17025 accreditation** for the Central Laboratory and Metrology Laboratory.
- **Quality certifications at the port facilities** de Barcelona, Palma de Mallorca, Cartagena, Gijón, Motril, Algeciras y Bilbao, según los referenciales de calidad de aplicación en cada caso.
- **ISO 14001 Environmental Certification**
- **ISO 45001 Occupational Health & Safety Certification**

The Exolum Group is a member of associations relating to quality, excellence and innovation, where it contributes its knowledge and expertise. The company is a member of the Spanish Association for Standardisation and Certification (AENOR), the Spanish National Accreditation Body (ENAC) and the Spanish Association for Quality (AEC).

In this regard, the Exolum Group maintained an active presence in working groups such as the AENOR AEN/CTN051/SC3 group, which is responsible for updating fuel and biofuel specifications, and the European fuel technology and standardisation groups CEN WG 21 Specification for unleaded petrol, and WG 24 Specification for diesel fuel.

Exolum is also a member of the Energy Institute and sits on the following committees:

- Aviation Committee.
- Aviation Fuel Filtration Committee.
- Equipment Sub-Committee.
- Hydrant Sub-Committee.
- Operations Sub-Committee.
- Sensors Sub-Committee.
- Supply Chain Fuel Quality Sub-Committee.

Through the Metrology Laboratory, Exolum has an agreement with the Spanish Metrology Centre (CEM). The laboratory is a CEM-associate laboratory and, hence, the official laboratory in Spain for liquid hydrocarbon metrology.

In addition, the Metrology Laboratory has had a strategic alliance with the Polytechnic University of Madrid for many years, through the Exolum Chair in Metrology, a centre of excellence for hydrocarbon metrology in Spain and, moreover, with a strong presence in prestigious international forums and journals.

In addition, CLH Aviación is an IATA Strategic Partner, and collaborates with the Fuel Services and Fuel Technical groups. It is also a member of the Joint Inspection Group (JIG), where it has an active presence in the Operations Committee responsible for reviewing and updating industry standards on aviation fuel handling and quality control, and in the Technical Forum. In addition, it is an affiliate member of the Latin American and Caribbean Air Transport Association (ALTA).

## Commercial offer

The Exolum Group maintains its commitment to meeting the needs of its customers, both in the services it currently provides and through the ongoing development of services to cater for their new needs.

In this regard, the Exolum Group provides logistics services to the main players in the liquid fuels market, and offers a wide range of services for oil product storage and transportation. It also provides into-plane fuelling services to the main airlines, and manages and designs storage and distribution assets and infrastructure for aviation fuels.

In Spain, the company has a biofuel certification management system that is compliant with Circular 1/2016 of 30 March published by the National Markets and Competition Commission (CNMC), which regulates the sustainability of the biofuels offered for sale or consumed in the domestic market. In addition, it has obtained International Sustainability and Carbon Certification (ISCC) at several terminals. In 2020, Exolum continued to develop services aimed at promoting the use of biofuels by its customers.

## Commercial offer of the Exolum Group

- 1** Storage, transport and distribution of oil products on the Iberian Peninsula and the Balearic Islands, guaranteeing free access to the logistics system by third parties.
- 2** Strategic and security storage.
- 3** Storage in segregated tanks.
- 4** Blending of components and products to obtain retail products.
- 5** Storage services and handling of products with differentiated specifications, adapting to customer needs and service demands.
- 6** Quality and quantity assurance and control of the products stored by the Exolum Group through its laboratories.
- 7** Advice and services relating to product quality.

- 8** Consultancy on metrology and calibration.
- 9** Environmental analyses.
- 10** Injection of additives for quality and property enhancement to oil products dispatched.
- 11** Biofuel storage, blending and dispatch.
- 12** Biofuel certification system for transportation purposes.
- 13** Tailored product storage, blending and dispatch services.
- 14** Storage, distribution and supply (into-plane service) of aviation fuel and lubricants for aircraft.
- 15** Advice and technical assistance for the installation and maintenance of distribution networks for different types of aviation fuels.

- 16** Advice and technical assistance for the design, construction, maintenance and operation of hydrant networks and terminals, in addition to the design of specific vehicles for fuel supply to aircraft.
- 17** Inspection and advisory services for the management of aviation fuel storage and supply facilities.
- 18** Management of documentation relating to operations and the taxes associated with product movement operations in fuel facilities.
- 19** Training in operations and the management of infrastructure, covering all aspects of aviation fuel storage and supply.
- 20** Services for blending components to obtain products with specifications of a higher value than those of their elements.

## 2. Creating value among our stakeholders

## We generate value for our customers



In Spain in 2020, Exolum began to provide the bunker and oil service in accordance with the new IMO 2020 Regulation, which has set more stringent limits on the sulphur content of fuel oil. For this purpose, it worked in coordination with customers in order to be able to provide them with a quality service tailored to their needs.

In 2020, the company continued to successfully provide the in-line blending service in Castellón, whereby products are received in their pure form and then blended with biofuels, and the service was extended to logistics facilities beside our plant.

In addition, a detailed analysis was carried out to improve the detection of the storage capacity of our tanks, which allows us to provide a very agile and fast response to customers who, due to market needs, request extended storage capacity.

A number of port facilities were also adapted in order to be able to provide a storage service to customers wishing to use our facilities as a transit point for products intended for export. Accordingly, our logistics operations at key ports have been adapted to enable the storage of products not subject to national specifications.

In 2020, we expanded our range of services to cater for customers wishing to move products by truck to destinations outside Spain, and we now offer a freight service for off-road diesel and heating oil for the Portuguese market.

We continue to offer services for the promotion of biofuel blending, such as blending in the pipeline and maximisation of bioethanol, thus giving our customers a wider range of options and making it easier for them to comply with the obligations laid down in biofuel legislation.

In addition, in order to increase the variety of products that can be stored and managed at the facilities, in 2020 the company continued to sign new contracts for the management and storage of unfinished products targeted at the trading market.

Furthermore, we continued to provide the en-route sales returns service which allows customers to return surplus products from the sale of fuel en route easily and independently, thus saving time and enhancing the efficiency of the service provision.

In addition, the SIMAC system is now fully operational in all facilities. This method improves the safety of the road tanker loading process through the implementation of a system that minimises the risk of overfilling during the loading process, as well as errors in the selection of tanker compartments or the failure to perform the purging process prior to loading.

For its part, CLH Aviación is also working closely with its customers and taking their individual needs into account. These collaborative activities are carried out at global or local level, depending on the expectations and needs of each airport and customer.

## 2. Creating value among our stakeholders

## We generate value for our customers

In addition, the company works together with the airport authorities and customers for the development of procedures to cater for special service needs, such as:

- Defuelling of aircraft.
- Handling of fuel panel for load selection for narrow and wide body aircraft.
- H-30 supply procedure with Iberia Airlines for wide body aircraft to optimise and adjust the load in long-haul flights.
- Fuel supply to customers at facilities outside of airports.
- Loading of road tankers and/or drums for the transportation of aviation products from airports to customers outside the national airport network.

- Safety regulations for aprons.
- Participation in the Handling sub-working group for the coordination of apron operations with the Spanish Aviation Safety and Security Agency (AESA).
- Participation in the Operational Safety Forum organised by AESA in the Ministry of Public Works.
- Special services for customers in the AENA airport network and other airports.

Despite 2020 being a particularly challenging year for the aviation sector on account of the global COVID-19 pandemic, the Group managed to consolidate its operations in the new airports in Spain, Panama and Ecuador and adapt them to CLH Aviación standards. Improvements were also made to into-plane information systems.

In addition, in 2020, work commenced on the new storage terminal at Zaragoza Airport. The renovation of the facilities will allow the Group to provide a better service to the various operators at Zaragoza Airport and maximise efficiency.

Zaragoza Airport is one of Spain's largest cargo airports and a hub for large, long-haul aircraft. Moreover, due to the exceptional situation caused by the COVID-19 pandemic, it became the main airport in Spain for the receipt of medical supplies and aid during the crisis.

With the aim of promoting sustainability in the aviation sector, at Zaragoza Airport in December 2020 CLH Aviación transported and performed the first into-plane operation with a green fuel blend of Jet A1 and SAF sourced from vegetable oil.

In 2020, Exolum-PS renewed the agreement with the UK Ministry of Defence and laid the foundation for a long-term contract.

## Improvement and diversification of activities through innovation

The Exolum Group is undertaking the digitalisation and automation of its facilities and improving operational processes, while promoting the optimisation of resources and enhancing the security and sustainability of operations.

The company's ongoing commitment to RDI also allows it to maximise operational efficiency, and maintain or even reduce the price of the services it provides every year.

In 2020, the Exolum Group continued to implement the ONE programme, an ambitious initiative intended to upgrade its computer systems and streamline the main processes of the companies in the Group to increase their efficiency.

One of the main aims of this technology update is to implement the same computer programs in all companies of the group and create a standardised and simplified working methodology that facilitates cooperation and furthers process automation.

Another benefit will be the storage of the main data of all the companies in a single platform. This new system improves information analysis as it makes it possible to consult the data in real time, thus facilitating decision-making.

The digital transformation process of the Exolum Group is based on the use of agile methodologies; a cloud-based digitalisation strategy; the promotion of digital initiatives that impact the business; implementation of artificial intelligence techniques in all processes, and becoming a data-driven company, which will enable it to gain a competitive advantage and optimise management processes.

In this regard, the Exolum Group launched the "HUB digital" programme in 2020 for the coordination of 18 digital initiatives, which include:

- The use of a new pipeline monitoring system based on artificial intelligence and satellite technology, which enhances the safety and reliability of the infrastructure and optimises data analysis, making the process more efficient.
- Implementation of predictive maintenance in the day-to-day management of its logistics network to ensure more agile, safer and efficient operations, and to prevent any malfunction of the system.
- Improved output forecasts for oil products using artificial intelligence.
- Improvement of the tank availability process to make it more agile and ensure that the tanks are in operation for as long as possible, therefore being able to offer our customers more storage capacity and better meet their needs and demands.
- Improvement of the hydrocarbon leak detection systems at plants to make them more effective, accurate and complete.

## 2. Creating value among our stakeholders

We generate value for our customers

Exolum is also developing a new Laboratory Information Management System (LIMS), the system used to manage product quality, and is implementing various in-line quality measurement projects using technology solutions that avoid the risks associated with sampling operations in storage tanks.

Exolum encourages everyone in the organisation to identify opportunities for improvement and awards prizes for the best suggestions. These awards not only allow the improvement of operations and processes, but also enhance employee engagement and commitment.

The Exolum Group continued to work on improving efficiency in 2020 by streamlining internal processes using the LEAN and 6-SIGMA methodologies.

Investment in R&D amounted to 7.5 million euros in Spain in 2020 and was mainly targeted at the following areas:

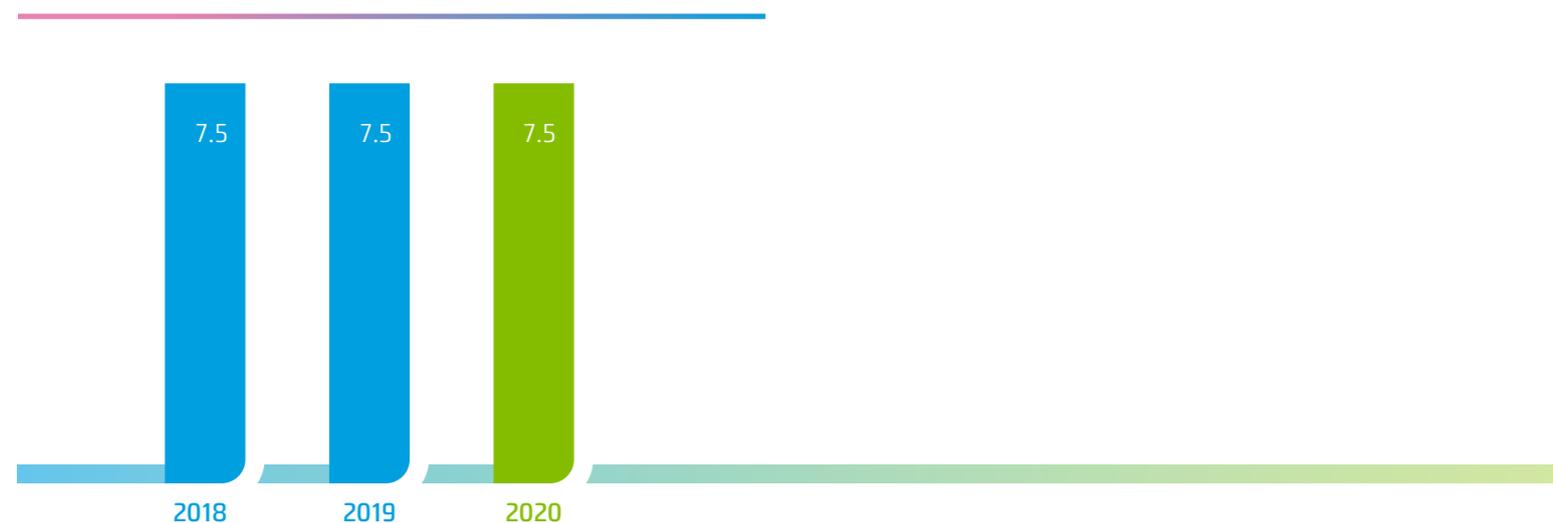
- Transportation by pipeline
- Storage and dispatch of liquid bulk products
- Fuel and additive technology
- Hydrocarbon metrology
- Environmental technologies
- Safety technologies
- Industrial automation
- Information and communication technologies

In 2020, the Exolum Group set up a new company called Exolum, dedicated exclusively to identifying and developing new business opportunities in industries or sectors where the company has not traditionally been present.

In this line, Exolum has launched several initiatives, such as Avikor, a platform that allows individuals and businesses to fly more sustainably by using sustainable aviation fuel (SAF) to reduce emissions.

Avikor gives all passengers travelling with any airline departing from Adolfo Suárez-Madrid Barajas Airport (and soon from El Prat Airport in Barcelona) the possibility to reduce the CO<sub>2</sub> emissions of their flight by simply indicating the flight number in the website [www.avikor.com](http://www.avikor.com). The model is flexible, tailored to each user and company, and can be used to eliminate whatever portion of CO<sub>2</sub> emissions the passenger wishes. It is offered as an additional service irrespective of the airline the passenger is flying with.

### Investment in innovation of Exolum Group in Spain (million euros)



Exolum also launched Yubick, a parking facility at Barcelona port for all types of trucks, which is specially designed and equipped for the comfort of drivers and provides every necessary service for their safety and rest.

It also implemented the hydrogen production and supply infrastructure strategic line. In this regard, in December 2020, it submitted ten expressions of interest for projects involving the production and/or distribution of renewable hydrogen. Some of the projects have also been submitted in response to the call for proposals for the European Innovation Fund and Green Deal projects.

The company is also participating, together with other companies in the energy sector, in the Energía Positiva+ initiative to identify and provide support for start-ups and scale-ups in the aftermath of the economic crisis triggered by the COVID-19 pandemic.

## Relationship with our customers

Because of the special characteristics of its operations, the Exolum Group has a small number of customers with whom it maintains direct and ongoing contact, which allows it to have detailed knowledge of their needs and expectations.

In 2020 in Spain, the company implemented a new company-wide digital delivery note system through an application that allows road tanker drivers to download loading operation documentation to a mobile device, instead of having to print them on paper, thus increasing the efficiency of operations and the service quality.

This new system enhances customer convenience as they no longer have to manage data on paper, thus avoiding losses and mistakes when transcribing information, and contributing to environmental protection by considerably reducing the use of paper.

In addition, a customer satisfaction survey was conducted in 2020 with the aim of speeding up the development of new services and being able to meet our customers' needs more efficiently.

Customer satisfaction is also a priority for CLH Aviación, whose customers are not always the end users (mainly airlines) because the commercial relationship is often established with the oil operators, who are the owners of the product, although commercial relations are also established with the various airport operators.

In 2020, CLH Aviación consolidated commercial relations with its customers. In this regard, a number of different activities were carried out, such as the conclusion of new contracts directly with airlines, increased relations with suppliers and the offering of solutions to airport operators.

Each year, CLH Aviación conducts a satisfaction survey through an external company. The survey covers aspects related to product quality, service quality, the safety of supply operations, the facilities and the coordination of business activities.

In 2020 the company continued to improve the invoicing process by adopting the IATA standard, and many customers are now using this service.

## 2. Creating value among our stakeholders

### We generate value for our customers

Furthermore, it continued to provide one-off services at airports where it does not conduct regular operations, for which purpose it adjusted the resources and service features to the customer's requirements. It has also increased the services it provides at Ciudad Real Airport.

To further improve the exchange of information with customers, in 2020, CLH Aviación continued to use ground-to-aircraft communication devices with Iberia. These Bluetooth devices facilitate communication with the aircraft cabin while refuelling with passengers on-board, enabling direct and smooth communication and improving coordination of the stopover with the airline operator.

In this regard, work was also undertaken in 2020 to establish a communication system based on efuelling with the main customers in accordance with the IATA standard, which allows for two-way communication in real time.

Furthermore, the number of airlines and airports to which the trip-check service is provided (management of the load control systems of aircraft fuel tanks) has continued to increase.

In 2020, CLH Aviación renewed the contract as the exclusive into-plane fuelling agent for one of the largest suppliers operating in Spain. The contract was awarded following a competitive tender.

For its part, Exolum Aviation Ireland completed the construction of the terminal and hydrant system at Pier 1 in Dublin Airport in 2020. The works included the commissioning of new loading areas, a CCTV security system and the completion of the fire-fighting system and all civil works at the facility.

In 2020, CLH Panamá improved, expanded and upgraded the fuel facilities at Tocumen airport, which has resulted in safer and more efficient operations. The company also consolidated operations at the other airports in Panama.

CLH Aviación Ecuador began operations at José Joaquín de Olmedo International Airport in Guayaquil city (Ecuador) at the end of 2019. In 2020 it improved procedures, equipment and processes to bring them into line with Exolum standards, thus improving the operation of the terminal and the quality of the operations and into-plane fuelling services.

As a result, it was able to have the red code imposed on the airport as a result of a nonconformity by the previous operator definitively lifted, and successfully pass the inspections and audits performed, for which purpose it was commended by airline companies and bodies.

### Protection of commercial data and communications

In Spain, Exolum handles commercial information through the Operator Information System (SIO, acronym in Spanish) which makes it possible to guarantee the confidentiality of customer information.

In 2020, no breach of rules or voluntary codes was identified with regard to commercial communications, including advertising, promotion and sponsorship, in any of the companies of the Exolum Group.

Moreover, no breach was identified in relation to the information reported by the company on the services provided, and no complaints were received with regard to the privacy or personal data of its customers.

# Creating value for our suppliers

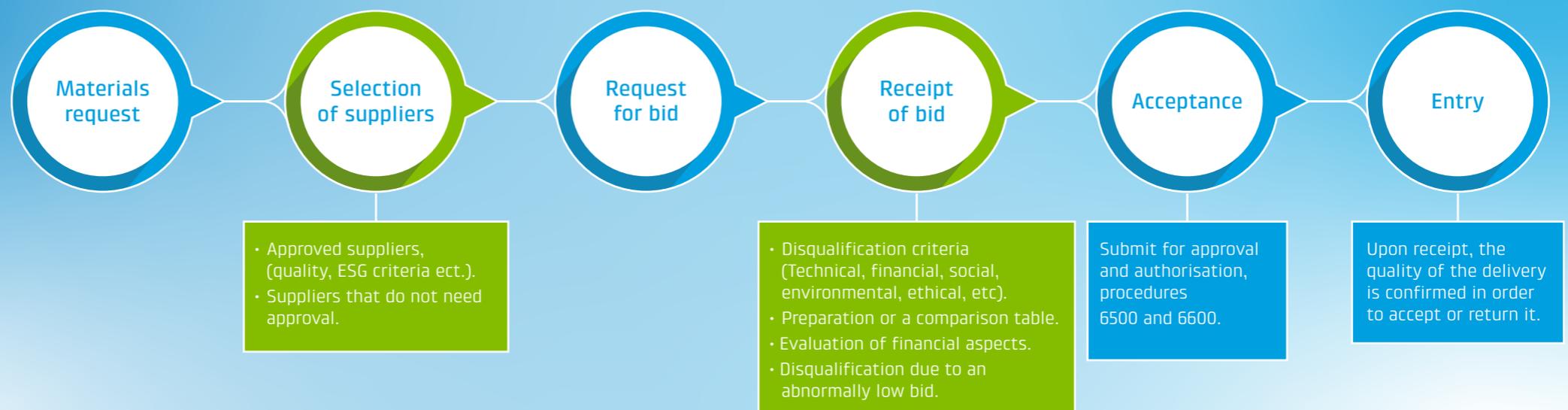
The Exolum Group works to extend its vision in corporate social responsibility to its supply chain

## Purchasing model

The Exolum Group has a purchasing model in place that is adapted to the characteristics of its activities. The model requires that the entire supply chain embrace the same commitments that the Exolum Group has taken on in the area of corporate social responsibility.

Throughout 2020, the company continued to work to improve relations with suppliers and collaborating companies based on transparency and collaboration.

### PURCHASING MODEL IN THE EXOLUM GROUP



In this regard, it developed a functional model for the new corporate purchasing and contracting tools, intended to achieve two main goals: to improve efficiency and increase data analysis capacity for these processes.

As part of the process, data has been migrated to the new corporate tools, which will lead to an improvement in relations with suppliers. In addition, five training sessions were provided to suppliers to explain how the tool works and the advantages of the new platform.

This year also the relationship with a number of our suppliers was reviewed to ensure compliance with safety standards.

Furthermore, despite the impact of the pandemic on our operations, more than 150 requests for quotations (RFQs) were made in Spain, ensuring that all our suppliers were afforded transparency, equal opportunities and free competition. In all these invitations to tender, the company shared its vision, mission, code of ethics and suppliers' ethics code, in addition to the General Data Protection Regulation (GDPR).

The new enterprise resource planning (ERP) and integrated purchasing system is scheduled to become operational during the first six months of 2021. This tool will provide greater traceability in all processes and a closer working environment between Exolum and its suppliers, as it will combine all activities relating to peer-to-peer (P2P) and procurement management processes.

## The supply system in the Exolum Group

In 2020, due to the situation caused by the COVID-19 pandemic, procurement of the new personal protective equipment needed to protect against the virus posed a considerable challenge, as did avoiding interruptions in the supply chain of goods that are essential for the company's operation and ensuring the continuity of contractors' services in critical tasks.

Collaborating companies are those from which the Exolum Group makes purchases for an amount of over €3,000. It should be pointed out that these companies are the main links in the Exolum Group supply chain, and provide the company with the products and services it needs to carry out its activities.

Another significant feature of the purchasing and contracting model of the Exolum Group is its commitment to local suppliers. Accordingly, 94% of purchases in Spain in 2020 were from local suppliers (including suppliers of goods or services of less than 3,000 euros).

## Key figures supply chain in 2020

### The Exolum Group's in Spain

**1,007** companies with invoicing of over €3,000 make up the supply chain.

**111** supplier companies are considered strategic according to the RePro system.

**60** days. The period for effecting payment to suppliers is less than 60 days.

**33** Tenders have been awarded for an amount of 33 million euros, of which **15%** corresponds to materials and **85%** to services.

**94** suppliers have been assessed on environmental matters.

**105** supplier companies have quality management systems in place.

**111** suppliers are certified in prevention matters.

**43** suppliers scored more than 70/100 in CSR.

### Exolum-PS

**2,950** companies with invoicing of over €3,000 make up the supply chain.

**20** supplier companies are considered strategic according to the RePro system.

**30** days. The period for effecting payment to suppliers is 30 days.

**40.7** million euros. Tenders have been awarded for an amount of 40.7 million euros, of which **33%** corresponds to materials and **67%** to services.

**167** suppliers have been assessed on environmental matters.

**286** supplier companies have quality management systems in place.

**289** suppliers are certified in prevention matters.

**76** suppliers are certified in CSR + 'Family-friendly' matters.

### CLH Panamá

**8** companies with invoicing of over €3,000 make up the supply chain.

**12** supplier companies are considered strategic according to the RePro system.

**30** days. The period for effecting payment to suppliers is 30 days.

**1.5** million euros. Tenders have been awarded for an amount of 1.5 million euros, of which **67%** corresponds to materials and **34%** to services.

**6** suppliers have been assessed on environmental matters.

### Exolum Aviation Ireland

**30** days. The period for effecting payment to suppliers is 30 days.

### Procurement of materials and services (thousand euros)

	2018	2019	2020
CLH + CLH Aviación (Spain)	40,191	58,080	33,833
Exolum-PS (UK)	15,800	31,548	40,690
Exolum Aviation Ireland	–	47	817
CLH Panamá	7,500	5,063	1,524

## Supplier approval

In the Exolum Group, the first step in the supplier approval process is to check that the company meets the initial requirements based on the data they submit and, later, additional information is collected from those suppliers that are considered critical or strategic.

Through the RePro system, the company identified 111 companies that qualified as strategic suppliers in Spain. These types of suppliers are primarily those who carry out skilled work (mechanical, electrical or assembly) for the company. Companies that supply additives for oil products are also important.

Depending on the type of supplier, the nature of the work, and the services or materials to be supplied, the procedure for engaging suppliers is as follows:

#### - All suppliers and contractors

Must adhere to the Exolum Group's Safety Policy in order to work with the company, thus agreeing to follow occupational health and safety rules in their operations and abide by the code of ethics, confidentiality agreement and GDPR document.

#### - Approved suppliers (critical or strategic suppliers)

These are assessed according to environmental, social and ethical criteria, in addition to their technical capacity and financial standing, and are monitored via the RePro system.

In 2020, work was undertaken on the supplier approval procedure to adapt it to the new tool available. In 2021, the procedure will be reviewed again to integrate it into the new tool, which will strengthen the internal management of supplier approval and assessment.

The Exolum Group has developed a specific set of rules for managing ethics and integrity in its supply chain, which is aligned with the United Nations Global Compact. It includes the following documents:

- **Suppliers' Ethics Code:** it contains the principles that underpin the relationship with suppliers, inspired by the mission, vision and values of the company and the main ethics and sustainability codes recognised internationally.
- **Ethics Code of the Purchase Function:** it includes the essential ethical principles to be taken into account in performing purchasing duties.
- **Ethics Code or Rules for Purchasing:** it defines the way a purchaser should behave, inspired by the principles applied by the main purchasing associations, both at a national and international level (IFPSM, AERCE).

## Communication with suppliers

The Exolum Group made over 150 requests for quotations in Spain in 2020 using the current negotiation platform. Although this platform guarantees transparency, there are plans to issue the tenders via a new supplier relationship tool in 2021, thus creating a single environment where, moreover, suppliers will be able to access their orders, invoices and contracts.

All the documentation that the company requires from its collaborating companies is sent in electronic format, which will also be the case with the new platform; this enhances information management security, reduces paper consumption and improves the efficiency of the process.

As a key form of communication with internal customers and suppliers, Exolum also has a Service Centre, the tool used to centralise all orders and incidents and channel the company's procurement needs more effectively.

When the new management tool has been fully implemented in 2021, it will be possible to monitor suppliers more closely, control their performance in a traceable manner and gauge internal customer satisfaction.

The collaborative relationship with suppliers will also benefit from the new system, as it will allow contracts to be managed in a more practical way, and will centralise all activities of interest to the supplier in a single place.

In 2021, Exolum will monitor 736 suppliers with invoicing of over €6,000 in 2020.

## Promoting safe practices in the value chain

The Exolum Group extends its commitment to safety to all collaborating companies, contractors and the local communities where it operates.

All suppliers and contractors must adhere to the Safety Policy of the Exolum Group, and during the approval process, a significant part of the analysis focuses on their conduct in occupational health and safety matters, particularly in the case of suppliers that perform critical work.

In addition, the company monitors contractors' accident rates, and when an incident occurs, it expressly requests an investigation into the causes and circumstances by a multi-disciplinary team, when necessary.

### Contractor accident rates

	2018	2019	2020
<b>Exolum Group in Spain</b>			
Accident frequency rate* (with leave)	1.08	0.52	0.57
Accident Severity Rate**	0.001	0.03	0.01
<b>Exolum-PS</b>			
Accident frequency rate* (with leave)	–	0	0
Accident Severity Rate**	–	0	0
<b>Exolum Aviation Ireland</b>			
Accident frequency rate* (with leave)	–	52.03	0
Accident Severity Rate**	–	3.22	0
<b>CLH Panamá</b>			
Accident frequency rate* (with leave)	–	0	0
Accident Severity Rate**	–	0	0
<b>CLH Aviación Ecuador</b>			
Accident frequency rate* (with leave)	–	0	0
Accident Severity Rate**	–	0	0
<b>Germany</b>			
Accident frequency rate* (with leave)	–	–	N/A
Accident Severity Rate**	–	–	N/A
<b>Netherlands</b>			
Accident frequency rate* (with leave)	–	–	N/A
Accident Severity Rate**	–	–	N/A
<b>Ireland</b>			
Accident frequency rate* (with leave)	–	–	N/A
Accident Severity Rate**	–	–	N/A

# Creating value in **society**

## Relations with the community

As part of its Social Action Policy, each year the Exolum Group carries out a wide variety of initiatives aimed at building relationships of trust and cooperation with the municipalities in which it has infrastructure.

## Contribution to the well-being and development of our communities

Through its Social Action Plan, the Exolum Group supports projects related to integration, the environment, culture, entrepreneurship and social and economic development.

In a year like 2020, which was dominated by the COVID-19 health crisis, the company wanted to respond to the social emergency, to help those most affected by the pandemic and reduce the impact as much as possible.

One of the most important initiatives was the donation of one million euros' worth of medical supplies to the Ministry of the Interior. The consignment, comprised of masks, gloves and protective clothing, was distributed among the national security forces, hospitals and various nursing homes at the peak of the pandemic.

The company also donated first aid supplies to more than twenty hospitals and nine nursing homes in 21 provinces with whom we have a direct link because we have facilities in the vicinity or because employees' relatives work or were hospitalised there.

We also participated in the COVID-19 aid programme run by the Red Cross, to which we donating more than 100,000 euros which were allocated to meet the basic needs of families in need of urgent social assistance through an initiative whereby we doubled the amount donated by our employees.

Thanks to the efforts of the workforce, we were able to donate more than 10,000 euros to Action Against Hunger through the Indoor Challenge-Exolum initiative, whereby employees clocked up more than five million steps during the lockdown period, and also donated their lunch vouchers to those most in need.

In addition, in San Roque, the company donated 5,000 euros to the Food Guarantee Programme launched by the town council in collaboration with the Red Cross to purchase non-perishable food items.

CLH Aviación collaborated with the NGO Aviation Without Borders on an initiative to provide free air transportation on a small scale to the medical community (staff and medical supplies) by supplying the fuel needed for the flights free of charge in various airports.

In Dublin, Exolum Aviation Ireland supported The Iveagh Trust charity by donating non-perishable foods to cover the basic needs of women and children victims of domestic violence staying in shelters, who are particularly affected by the COVID-19 crisis.

In addition to these exceptional initiatives, the company continued to implement one of the main programmes in its social action plan, Voluntarily, which is specifically designed to promote charity projects organised by NGOs with the cooperation of Exolum employees.

One of the most important initiatives in 2020 was the company's support of the KAT6A and Friends association, created by the parents of children diagnosed with this rare disease to promote an ambitious research project led by Pablo de Olavide University in Seville and aimed at finding the most appropriate treatment for each patient.

## Commitment to education

In the field of education, the Exolum Group has partnership agreements with vocational training schools, universities and business schools all over Spain which, despite the exceptional circumstances, allowed students to gain work experience with the company.

In association with the Polytechnic University of Madrid, CLH also sponsors the CLH Chair in Hydrocarbon Metrology. Classes are given at the School of Mining Engineering, and students are given the opportunity to gain work experience or scholarships.

## Support for culture and science

The Exolum Group cooperates with prestigious cultural institutions, such as the Teatro Real Foundation and the Bilbao Association of Friends of the Opera.

In the field of science, Exolum is a member of the Foundation for Energy and Environmental Sustainability (FUNSEAM), one of the most prestigious centres for the analysis and dissemination of new forms of energy.

## Boosting entrepreneurship

As part of its entrepreneurship support policy, the company supports the development of new business ideas and projects in collaboration with the Institute for Business Competitiveness of Castilla y León (ICE), the Promotion Institute of the Region of Murcia (INFO) and Campus Iberus.

In addition, to alleviate the impact of COVID-19 through innovation, Exolum has launched the Energía Positiva+ platform together with other companies in the energy sector. The aim of the initiative is to provide financial support for projects and start-ups in the development of projects that will contribute to economic and social recovery following the pandemic.

## Participation in associations

In addition, the Exolum Group actively participates in economic, business, energy and social bodies, such as the Spanish Confederation of Business Organisations (CEOE), the New Economy Forum, the Chamber of Commerce of the United States, the Portuguese-Spanish Chamber of Commerce, the Circle of Trust Foundation, the Civic Panel, the Institute of Directors, the Spanish Energy Club and the Elcano Royal Institute.

## Institutional relations

Each year, the Exolum Group undertakes a number of initiatives to create awareness of its activities in the community and to share its experiences, knowledge and opinions.

At the start of the year, before the health alert, the President of La Rioja, Concha Andreu; the Regional Minister for the Treasury, Celso González, and the Regional Minister of Public Governance, Francisco Ocón, visited the company's head office. In addition, the chairman of Exolum gave a talk to business people in Cartagena, and met the President of Castilla y León, Alfonso Fernández Mañueco, to explain about the company's core activities in the region.

Also before the state of emergency was declared, a delegation from Exolum Aviation Ireland visited Exolum's infrastructure in the Community of Madrid to study the maintenance policy before implementing it in the terminal at Dublin Airport. In addition, various representatives from BP service stations visited the facilities in Son Banya to learn about the logistics activities it carries out.

Furthermore, company executives gave a lecture to a group of students on the Master's Degree in Energy Management, which was organised by ESAN University in Peru in conjunction with the Foundation for Energy and Environmental Sustainability (FUNSEAM), at head office.

During the rest of the year, despite the restrictions, the company was able to participate regularly in forums and conferences, most of which were conducted online. These included the first "Spanish companies leading the way" business summit organised by the CEOE, the Fifth Annual Energy Forum organised by El Economista, the Ninth International Business Symposium organised by FUNSEAM, the "Oil products, the current situation of the system" webinar organised by the Spanish Energy Club (Enerclub) and the Spanish Association of Oil Product Operators (AOP), and the First International Digital Conference for Managers organised by the Association for the Progress of Management (APD).

# Creating value in our environment

The Exolum Group is firmly committed to respecting the environment and safety and, therefore, takes measures to reduce the impact of its operations and to use resources, technologies and processes efficiently and safely, thus protecting the environment where it carries out its activities.

The Exolum Group achieved the highest rating – Five Stars – in the GRESB 2020 sustainability benchmark. Moreover, the company was the industry leader for the transportation of energy resources by pipeline in the maintenance and operation categories. GRESB is one of the world's leading sustainability benchmarks and is used as an assessment and comparison tool to measure and rate the quality of companies' investments in terms of sustainability.

## Facility safety and integrity

The Exolum Group's Integrated Management System (IMS) and Major Accident Prevention Policy are the main tools used to manage infrastructure integrity and the safety of individuals.

This system incorporates the processes that underpin the company's environmental principles, in accordance with the applicable legislation and its commitment to the environment.

Furthermore, the Exolum Group has Self-Protection Plans for infrastructure, which identify possible risk situations and establish the actions to be taken, should these occur, taking account of the human and material resources available.

## Spills

	2018	2019	2020
TIER 1 + TIER 2 industrial incident frequency rate Exolum Group in Spain (CLH + CLH Aviación)	0.34	0.23	0.15
TIER 1 + TIER 2 industrial incident frequency rate Exolum-PS	–	0.11	0
TIER 1 + TIER 2 industrial incident frequency rate Exolum Aviation Ireland	–	0	0
TIER 1 + TIER 2 industrial incident frequency rate CLH Panamá	–	No Data	0
TIER 1 + TIER 2 industrial incident frequency rate CLH Ecuador	–	–	0
<b>TIER 1 + TIER 2 industrial incident frequency rate Exolum Group</b>	<b>0.34</b>	<b>0.23</b>	<b>0.13</b>

Throughout 2020, different initiatives were undertaken at facility monitoring centres in Spain to improve operational efficiency. Specifically, in 2020, the Oil Movement project was developed to automate complex operations at the facilities and prevent human errors during these operations.

In addition, improvements continue to be made to the management system at the pipeline monitoring centre to allow certain operations to be performed automatically, thus enhancing the safety of these operations.

At the facility monitoring centre, a new management tool was developed last year for the remote monitoring of facilities, and the tool was installed at the facility in Santurce for testing.

In 2020, CLH Ecuador carried out several initiatives in the monitoring centres to ensure the safety of the staff working in operations at all times. One of the initiatives was the provision of ongoing training throughout the year on the correct use of protective equipment, ergonomics, position in the cabin, use of contingency equipment and spill control, etc.

## Pipeline and facility integrity plan

The Exolum Group's Pipeline and Facility Integrity Plan has been developed in accordance with the best international practices in the industry, and is another tool the company uses to manage the safety of infrastructure.

The plan establishes the frequency of infrastructure inspections, together with action protocols, mitigation measures and monitoring and control indicators.

In 2020, the Exolum Group implemented a new pipeline integrity risk model to optimise decision-making with regard to repairs, investments and inspections. In addition, the company continued to develop the facility inspection plan based on the API 570 standard "Piping Inspection Code: In-service Inspection, Rating, Repair and Alteration of Piping Systems," which provides for the thorough inspection of piping systems and ancillary elements.

In 2020, the company continued to roll out the asset management project with the aim of improving efficiency in asset management. In this respect, it began to implement the improvements identified in the Reliability Centered Maintenance (RCM) and Maintenance Task Analysis (MTA) analyses performed last year, which will enable us to reduce the number of failures in critical assets and, therefore, optimise the company's maintenance strategy while ensuring the safety of people, equipment and the environment.

In addition, we continued to improve the conceptual design of the computerised maintenance management system (CMMS) by adding additional features such as the causes of the failure and work order priority. All of these changes will also impact the safety of people, equipment and the environment.

Furthermore, the company has taken the first steps towards implementing preventive maintenance for our core operating assets. In this regard, two important projects were carried out for loading area control valves and pipeline pumps, which are now in operation and allow us to anticipate equipment failures.

The Exolum Group has firmly established the use of Business Intelligence (BI) tools to exploit the information in the various tank and pipeline databases. This has allowed greater control over the safety of assets and the development of new inspection and maintenance strategies for containment assets based on risk analysis.

In 2020, the Exolum Group developed a new inspection guide for storage tanks with the aim of improving the integrity of these assets. The new guide covers the complete inspection of tanks and underscores sensitive areas that are difficult to inspect.

In addition, the Facility Integrity Plan was simplified and updated in preparation for publication. The Plan lays the foundations for integrity management in the company.

Exolum-PS built a new tank in the Inverness facility to replace two semi-underground tanks and completed four pipeline diversions to replace old sections, thus reducing environmental risks and ensuring a continuous supply of fuel to customers.

In addition, in 2020, a new automated tank overfill protection system was installed, in addition to a programme for upgrading the leak detection system at ten storage facilities in the Exolum-PS network.

Exolum-PS successfully implemented a new leak detection system for the more vulnerable pipe sections. The system was able to accurately detect simulated incidents in pipes in static and dynamic conditions. It has been installed in four sections, and the rest of the sections will be completed in 2021.

In addition, the replacement of the pumping stations in Stoke has been completed, and the works are nearing completion in Redmile and Misterton. The commissioning of the pumping stations will take place in the first quarter of 2021.

Furthermore, plans have been drawn up for the replacement of the pumping stations at the facilities in Nettlestead Green and Rawcliffe, and the works are scheduled to commence in 2021. The new pumping stations will make the system more resilient, energy efficient and will ensure a continuous supply of fuel to customers.

## 2. Creating value among our stakeholders

### Creating value in our environment

In addition, projects relating to electrical, control, instrumentation and automation (ECIA) commenced in Exolum-PS's main facilities in 2020. The project entails the upgrading of electrical systems and the installation of an overfill protection system, pump control systems and a SCADA interface at the control room in Aldermaston.

In 2021, work will commence on the migration of the current control functions of the SCADA system to the new ABB system. This will allow the entire Exolum-PS pipeline network to be controlled using the new ABB SCADA system in Aldermaston.

### Emergency preparedness and response

The Exolum Group has Emergency Plans for all its facilities, prepared in accordance with the recommendations and guidelines of the main international organisations and approved by the relevant authorities. The plans are updated regularly.

To improve the response and coordination of teams involved in emergency response operations, the company conducts regular safety drills and exercises for the staff at each facility.

One of the most critical scenarios are incidents affecting water bodies, both rivers and port areas, where a spill could have adverse effects on the aquatic environment. Accordingly, it is company policy to carry out drills for rivers and ports using floating booms, skimmers and boats.

### Cooperation with stakeholders

Cooperation with stakeholders is a priority for the Exolum Group. Accordingly, the company maintains direct contact with the owners of the land through which our pipelines pass and distributes leaflets with information on how to identify the presence of pipelines and the measures that should be adopted to prevent accidents, especially when carrying out work close by. The leaflets and communications also provide a free telephone number for the reporting of incidents.

Furthermore, the Exolum Group participates in several international associations to promote the exchange of good practices in infrastructure integrity. It also works regularly with the authorities and with the fire and civil protection services of different localities, providing training courses for the members of these bodies and holding drills and exercises.

Description	Facility
Simulation of product leak due to sabotage of the loading arm resulting in a spill at sea	Barcelona
Simulation of product spill from pipeline to river	Burgos
Simulation of discharge into river between valves 1209 and 1210 of the pipeline	San Roque

## Commitment to the environment

The Exolum Group's activity is respectful of the environment, given that it is not engaged in manufacturing or the generation of energy and, therefore, its emissions are very limited.

According to the "VISION 2050. A Pathway for the Evolution of the Refining Industry and Liquid Fuels" report published by FuelsEurope, the transportation of fuel only accounts for 1% of CO<sub>2</sub> emissions from fuel production and use. (Source: Concawe based on JEC v4 and own data (average values)).

Applying the precautionary principle contained in the Rio Declaration adopted at the 1992 United Nations Conference on Environment and Development, the Exolum Group performs a regular and systematic environmental assessment via its Environmental Management System, which is subject to audits to identify points for improvement. Furthermore, initiatives based on the principles of sustainable development of all the company's activities are regularly monitored.

The Exolum Group has an Integrated Management System (IMS) which includes an Environmental Management System covering all aspects of the organisation, from fuel storage, transport through the pipeline network, unloading of tanker ships at ports, dispatch of fuel by road and pipeline and the supply of fuel to ships at ports through to aviation fuel logistics. Moreover, it aims to ensure that all these activities are conducted in an environmentally sustainable manner.

In keeping with the Group's commitment to social responsibility, Exolum carries out ongoing activities, initiatives and projects in a coordinated and structured manner to continuously improve its environmental performance. In order to coordinate, standardise and implement environmental management in the company, an environmental management system, which is structured and

documented in accordance with the UNE-EN ISO 14001 Standard "Environmental Management Systems. Requirements with guidance for use," has been developed and implemented in the company.

Fuel transport via pipeline is one of the most environmentally-friendly modes of transport for oil products. In Spain, the use of pipelines to transport fuel, instead of other means, avoids the emission of more than 325,000 tonnes of CO<sub>2</sub> each year, which would be the emissions figure if other modes of transport were used.

In addition, the Exolum Group's environmental performance is monitored regularly through internal and external audits and management reviews to identify ways to continuously improve our performance in this area.

As an example of the company's commitment to the environment, in 2020 the quality and environmental management certifications were renewed with the port authorities of Barcelona, Gijón, Palma, Mahón, Ibiza, Algeciras, Motril, Santurce and Zierbana.

For its part, CLH Aviación Ecuador has an Environmental Management Plan (EMP) which includes a compliance schedule and covers all organisational processes from the receipt and storage of fuel through to its distribution by tanker truck or dispenser. The objective of the plan is to ensure the safety of the staff and the local environment likely to be affected by the company's operations.

In addition, in keeping with its commitment to social responsibility, CLH Aviación Ecuador carries out ongoing activities, initiatives and projects in a coordinated and structured manner to continuously improve its environmental performance.

In this regard, to minimise toxic waste and in line with its strategy to reduce, reuse or recycle, it has devised a plan to promote the reuse of natural fibre materials to reduce the use of plastic materials that are more difficult to dispose of or eliminate. Similarly, in 2020 it continued to search for new ways to reuse high density plastic waste.

In 2020, Exolum-PS commenced the design of a project to install and pilot test a 650 kW-photovoltaic solar power plant in Hallen. The self-generated energy will cover the electricity needs of the Berwick Wood and Hallen facilities and will reduce annual CO<sub>2</sub> emissions by 170 tonnes.

For its part, Exolum Aviation Ireland replaced 75% of its light vehicle fleet with plug-in hybrids in line with the Exolum Group's commitment to be carbon neutral by 2050.

The main goal of the Exolum Group's sustainability strategy in Spain is to align its environmental protection work with the Paris Agreements of December 2015 (COP 21) and the UN Sustainable Development Goals (SDGs).

This strategy comprises four main lines which are implemented through specific plans and projects that will enable the Exolum Group to strengthen its commitment to biodiversity protection, the efficient use of natural resources and the fight against climate change over the coming years, setting medium- and long-term goals.

## Carbon Neutral

The aim of this line is to progressively reduce CO<sub>2</sub> emissions by 50% over 2019 levels by 2025 and make Exolum a carbon-neutral company by 2050.

To achieve this, the company is working on reducing energy consumption by replacing its equipment with more efficient devices, incorporating new technological developments and purchasing renewable power or generating it ourselves at the facilities. Moreover, the plan provides for the promotion of measures to offset emissions, where necessary.

### Of the actions taken in 2020, the following are worth highlighting:

- The conclusion of a long-term power purchase agreement (PPA) for renewable energy to meet 20% of the Exolum Group's energy needs in Spain. The agreement avoided 6,324 tonnes of CO<sub>2</sub>-equivalent emissions in 2020.
- The replacement of the lighting in the road tanker loading areas, roads and perimeter area of plants with energy saving LED lights. It is estimated that this measure will avoid 687 tonnes of CO<sub>2</sub>-equivalent emissions each year.
- Approval to construct two self-generating power plants using photovoltaic panels in two Exolum facilities in Spain. In the future, the plants will cover approximately 4% of Exolum's electricity needs.
- The installation of an electric pump unit at the Loeches plant to replace the diesel pump has also helped to reduce energy costs and CO<sub>2</sub> emissions.
- The use of Drag Reducing Agent (DRA) in pipeline transport, the development of algorithms for additive dosing and maximisation of efficiency in the use of pipeline pumping stations, thereby saving energy.
- The agreement concluded with the American company Plug Power to expand the use of hydrogen in Spain through the design and implementation of energy solutions based on this technology. Aside from producing near-zero pollutant emissions, the use of hydrogen as a fuel has other advantages, such as being totally silent when in use and faster and more convenient refuelling, which enables uninterrupted operation.

## Prevention & Recovery

This strategic line focuses on the prevention of spills and their impact on the environment. It also aims to promote a circular economy within the Exolum Group.

**Of the actions taken in 2020, the following deserve special mention:**

- Implementation of various actions for the early detection of product leaks through continuous monitoring by means of camera-based and pipeline leak detection systems.
- Updating of the Assessment of Environmental Aspects procedure to bring it into line with the company's strategic lines and the setting of environmental performance indicators for each facility. This facilitates the assessment of the various actions taken in the workplaces.
- The incorporation of additional features and the roll out of the digital delivery note system to all customers, starting with the facilities in Villaverde and Torrejón. The new system allows drivers to download loading documentation to their mobile phones or tablets via an app, instead of having to print them on paper, which considerably reduces the use of paper and strengthens our commitment to environmental protection.

## Exolum20

This initiative aims to minimise the consumption of such a scarce natural resource as water, and study and apply the best available techniques for its reuse.

**The main activities carried out in this area in 2020 were as follows:**

- The calculation and publication of our first water footprint report for the Exolum Group in Spain. The report will serve as a basis for identifying and promoting more efficient water use within the company.
- Establishment of new technical specifications for the efficient use of water in the cleaning of storage tanks prior to inspection.
- Conduct of a pilot test at the Motril facility for the recovery of waste water through treatment with bioreactors for use in fire-fighting systems.

## Exolum Nature

The Exolum Nature line aims to achieve zero impact on ecosystems by developing measures for restoration or remediation, where necessary.

### Of the actions taken in 2020, the following deserve special mention:

- Updating of the High Consequence Areas (HCA) identified by the company for Exolum pipelines in Spain, taking into account both the sensitivity of the environment and the emerging risk of an accident due to adverse weather effects caused by climate change.
- The performance of biodiversity studies for the area around the facilities. In 2020 biodiversity studies were conducted for the facilities in Gijón and Zaragoza, as well as the area beside Jarama River.
- Approval for the development of a project in conjunction with the Tagus Hydrographic Confederation to improve biodiversity through the restocking of various species suited to the Tagus riverbank habitat. The project is scheduled for implementation in 2021.

These initiatives, among others, have enabled the Exolum Group in Spain, as well as Exolum Aviation Ireland and Exolum-PS, to retain ISO 14001 Environmental Management Certification at all their facilities.

## Environmental expenditure and investment

In Spain, investment in the environment amounted to 9.85 million euros in 2020. This figure represents an increase of 16% compared to the previous year. The main investments made were as follows:

- Improvements in the treatment of effluent discharges.
- Protection of oil pipelines.
- Tank integrity.
- Cathodic protection of pipelines.
- Improvements to secondary containment systems at the facilities.

Expenditure for groundwater and soil remediation in the Exolum Group in Spain amounted to 3.34 million euros, an increase of 96% over 2019, primarily due to the commencement of soil remediation work in the old storage plot at Madrid-Barajas airport, and extensive works at the old Burgos facility.

At CLH Aviación Ecuador, investment in the environment amounted to 7,179 dollars in 2020, and focused on the control of emissions, water discharges, noise and the management of hazardous solid waste.

## Energy efficiency

The Exolum Group incorporates special additives in the transport of oil products through the pipeline, which minimise energy loss due to friction and, therefore, reduce the amount of energy used in pumping and the associated emissions.

In 2020 the company continued to invest in the protection and integrity of equipment to prevent possible incidents with an environmental impact, such as the replacement of pipelines according to integrity criteria and the improvement of fire protection systems.

In 2020, the Exolum Group in Spain consumed 142,078 gigajoules (GJ) of primary energy in the facilities (diesel oil, fuel oil and natural gas) and 331,676 GJ in the operation of two tanker vessels, which represents a reduction of 12% compared to the previous year.

Electricity consumption by the Exolum Group in Spain in 2020 amounted to 700,484 GJ, thus decreasing 34% compared to 2019. This decrease is primarily due to the decline in activity on account of the COVID-19 pandemic.

### Environmental expenditure and investment (million euros)

	2018	2019	2020
<b>Exolum Group in Spain</b>			
Evolution of environmental investments	9.89	8.43	9.85
Groundwater and soil remediation expenditure	1.53	1.7	3.34
<b>Exolum-PS</b>			
Evolution of environmental investments	–	22.8	–
Groundwater and soil remediation expenditure	–	0.26	0.04
<b>Exolum Aviation Ireland</b>			
Evolution of environmental investments	–	N/A	N/A
Groundwater and soil remediation expenditure	–	0.00	0.00
<b>CLH Panamá</b>			
Evolution of environmental investments	–	N/A	N/A
Groundwater and soil remediation expenditure	–	0.00	0
<b>CLH Aviación Ecuador</b>			
Evolution of environmental investments	–	0.001	0.006
Evolution of environmental investments	–	N/A	N/A

The Exolum Group in Spain accounts for 85% of total electricity consumption, mainly due to its 4,016-kilometre pipeline network covering the entire country, and because a large amount of electricity is needed to operate pipeline pumping stations.

Electricity consumption by Exolum-PS totalled 105,508 GJ, which represents a drop of 39% compared to 2019.

For its part, energy consumption by CLH Panamá was 1,953 GJ, which corresponds to four airports where supply is largely performed by road tanker.

At CLH Aviación Ecuador, electricity consumption amounted to 848.60 GJ, given that the operation of transfer pumps and skids consumes a lot of power.

### Energy consumption (GJ/year)

	2018	2019	2020
<b>Exolum Group in Spain</b>			
Total primary energy consumption excluding tanker vessels	187,200	170,072	142,078
Primary energy consumption in tanker vessel	351,590	371,065	331,676
Electricity consumption	977,248	1,043,584	700,484
Renewable energy consumption	977,248	–	142,531
<b>Exolum-PS</b>			
Total primary energy consumption	–	4,846	6,028
Electricity consumption	–	174,650	105,508
Renewable energy consumption	–	–	–
<b>Exolum Aviation Ireland</b>			
Total primary energy consumption	–	255	393.41
Electricity consumption	–	3,854	2,649
Renewable energy consumption	–	0	0
<b>CLH Panamá</b>			
Total primary energy consumption	–	12,687	4,805.9
Electricity consumption	–	3,322	1,953,52
Renewable energy consumption	–	–	–
<b>CLH Aviación Ecuador</b>			
Total primary energy consumption	–	60,48	755.76
Electricity consumption	–	126	1,512
Renewable energy consumption	–	–	–
<b>Exolum Group</b>			
Total primary energy consumption	–	187,860	154,061
Total primary energy consumption tanker vessels	–	371,065	331,676
Total electricity consumption	–	1,227,834	800,431

## Climate change

In 2020, the Exolum Group in Spain recalculated its carbon footprint based on the UNE EN ISO 140641 standard.

The purpose of calculating the carbon footprint is to identify the main sources of greenhouse gas (GHG) emissions, with the aim of designing and implementing actions for the reduction of emissions, which make it possible to increase the sustainability of our activity, measure the effectiveness of the projects implemented, and assess the progress made by the company.

### ● Direct emissions (Scope 1)

In 2020, a total of 34,736 tonnes of CO<sub>2</sub>-equivalent were emitted. This represents a decrease of 14.5% compared to the previous year, largely on account of the decline in activity due to COVID-19.

For the calculation of Scope 1 greenhouse gas emissions, the following activities are taken into account:

- Fuel consumption by steam boilers for heating fuel oil tanks and pipes
- Fuel consumption in maritime transport.
- Fuel consumption by CLH and CLH Aviación vehicles.

It should be pointed out that the company's two tanker vessels were engaged in more activity for third parties due to the decline in activity on account of COVID-19.

### ● Indirect emissions (Scope 2)

The majority of the company's CO<sub>2</sub>-equivalent emissions are associated with the electricity consumption required to transport hydrocarbons via pipeline.

In 2020, emissions amounted to 22,194 tonnes of CO<sub>2</sub>. This represents a decrease of 69% compared to the previous year, primarily due to the decline in activity triggered by the pandemic, and also to the considerable drop in value of the national energy mix and the entry into force of the long-term power purchase agreement for renewable energy to meet almost 20% of the Exolum Group's energy needs in Spain. The agreement avoided 6,324 tonnes of CO<sub>2</sub>-equivalent emissions in 2020.

### ● Indirect emissions (Scope 3)

For the calculation of Scope 3 greenhouse gas emissions, the following company activities are taken into account:

- Fuel consumption in the transport of fuel to CLH Aviación's airport facilities.
- Indirect emissions from travel by company staff by train, plane or rental car.
- Indirect emissions from travel to and from the workplace by company staff.
- Indirect emissions from the use of paper.
- Indirect emissions from water consumption.
- Indirect emissions from the management of the waste produced.

These emissions are very low compared to Scope 1 and 2 emissions, and accounted for 1,744 tonnes of CO<sub>2</sub>-equivalent in 2020.

Greenhouse gas emissions (tCO<sub>2</sub>eq)

	2018	2019	2020
<b>Exolum Group in Spain</b>			
Scope 1	40,459	40,726	34,736
Scope 2	0	75,370	22,194
Scope 3	N/A	N/A	1,744
<b>Total</b>	<b>40,459</b>	<b>116,096</b>	<b>58,674</b>
<b>Exolum-PS</b>			
Scope 1	–	252	300
Scope 2	–	12,614	7,149
Scope 3	–	0	0
<b>Total</b>	<b>–</b>	<b>12,866</b>	<b>7,449</b>
<b>Exolum Aviation Ireland</b>			
Scope 1	–	13.47	20.11
Scope 2	–	415	264
Scope 3	–	1	0
<b>Total</b>	<b>–</b>	<b>463</b>	<b>284.11</b>

	2018	2019	2020
<b>CLH Panamá</b>			
Scope 1	–	659	333.9
Scope 2	–	248	32.4
Scope 3	–	0	0
<b>Total</b>	<b>–</b>	<b>907</b>	<b>366,3</b>
<b>CLH Aviación Ecuador</b>			
Scope 1	–	–	34.65
Scope 2	–	–	209.41
Scope 3	–	–	0
<b>Total</b>	<b>–</b>	<b>–</b>	<b>244.06</b>
<b>Exolum Group</b>			
Scope 1	–	41,646	35,424
Scope 2	–	88,685	29,848
Scope 3	–	1	1,744
<b>Total</b>	<b>–</b>	<b>130,332</b>	<b>67,017</b>

## Control of emissions to the atmosphere

The Exolum Group generates a very limited amount of emissions to the atmosphere as the company does not carry out any manufacturing processes and does not generate energy.

In specific terms, the main origin of emissions of SO<sub>x</sub>, NO<sub>x</sub> and particles in suspension lies in stationary internal combustion engines and those used in the vehicle fleet. Account is also taken of the emissions resulting from fuel consumption by steam boilers for heating the fuel oil stored at the facilities in Algeciras, Barcelona, Cartagena, Gijón, Porto Pí and Tarragona.

In 2020, fuel consumption decreased slightly compared to the previous year, mainly due to the effect of the decline in activity on account of the COVID-19 pandemic.

Regarding the emissions of volatile organic compounds (VOCs), which are basically generated in gasoline loading processes, the Exolum Group has taken a range of measures to minimise and control them, such as the use of vapour recovery units in product loading processes, which guarantees that emissions of these compounds are reduced to below the 10 mg/m<sup>3</sup> limit set by the regulations.

Thanks to these actions, an average value of 3.84g/Nm<sup>3</sup> has been achieved in VOC emissions, which is considerably lower than the limit set by legislation. VOC emissions from road tanker loading areas amounted to 12.2 tonnes in 2020, while total VOC emissions by the company stood at 296 tonnes, representing a drop of 13.9% compared to the previous year, in line with the decrease in output triggered by the COVID-19 pandemic.

## Emissions into the air

	2018	2019	2020
<b>Exolum Group in Spain</b>			
NOx emissions (tonnes)	444	451	408
SOx emissions (tonnes)	312	320	237
Volatile organic compound (VOC) emissions (tonnes)	488	344	296
Particle emissions (tonnes)	26	26	23
<b>Exolum-PS</b>			
NOx emissions (tonnes)	–	4.48	5.51
SOx emissions (tonnes)	–	0.11	0.13
Volatile organic compound (VOC) emissions (tonnes)	–	0.04	15.55
Particle emissions (tonnes)	–	0.24	0.29
<b>Exolum Aviation Ireland</b>			
NOx emissions (tonnes)	–	0.09	0.08
SOx emissions (tonnes)	–	0.002	0.002
Volatile organic compound (VOC) emissions (tonnes)	–	0.001	0.0008
Particle emissions (tonnes)	–	0.005	0.004

	2018	2019	2020
<b>CLH Panamá</b>			
NOx emissions (tonnes)	–	11.72	4.7
SOx emissions (tonnes)	–	0.28	0.11
Volatile organic compound (VOC) emissions (tonnes)	–	0.11	0.04
Particle emissions (tonnes)	–	0.63	0.25
<b>CLH Aviación Ecuador</b>			
NOx emissions (tonnes)	–	–	0.62
SOx emissions (tonnes)	–	–	0.014
Volatile organic compound (VOC) emissions (tonnes)	–	–	0.005
Particle emissions (tonnes)	–	–	0.03
<b>Exolum Group</b>			
NOx emissions (tonnes)	–	467.29	418.91
SOx emissions (tonnes)	–	320.39	242.45
Volatile organic compound (VOC) emissions (tonnes)	–	488.15	311.59
Particle emissions (tonnes)	–	26.87	23.57

## Water consumption

In Spain, the Exolum Group uses water in its operations for several purposes, including the testing of fire protection systems, the generation of steam for heating fuel oil tanks and for sanitation.

Water is mainly supplied from the municipal networks and, to a lesser extent, by wells. Total water consumption in Spain was 172,523 m<sup>3</sup> in 2020, which represents a decrease of 18.6% compared to the previous year.

This drop was largely due to reduced consumption at the facilities due to the decline in activity and to water saving measures, such as:

- The drafting of technical specifications for inclusion in the tender specifications for the cleaning of storage tanks.
- The issuing of recommendations on the use of water during fire drills and limiting the number of drills carried out with water.

### Water consumption (m<sup>3</sup>)

	2018	2019	2020
Exolum Group in Spain	198,859	211,968	172,523
Exolum-PS	–	100,192	93,492
Exolum Aviation Ireland	–	2,161.61	6,787
CLH Ecuador	–	349	1,960
CLH Panamá	–	N/A	0

## Waste management

The Exolum Group produces hazardous waste in limited quantities given that it is not engaged in manufacturing or the processing of materials. The type of waste generated is largely due to the regular cleaning of storage tanks and the treatment systems for hydrocarbon water.

The facilities classify and separate the waste generated according to type. Subsequently, it is stored in waste storage areas until it is delivered to an authorised waste management contractor.

The facilities keep a record of all the waste delivered, specifying the quantity, type, final destination and authorised manager. The waste is handled by authorised managers according to the type of waste.

In 2020, the Exolum Group in Spain managed 3,592 t of hazardous waste and 370 t of non-hazardous waste. In total, the company managed 3,962 t of waste, 16% less waste than in 2019, mainly due to the decline in activity as a result of the COVID-19 pandemic.

### Waste generation (t)

	2018	2019	2020
<b>Exolum Group in Spain (CLH + CLH Aviación)</b>			
Total hazardous waste	3,430	4,110	3,592
Total non-hazardous waste	278	629	370
<b>Total waste</b>	<b>3,708</b>	<b>4,739</b>	<b>3,962</b>
<b>Exolum-PS</b>			
Total hazardous waste	–	1,332	1,382
Total non-hazardous waste	–	384	131
<b>Total waste</b>	<b>–</b>	<b>1,722</b>	<b>1,513</b>
<b>Exolum Aviation Ireland</b>			
Total hazardous waste	–	47.3	3.67
Total non-hazardous waste	–	13.2	10.37
<b>Total waste</b>	<b>–</b>	<b>60.5</b>	<b>14.04</b>
<b>CLH Panamá</b>			
Total hazardous waste	–	57	100
Total non-hazardous waste	–	24	20
<b>Total waste</b>	<b>–</b>	<b>81</b>	<b>120</b>
<b>CLH Aviación Ecuador</b>			
Total hazardous waste	–	0.13	0.65
Total non-hazardous waste	–	0	0
<b>Total waste</b>	<b>–</b>	<b>0.13</b>	<b>0.65</b>

## Discharge management

The characteristics of the company's operations mean that the discharges generated at the facilities are very limited. In this respect, the main cause of discharge is usually the rainwater collected in the different drainage networks of the facilities.

These networks are suitably segregated according to the type of water that circulates through them (rainwater, sanitary water and water that is likely to contain traces of hydrocarbons).

To ensure that discharges do not pose a risk of pollution, the facilities have waste treatment systems consisting of different phases: gravity, coalescence and, in some cases, flotation. In addition, discharges are controlled by means of continuous or periodic analyses.

In recent years, the company has made a number of improvements to reduce the pollutant load that reaches the treatment plants in order to enhance plant operations and effectiveness.

Closed-circuit purge systems also help to minimise the pollutant load that is sent to the treatment systems.

In 2020 the company continued to develop RDI projects for discharge management, including a pilot test at the Motril facility for the treatment of hydrocarbon water with biofilters and bacteria for its reuse in the plant's fire-fighting systems.

## Protection of soil and groundwater

Protecting soil and groundwater at the Exolum Group's facilities is a top priority for the company. The main systems in place for the prevention of soil pollution by Exolum's activities are as follows:

- Tank filling control systems to prevent accidental overfilling.
- Regular inspection of the tightness of underground tanks and the bottoms of tanks at ground level for the early detection and prevention of possible leaks.
- Proofing of areas susceptible to accidental spills: bunds and pump rooms.
- Computer system to monitor pipelines for leaks.
- All newly-built above-ground tanks are equipped with leak detection systems at the bottom of the tanks.
- All underground tanks installed are double-walled.

- All storage facilities are equipped with a piezometric control network to monitor and control groundwater.
- Installation of hydrocarbon sensors in the company's piezometers.

The company also carries out a thorough investigation into all product spills and reports significant environmental incidents to the authorities. In addition, it immediately activates the necessary measures to mitigate the possible effects on the environment and the surrounding area.

The Exolum Group has mechanisms in place that provide detailed information on the environmental situation of the land where its terminals are located. In addition, each year, the environmental condition of the subsoil at the facilities is monitored by taking samples of groundwater and analysing these in the company's own accredited laboratory.

The most significant work undertaken in Spain in 2020 for the protection of soil and groundwater was as follows:

- Old Burgos facility. Soil remediation work is being carried out by means of bioremediation using biopiles. This eliminates the need for waste management in landfills as the soil is restored to its original non-contaminated state in a natural way.
- Old recipient facility at Madrid Barajas airport. Soil remediation work commenced in November after conducting a detailed characterisation of the sub-soil and obtaining the approval of the remediation plan from the Regional Ministry of the Environment of the Community of Madrid. This work will continue throughout 2021.

The following table shows incidents involving spills over the past three years:

### Spills

	2018	2019	2020
<b>Exolum Group in Spain</b>			
Spills with environmental impact (number)	3	1	1
Total volume spilled (tonnes)	10.44	8.52	0.36
<b>Exolum-PS</b>			
Spills with environmental impact (number)	–	2	0
Total volume spilled (tonnes)	–	1.2	0
<b>Exolum Aviation Ireland</b>			
Spills with environmental impact (number)	–	0	0
Total volume spilled (tonnes)	–	0	0
<b>CLH Panamá</b>			
Spills with environmental impact (number)	–	0	0
Total volume spilled (tonnes)	–	0	0
<b>Exolum Group</b>			
<b>Total spills with environmental impact (number)</b>	<b>3</b>	<b>3</b>	<b>1</b>
<b>Total volume spilled (tonnes)</b>	<b>10.44</b>	<b>9.72</b>	<b>0.36</b>

**Note:** In keeping with commonly used practices in the sector, the company records spills that exceed 0.2 tonnes of product and affect the environment as spills.

## Protection of biodiversity

The Exolum Group has a Plan for Identification of High Consequence Areas (HCA) which, by means of specific geographical analysis software, defines environmentally sensitive areas where a pipeline incident would have major consequences for individuals and/or the environment.

The Exolum Group regards Protected Natural Areas (PNA), highly populated areas (more than 50,000 inhabitants or a population density of over 390 inhabitants/km<sup>2</sup>), other populated areas (such as isolated buildings, schools, stadiums, etc.), infrastructure (motorways, dual carriageways, railway lines, etc.) and water courses or water in dams (rivers, reservoirs, lakes, etc.) as High Consequence Areas.

In 2020 the High Consequence Areas were updated and new areas were analysed taking into account both the sensitivity of the environment and the emerging risk of an accident due to adverse weather effects caused by climate change, such as floods, drought, erosion, risk of fire, etc.

In Spain, the Exolum Group is conducting biodiversity studies in the areas around the facilities. The studies assess the biodiversity of the area surrounding the plants and, at all facilities studied, it was concluded that Exolum's activity does not impact biodiversity in the area beyond the fence of the industrial site. In 2020 biodiversity studies were conducted for the facilities in Gijón and Zaragoza, as well as the area beside Jarama River.

In addition, approval was granted for the development of a project in conjunction with the Tagus Hydrographic Confederation to improve biodiversity through the restocking of various species suited to the Tagus riverbank habitat. The project is scheduled for implementation in 2021.

Furthermore, the Exolum Group has also performed environmental studies in Spain to measure the integration of the pipelines that run through areas that are especially rich in biodiversity. The studies carried out have found that the sections analysed do not

interfere with the development of the animal and plant species in the areas selected and highlight the integration of the infrastructure into the environment. The Exolum Group and GREFA analysed a total of approximately 200 kilometres of protected natural areas where the pipelines are present in nine regions.

For more than nine years, the Exolum Group in Spain has been supporting GREFA (Rehabilitation Group for Native Fauna and its Habitat) in the conservation of biodiversity and carrying out various projects in partnership with the group. Specifically, in 2020, Exolum continued to work with GREFA in the conservation of Iberian harrier in the region of Madrid. As part of the project, the company assisted in the implementation of an information and social awareness campaign regarding this species, the tagging of birds and the performance of tasks for the protection of nests.

In addition, Exolum continued to work with the "Kestrel Network" initiative for the recovery of the lesser kestrel in the region of Madrid. In 2020, thirty-three lesser kestrel chicks from the captive breeding programme were reintroduced into the wild.



# Summarised

# Annual Accounts

Compañía Logística de Hidrocarburos CLH, S.A.  
and its dependent companies (Exolum Group)

# Consolidated balance sheet

## at 31 December 2020 (Thousands of euros)

ASSETS	2020	2019
Property, plant and equipment	1,509,633	1,043,115
Land and buildings	508,849	475,679
Plant and machinery	2,678,825	2,043,736
Other fixed assets	146,480	141,793
PP&E under construction	157,145	90,007
Depreciation	(1,981,666)	(1,708,100)
Investment properties	15,469	12,881
Intangible assets	303,112	188,844
Investments accounted for using the equity method	59,642	59,119
Non-current financial investments	958	193
Deferred tax assets	39,638	38,688
<b>Non-current assets</b>	<b>1,928,452</b>	<b>1,342,840</b>
Non-current assets held for sale	2,809	9,494
Inventories	41,409	46,349
Trade and other receivables	803,792	920,858
Current financial investments	2,183	3,215
Prepayments and accrued income	7,947	2,788
Current tax assets	6,057	527
Other receivables from Public Entities	7,583	12,649
Cash and cash equivalents	141,031	7,406
<b>Current assets</b>	<b>1,012,811</b>	<b>1,003,286</b>
<b>TOTAL ASSETS</b>	<b>2,941,263</b>	<b>2,346,126</b>

EQUITY AND LIABILITIES	2020	2019
Share capital	84,629	84,629
Retained earnings	328,489	430,302
Profit for the year	169,544	285,629
Share premium and reserves	158,945	144,673
Reserve for valuation adjustments	(16,218)	(5,810)
Translation differences	(4,117)	3,565
Other valuation adjustments	(12,101)	(9,375)
Interim dividend	(134,325)	(218,418)
Non-controlling interests	1,124	2,501
<b>Equity</b>	<b>263,699</b>	<b>293,204</b>
Non-current financial liabilities	1,247,861	639,717
Bank borrowings	1,107,019	542,219
Lease liabilities	140,842	97,498
Provisions	108,211	58,060
Other non-current liabilities	7,997	4,540
Derivative financial instruments	10,877	12,500
Deferred tax liabilities	47,711	17,037
<b>Non-current liabilities</b>	<b>1,422,657</b>	<b>731,854</b>
Disposal group liabilities held for sale	–	1,810
Current financial liabilities	251,244	269,377
Bank borrowings	231,735	257,395
Lease liabilities	19,509	11,982
Trade and other payables	999,179	1,049,478
Accruals and deferred income	4,484	403
<b>Current liabilities</b>	<b>1,254,907</b>	<b>1,321,068</b>
<b>TOTAL LIABILITIES</b>	<b>2,677,564</b>	<b>2,052,922</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>2,941,263</b>	<b>2,346,126</b>

# Consolidated statement of profit or loss

for year-end 2020 (Thousands of euros)

	2020	2019
Revenue	614,873	741,123
Changes in inventories of finished products	(11,715)	8,701
Own work capitalised	5,529	2,773
Cost of sales	(17,909)	(11,717)
Other operating income	14,654	17,185
Employee benefits expense	(121,846)	(132,691)
Other operating expenses	(161,163)	(173,110)
Depreciation and amortisation charges	(89,891)	(85,355)
Capital grants and other grants taken to income	254	521
Surplus provisions	–	216
Impairment of and gains/(losses) on disposal of PP&E	(5,223)	253
<b>Operating income</b>	<b>227,563</b>	<b>367,899</b>
Finance income	4,502	12,961
Finance costs	(15,195)	(13,522)
Exchange differences (net)	(1,177)	(531)
<b>Net finance income/(cost)</b>	<b>(11,870)</b>	<b>(1,092)</b>
Gain (loss) from equity-accounted investments	6,507	6,818
<b>Profit before tax</b>	<b>222,200</b>	<b>373,625</b>
Corporate income tax expense	(54,531)	(88,279)
<b>Profit for the year</b>	<b>167,669</b>	<b>285,346</b>
Attributable to the Parent Company	169,544	285,629
Attributable to non-controlling interests	(1,875)	(283)
<b>Basic and diluted earnings per share (euros)</b>	<b>2.40</b>	<b>4.06</b>

# 4

## Index of contents required by Law 11/2018 and GRI and Global Compact indicators

Index of contents required by Law 11/2018 and GRI  
and Global Compact indicators | 122

Statement of non-financial information | 129

# GRI indicator table and contents required under Spanish Act 11/2018

Indicator	Description	Global compact	Location in Report
<b>GRI 101 Fundamentals</b>			
<b>GRI 102 General disclosures</b>			
102-1	Name of the organisation		Page 3
102-2	Activities, brands, products, and services		Pages 19-25
102-3	Location of headquarters		Titán, 13, 28045 - Madrid
102-4	Location of operations		Pages 19-25
102-5	Ownership and legal form		Page 12
102-6	Markets served		Pages 19-25
102-7	Scale of the organisation		Pages 17-25
102-8	Information on employees and other workers	Principle 6	Pages 39-46
102-9	Supply chain		Pages 86-94
102-10	Significant changes to the organisation and its supply chain		Pages 19-25
102-11	Precautionary Principle or approach		Pages 98-99
102-12	External initiatives		Page 81
102-13	Membership of associations		Page 81
<b>Strategy</b>			
102-14	Statement from senior decision-maker		Pages 4-6
102-15	Key impacts, risks, and opportunities		Page 36

## 4. Index of contents required by Law 11/2018 and GRI and Global Compact indicators

## GRI indicator table and contents required under Spanish Act 11/2018

Indicator	Description	Global compact	Location in Report
<b>Ethics and integrity</b>			
102-16	Values, principles, standards, and norms of behaviour	Principle 6	Pages 12-13
102-17	Mechanisms for advice and concerns about ethics	Principle 6	Page 34
<b>Governance</b>			
102-18	Governance structure		Pages 29-33
102-22	Composition of the highest governance body and its committees	Principle 6	Pages 29-33
102-23	Chair of the highest governance body		Pages 29-33
102-38	Annual total compensation ratio		Pages 47-49
102-39	Percentage increase in annual total compensation ratio		Pages 47-49
<b>Stakeholders engagement</b>			
102-40	List of stakeholder groups		Page 38
102-41	Collective bargaining agreements	Principle 1 Principle 3	Page 53
102-42	Identifying and selecting stakeholders		Pages 35-36, 95-97
102-43	Approach to stakeholder engagement		Pages 36, 68-71
102-44	Key topics and concerns raised		Pages 94-101
<b>Reporting practices</b>			
102-45	Entities included in the consolidated financial statements		Activity of the consolidated group of the Consolidated Annual Accounts for the year 2020
102-46	Defining report content and topic boundaries		Pages 34-35
102-47	List of material topics		Page 35
102-48	Restatements of information		Restatements of information are indicated throughout the report
102-49	Changes in reporting		Pages 34-35
102-50	Reporting period		2020
102-51	Date of most recent report		2019
102-52	Reporting cycle		Annual

## 4. Index of contents required by Law 11/2018 and GRI and Global Compact indicators

## GRI indicator table and contents required under Spanish Act 11/2018

Indicator	Description	Global compact	Location in Report
102-53	Contact person for questions regarding the report		Page 3
102-54	Claims of reporting in accordance with the GRI Standards		Core option
102-55	GRI content index		GRI indicator table
102-56	External assurance		Not available
<b>GRI 103 Management approach</b>			
103-1	Explanation of the material topic and its Boundary		Pages 34-35
103-2	The Management approach and its components		Pages 34-35
103-3	Evaluation of the Management approach		Pages 34-35
<b>GRI 201 Economic performance</b>			
201-1	Direct economic value generated and distributed		Page 18
201-3	Defined benefit plan obligations and other retirement plans		Pages 60-61
201-4	Financial assistance received from government		Note 20. Other non-current liabilities of the Consolidated Annual Accounts for the 2020 financial year.
<b>GRI 202 Market presence</b>			
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	Principle 1 Principle 6	Pages 48-49
202-2	Proportion of senior management hired from the local community	Principle 6	Pages 50-52
<b>GRI 203 Indirect economic impact</b>			
203-1	Infrastructure investments and services supported		Pages 95-98
203-2	Significant indirect economic impacts		Pages 95-98
<b>GRI 204 Procurement practices</b>			
204-1	Proportion of spending on local suppliers		Pages 91-92
<b>GRI 205 Anti-corruption</b>			
205-1	Operations assessed for risks related to corruption	Principle 10	Pages 34-35
205-3	Confirmed incidents of corruption and actions taken	Principle 10	In 2020, no legal action was brought against the organisation for cases of corruption

## 4. Index of contents required by Law 11/2018 and GRI and Global Compact indicators

## GRI indicator table and contents required under Spanish Act 11/2018

Indicator	Description	Global compact	Location in Report
<b>GRI 206 Unfair competition practices (Anti -competitive)</b>			
206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices		In 2020, Exolum did not receive any complaints regarding anti-competitive behaviour, anti-trust or monopoly practices
<b>GRI 301 Materials 2020</b>			
301-1	Materials used by weight or volume		Pages 103-106
<b>GRI 302 Energy 2020</b>			
302-1	Energy consumption within the organisation	Principle 7 Principle 8	Page 108
302-2	Energy consumption outside the organisation	Principle 7 Principle 8	Page 108
302-4	Reduction of energy consumption	Principle 7 Principle 8 Principle 9	Page 108
<b>GRI 303 Water</b>			
303-1	Total water withdrawal by source	Principle 7 Principle 8	Page 113
303-2	Water sources significantly affected by withdrawal of water	Principle 7 Principle 8	Page 113
<b>GRI 304 Biodiversity</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	Pages 115-117
304-2	Significant impacts of activities, products, and services on biodiversity	Principle 8	Pages 115-117
304-3	Habitats protected or restored	Principle 8	Pages 115-117
<b>GRI 305 Emissions</b>			
305-1	Direct (Scope 1) GHG emissions	Principle 7 Principle 8 Principle 9	Pages 109-111

## 4. Index of contents required by Law 11/2018 and GRI and Global Compact indicators

## GRI indicator table and contents required under Spanish Act 11/2018

Indicator	Description	Global compact	Location in Report
305-2	Indirect (Scope 2) GHG emissions	Principle 7 Principle 8 Principle 9	Pages 109-111
305-3	Other indirect (Scope 3) GHG emissions	Principle 8	Pages 109-111
305-5	Reduction of GHG emissions	Principle 8 Principle 9	Pages 109-111
305-7	NOx, SOx and other significant air emissions	Principle 8 Principle 9	Pages 111-112
<b>GRI 306 Effluents and waste</b>			
306-2	Waste by type and disposal method	Principle 7 Principle 8	Page 114
306-3	Significant spills	Principle 8	Pages 115-116
<b>GRI 307 Environmental compliance</b>			
307-1	Non-compliance with environmental laws and regulations	Principle 7 Principle 8	In 2020, Exolum did not record any significant fines or sanctions for non-compliance with environmental laws or regulations
<b>GRI 308 Supplier Environmental Assessment</b>			
308-1	New suppliers that were screened using environmental criteria	Principle 9	Pages 90-93
308-2	Negative environmental impacts in the supply chain and actions taken	Principle 9	Pages 90-93
<b>GRI 401 Employment</b>			
401-1	New employee hires and employee turnover	Principle 6	Pages 52-60
401-3	Parental leave	Principle 6	Pages 60-63
<b>GRI 403 Occupational Health and Safety</b>			
403-1	Workers representation in formal joint management worker health and safety committees		Pages 72-78
403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities		Pages 72-78
403-4	Health and safety topics covered in formal agreements with trade unions		Pages 72-78

## 4. Index of contents required by Law 11/2018 and GRI and Global Compact indicators

## GRI indicator table and contents required under Spanish Act 11/2018

Indicator	Description	Global compact	Location in Report
<b>GRI 404 Training and education</b>			
404-1	Average hours of training per year per employee	Principle 6	Pages 70-71
404-2	Programmes for upgrading employee skills and transition assistance programmes		Pages 64-71
404-3	Percentage of employees receiving regular performance reviews	Principle 6	Pages 64-71
<b>GRI 405 Diversity and Equal Opportunity</b>			
405-1	Diversity of governance bodies and employees	Principle 6	Pages 40-43
405-2	Ratio of basic salary and remuneration of women to men	Principle 6	Page 50
<b>GRI 406 Non-discrimination</b>			
406-1	Incidents of discrimination and corrective actions taken	Principle 6	We are not aware of any incidents of discrimination in 2020
<b>GRI 407 Freedom of Association and Collective Bargaining</b>			
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Principle 2	Pages 72-73, 89-93
<b>GRI 408 Child Labour</b>			
408-1	Operations and suppliers at significant risk for incidents of child labour	Principle 5	Pages 72-73, 89-93
<b>GRI 409 Forced or Compulsory Labour</b>			
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	Principle 4	Pages 89-93
<b>GRI 410 Security Practices</b>			
410-1	Security personnel trained in human rights policies or procedures	Principle 1 Principle 2	Pages 68-71
<b>GRI 412 Human Rights Assessment</b>			
412-1	Operations that have been subject to human rights reviews or impact assessments	Principle 1	Pages 86-88
412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	Principle 1 Principle 2	Pages 86-88

## 4. Index of contents required by Law 11/2018 and GRI and Global Compact indicators

## GRI indicator table and contents required under Spanish Act 11/2018

Indicator	Description	Global compact	Location in Report
<b>GRI 413 Local Communities</b>			
413-1	Operations with local community engagement, impact assessments, and development programmes	Principle 1	Pages 38, 101
<b>GRI 414 Supplier Social Assessment</b>			
414-1	New suppliers that were screened using social criteria	Principle 2	Pages 86-88
414-2	Negative social impacts in the supply chain and actions taken	Principle 2	Pages 86-88
<b>GRI 416 Customer Health and Safety</b>			
416-1	Assessment of the health and safety impacts of product and service categories		Pages 98-101
<b>GRI 417 Marketing and Labelling</b>			
417-3	Incidents of non-compliance concerning marketing communications		In 2020, Exolum did not identify any incidents of non-compliance with regulations or voluntary codes concerning marketing communications
<b>GRI 418 Customer Privacy</b>			
418-1			In 2020, Exolum did not receive any substantiated complaints concerning breaches of customer privacy and losses of customer data
<b>GRI 419 Socio-economic Compliance</b>			
419-1	Non-compliance with laws and regulations in the social and economic area		In 2020, Exolum did not record any significant fines or sanctions for non-compliance with laws and/or regulations in the social and economic area
<b>OG - Sector specific indicators (Oil &amp; Gas)</b>			
OG-13	Number of process safety incidents, by business activity		Pages 73-77, 99

# Statement of non-financial information 2020

Contents non-financial statement	Reporting standard	Location in report
<b>BUSINESS MODEL</b>		
<b>Description of the business model</b>		
Group business model	GRI 102-2 GRI 102-7	Pages 12-13
Business environment	GRI 102-4	Pages 17-26
Organisation and structure	GRI 102-18	Pages 110-13, 29-33
Markets where it operates	GRI 102-6	Page 19
Objectives and strategies	GRI 102-15	Pages 14-16
Key factors and trends that could affect the company's future performance	GRI 102-15	Pages 26-28
<b>INFORMATION ON ENVIRONMENTAL ISSUES</b>		
<b>Policies</b>		
Policies applied by the group, including the due diligence procedures applied for the identification, assessment, prevention and mitigation of significant risks and impacts, and for verification and control, and the measures that have been adopted	GRI 103-2 GRI 103-3	Pages 98-101
<b>Main risks</b>		
Main risks related to these issues linked to the group's activities, including, where relevant and proportionate, its commercial relations, products or services that may have negative effects in those areas, and how the group manages those risks, explaining the procedures used to identify and assess them in accordance with the national, European and international reference frameworks for each area. This should include information on the impacts that have been identified, providing a breakdown of these impacts, and the main risks in the short, medium and long term in particular	GRI 102-11 GRI 102-15 GRI 102-30	Page 36

Contents non-financial statement	Reporting standard	Location in report
<b>Environmental management</b>		
Current and foreseeable impacts of the company's activities on the environment and, where applicable, on health and safety	GRI 102-11 GRI 102-29 GRI 102-31	Pages 99-101
Procedures for environmental assessment or certification	GRI 102-15 GRI 102-29 GRI 102-30	Pages 102-103
Resources dedicated to environmental risk prevention	GRI 102-29	Pages 106-107 Note 31. Information on the Environment of the Consolidated Annual Accounts for the 2020 financial year
Applying the precautionary principle	GRI 102-11	Pages 102-107
Provisions and guarantees for environmental risks	GRI 307-1	Note 31. Information on the Environment of the Consolidated Annual Accounts for the 2020 financial year
<b>Pollution</b>		
Measures to prevent, reduce or offset CO <sub>2</sub> emissions that seriously affect the environment, taking all forms of activity-specific air pollution into account, including noise and light pollution	GRI 103-2 GRI 302-4 GRI 305-5 GRI 305-7	Pages 102-113
<b>Circular economy and waste prevention and management</b>		
Measures for the prevention, recycling, reuse and other forms of waste recovery and disposal. Actions to combat food waste	GRI 103-2 GRI 301-1 GRI 306-2 GRI 306-3	Pages 101, 114-115
<b>Sustainable use of resources</b>		
Consumption and supply of water in accordance with local restrictions	GRI 303-1 GRI 303-2	Page 113
Consumption of raw materials and measures taken to improve water use efficiency	GRI 301-1	Page 105
Energy: direct and indirect consumption; measures taken to improve energy efficiency, use of renewable energies	GRI 102-3 GRI 302-1 GRI 302-2 GRI 302-4	Pages 108-112

Contents non-financial statement	Reporting standard	Location in report
<b>Climate change</b>		
Greenhouse gas emissions	GRI 305-1 GRI 305-2 GRI 305-3	Pages 108-112
Measures taken to adapt to the consequences of climate change	GRI 102-15 GRI 103-2 GRI 305-5	Page 111
Self-set GHG emission reduction targets for the medium and long term and measures taken to achieve them	GRI 305-5	Pages 108-112
<b>Protecting biodiversity</b>		
Measures taken to preserve or restore biodiversity	GRI 103-2 GRI 304-3	Pages 115-117
Impacts caused by activities or operations in protected areas	GRI 304-1 GRI 304-2	Pages 115-117
<b>INFORMATION ON SOCIAL AND EMPLOYEE ISSUES</b>		
<b>Policies</b>		
Policies applied by the group, including the due diligence procedures applied for the identification, assessment, prevention and mitigation of significant risks and impacts, and for verification and control, and the measures that have been adopted	GRI 103-2 GRI 103-3	Pages 29-34
<b>Main risks</b>		
Main risks related to these issues linked to the group's activities, including, where relevant and proportionate, its commercial relations, products or services that may have negative effects in those areas, and how the group manages those risks, explaining the procedures used to identify and assess them in accordance with the national, European and international reference frameworks for each area. This should include information on the impacts that have been identified, providing a breakdown of these impacts, and the main risks in the short, medium and long term in particular	GRI 102-15 GRI 102-30	Page 36
<b>Employment</b>		
Total number of employees broken down by gender, age, country and professional category	GRI 102-7 GRI 102-8 GRI 405-1	Pages 39-44

Contents non-financial statement	Reporting standard	Location in report
Total number of employment contracts broken down by type of contract	GRI 102-8	Pages 39-44
Average annual number of permanent, temporary and part-time contracts broken down by gender, age and professional category	GRI 102-8	Pages 40-42
Number of dismissals broken down by gender, age and professional category	GRI 401-1	Pages 57-59
Average remuneration and trends broken down by gender, age and professional category or of equal value	GRI 405-2	Pages 46-49
Pay gap	GRI 405-2	Page 50
Remuneration for similar positions or average remuneration at the company	GRI 405-2	Pages 46-49
Average remuneration of board members and executives, including variable pay, allowances, compensation and severance, payments to long-term pension and savings schemes and any other remuneration, broken down by gender	GRI 405-2	Page 48 Note 27. Remuneration to the Board of Directors and Senior Management of the Consolidated Annual Accounts for the 2020 financial year
Implementation of measures to allow employees to disconnect from work	GRI 103-2	While Exolum does not have a specific work disconnection policy, there is a commitment on the part of the Company to respect the rest time of employees, as well as their leave and vacation, and to promote the reconciliation of family and work life
Employees with disabilities	GRI 405-1	Page 57
<b>Work organisation</b>		
Organisation of working hours	GRI 102-8 GRI 103-2	Pages 60-61
Number of hours of absenteeism	GRI 403-2	Pages 44-45
Measures intended to achieve a work-life balance and promote the attainment of a work-life balance by both parents	GRI 103-2 GRI 403-2	Pages 60-64
<b>Health and Safety</b>		
Occupational health and safety conditions	GRI 103-2	Pages 73-77
Workplace accidents (frequency and severity) broken down by gender	GRI 403-2	Pages 74-75
Occupational diseases (frequency and severity) broken down by gender	GRI 403-2	In 2020 there have been no cases of occupational diseases

Contents non-financial statement	Reporting standard	Location in report
<b>Labour relations</b>		
Organising dialogue with employees, including procedures for reporting, consulting and negotiating with employees	GRI 102-43 GRI 402-1 GRI 403-1	Pages 72-73
Percentage of employees covered by collective bargaining agreement by country	GRI 102-41	Page 53
Analysis of collective agreements, particularly in the field of occupational health and safety	GRI 403-1	Pages 72-79
<b>Training</b>		
Policies implemented in the field of training	GRI 103-2 GRI 404-2	Pages 68-71
Total hours of training by professional category	GRI 404-1	Pages 69-71
<b>Accessibility</b>		
Universal access for persons with disabilities	GRI 103-2	Page 46
<b>Equality</b>		
Measures taken to promote equal treatment and opportunities for men and women	GRI 103-2	Pages 34, 39, 46
Equality plans	GRI 103-2	Pages 34, 46
Measures taken to promote employment	GRI 103-2 GRI 404-2	Pages 64-68
Protocols against sexual and gender-based harassment	GRI 103-2	Pages 34, 46
Integration and universal access for persons with disabilities	GRI 103-2	Page 46
Policy against all forms of discrimination and, where applicable, diversity management	GRI 103-2 GRI 406-1	Pages 34-46
<b>INFORMATION ON RESPECT FOR HUMAN RIGHTS</b>		
<b>Policies</b>		
Policies applied by the group, including the due diligence procedures applied for the identification, assessment, prevention and mitigation of significant risks and impacts, and for verification and control, and the measures that have been adopted	GRI 103-2 GRI 103-3 GRI 410-1	Pages 34-35

Contents non-financial statement	Reporting standard	Location in report
<b>Main risks</b>		
Main risks related to these issues linked to the group's activities, including, where relevant and proportionate, its commercial relations, products or services that may have negative effects in those areas, and how the group manages those risks, explaining the procedures used to identify and assess them in accordance with the national, European and international reference frameworks for each area. This should include information on the impacts that have been identified, providing a breakdown of these impacts, and the main risks in the short, medium and long term in particular	GRI 102-15 GRI 102-30	Page 36
<b>Respect for human rights</b>		
Implementation of human rights due diligence procedures	GRI 102-3 GRI 414-2	Pages 86-88
Preventing the risk of human rights violations and, where applicable, measures to mitigate, manage and remedy possible abuses committed	GRI 103-2 GRI 410-1 GRI 412-1	Pages 34-35, 68-71,86-88
Whistle-blowing in cases of human rights violations	GRI 102-17 GRI 103-2 GRI 419-1	Pages 34-35
Promotion and compliance with the provisions of fundamental ILO conventions in relation to respect for freedom of association and the right to collective bargaining, elimination of discrimination in employment and occupation, forced or compulsory labour and the effective abolition of child labour	GRI 103-2 GRI 406-1 GRI 407-1 GRI 408-1 GRI 409-1	Pages 72-73, 89-93
<b>INFORMATION ON COMBATING BRIBERY AND CORRUPTION</b>		
<b>Policies</b>		
Policies applied by the group, including the due diligence procedures applied for the identification, assessment, prevention and mitigation of significant risks and impacts, and for verification and control, and the measures that have been adopted	GRI 103-2 GRI 103-3	Pages 34-35
<b>Main risks</b>		
Main risks related to these issues linked to the group's activities, including, where relevant and proportionate, its commercial relations, products or services that may have negative effects in those areas, and how the group manages those risks, explaining the procedures used to identify and assess them in accordance with the national, European and international reference frameworks for each area. This should include information on the impacts that have been identified, providing a breakdown of these impacts, and the main risks in the short, medium and long term in particular	GRI 102-15 GRI 102-30 GRI 205-1	Pages 12, 34-35

Contents non-financial statement	Reporting standard	Location in report
<b>Combating bribery and corruption</b>		
Measures taken to prevent bribery and corruption	GRI 103-2	Pages 34-35
Measures taken to combat money laundering	GRI 103-2	Pages 34-35
Contributions to foundations and non-profit organisations	GRI 103-2 GRI 201-1 GRI 203-2	Pages 34-35, 18, 60-61
<b>INFORMATION ON THE COMPANY</b>		
<b>Policies</b>		
Policies applied by the group, including the due diligence procedures applied for the identification, assessment, prevention and mitigation of significant risks and impacts, and for verification and control, and the measures that have been adopted.	GRI 103-2 GRI 103-3	Pages 34-35
<b>Main risks</b>		
Main risks related to these issues linked to the group's activities, including, where relevant and proportionate, its commercial relations, products or services that may have negative effects in those areas, and how the group manages those risks, explaining the procedures used to identify and assess them in accordance with the national, European and international reference frameworks for each area. This should include information on the impacts that have been identified, providing a breakdown of these impacts, and the main risks in the short, medium and long term in particular	GRI 102-15 GRI 102-30	Page 36
<b>Company commitments to sustainable development</b>		
Impact of the company's activity on local employment and development	GRI 203-1 GRI 203-2 GRI 204-1 GRI 413-1	Pages 38, 95-98, 91-92
Impact of the company's activity on local communities and the region	GRI 203-1 GRI 203-2 GRI 413-1	Pages 38, 95-98
Relations with stakeholders in the local communities and forms of dialogue with these stakeholders	GRI 102-43 GRI 413-1	Pages 36-38, 101
Association or sponsorship actions	GRI 102-13 GRI 201-1 GRI 203-1	Pages 81, 95-97

Contents non-financial statement	Reporting standard	Location in report
<b>Subcontractors and suppliers</b>		
Inclusion of social, gender equality and environmental issues in procurement policies	GRI 103-3	Pages 89-94
Consideration of social and environmental responsibility in relations with suppliers and subcontractors	GRI 102-9 GRI 103-3 GRI 308-1 GRI 308-2 GRI 407-1 GRI 408-1 GRI 409-1 GRI 414-1 GRI 414-2	Pages 89-94
Oversight and auditing systems and the results of the systems	GRI 308-1 GRI 308-2 GRI 414-2	Pages 86-88, 90-93
<b>Consumers</b>		
Consumer health and safety measures	GRI 103-2 GRI 306-3 GRI 416-1 GRI 416-2 GRI 417-1 GRI OG-13	Pages 34-35, 98-101, 115-116
Complaint systems, grievances received and resolved	GRI 102-17 GRI 103-2 GRI 418-1	Pages 34-35
<b>Tax information</b>		
Profits earned by country	GRI 201-1	Note 23. Revenues and Expenses of the Consolidated Annual Accounts for the 2020 financial year
Taxes paid on profits	GRI 201-1	Note 22. Tax assets and liabilities of the 2020 Consolidated Annual Accounts
Public subsidies received	GRI 204-1	Note 20. Other non-current liabilities in the 2020 Consolidated Annual Accounts



# Independent review report of the State of non-financial Information

# Independent review report

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*Translation of a report originally issued in Spanish. In the event of a discrepancy, the Spanish-language version prevails.*

## INDEPENDENT LIMITED ASSURANCE REPORT ON THE CONSOLIDATED NON-FINANCIAL INFORMATION STATEMENT OF COMPAÑÍA LOGÍSTICA DE HIDROCARBUROS CLH, S.A. AND SUBSIDIARIES FOR 2020

To the Shareholders of Compañía Logística de Hidrocarburos CLH, S.A.,

In accordance with Article 49 of the Spanish Commercial Code, we have performed the verification, with a scope of limited assurance, of the Consolidated Non-Financial Information Statement (NFIS) for the year ended 31 December 2020 of Compañía Logística de Hidrocarburos CLH, S.A. and subsidiaries ("CLH"), which forms part of the Consolidated Directors' Report of CLH.

The content of the NFIS includes information, additional to that required by current Spanish corporate legislation relating to non-financial reporting, that was not the subject matter of our verification. In this regard, our work was limited solely to verification of the information identified in section 3 "Table of Contents of Indicators: 2020 Non-Financial Information Statement" in the accompanying NFIS.

### Responsibilities of the Directors

The preparation and content of the NFIS are the responsibility of the Board of Directors of CLH. The NFIS was prepared in accordance with the content specified in current Spanish corporate legislation and with the criteria of the selected Global Reporting Initiative Sustainability Reporting Standards ("GRI Standards") described as indicated for each matter in section 3 "Table of Contents of indicators: 2020 Non-Financial Information Statement" of the aforementioned Report.

These responsibilities also include the design, implementation and maintenance of such internal control as is considered necessary to enable the NFIS to be free from material misstatement, whether due to fraud or error.

The directors of CLH are also responsible for defining, implementing, adapting and maintaining the management systems from which the information necessary for the preparation of the NFIS is obtained.

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### Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), which is based on fundamental principles of integrity, objectivity, competence and due care, confidentiality and professional behaviour.

Our firm applies International Standard on Quality Control 1 (ISQC 1) and, accordingly, maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our engagement team consisted of professionals who are experts in reviews of non-financial information and, specifically, in information about economic, social and environmental performance.

### Our Responsibility

Our responsibility is to express our conclusions in an independent limited assurance report based on the work performed. We conducted our work in accordance with the requirements established in International Standard on Assurance Engagements (ISAE) 3000 Revised, Assurance Engagements other than Audits or Reviews of Historical Financial Information ("ISAE 3000 Revised"), currently in force, issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC), and with the guidelines published by the Spanish Institute of Certified Public Accountants on attestation engagements regarding non-financial information statements.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement and, consequently, the level of assurance obtained is substantially lower.

Our work consisted of making inquiries of management and the various units of CLH that participated in the preparation of the NFIS, reviewing the processes used to compile and validate the information presented in the NFIS, and carrying out the following analytical procedures and sample-based review tests:

- Meetings held with CLH personnel to ascertain the business model, policies and management approaches applied, and the main risks relating to these matters, and to obtain the information required for the external review.

- Analysis of the scope, relevance and completeness of the contents included in the 2020 NFIS based on the materiality analysis performed by CLH and described in section "1.6 Where we put the focus", taking into account the contents required under current Spanish corporate legislation.
- Analysis of the processes used to compile and validate the data presented in the 2020 NFIS.
- Review of the information relating to risks and the policies and management approaches applied in relation to the material matters described in section "1.6 Where we put the focus" of the NFIS.
- Verification, by means of sample-based tests, of the non-financial information relating to the contents included in the 2020 NFIS and the appropriate compilation thereof based on the data furnished by CLH's information sources.
- Obtainment of a representation letter from the directors and management.

**Basis for Qualified Conclusion**

As indicated in the accompanying NFIS, CLH includes the non-financial information of the activities carried on in Spain separately from the activities carried in the other countries where it has a presence; in relation to the foregoing, we were unable to verify the information relating to CLH's activities outside Spain. In addition, as reflected in the accompanying NFIS, CLH did not include the information relating to the Group companies located abroad in certain indicators in the "Table of Contents of Indicators: 2020 Non-Financial Information Statement".

**Conclusion**

Based on the procedures performed and the evidence obtained, except for the effect of the matter described in the "Basis for Qualified Conclusion" section, no additional matter has come to our attention that causes us to believe that the NFIS of CLH for the year ended 31 December 2020 was not prepared, in all material respects, in accordance with the content specified in current Spanish corporate legislation and with the criteria of the selected GRI standards, as well as other criteria described as indicated for each matter in section 3 "Table of Contents of Indicators: 2020 Non-Financial Information Statement" of the aforementioned Statement.

**Use and Distribution**

This report has been prepared in response to the requirement established in corporate legislation in force in Spain and, therefore, it might not be appropriate for other purposes or jurisdictions.

DELOITTE, S.L.

  
 Jorge Izquierdo Mazón  
 26 March 2021

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