

CEPSA, an Industry 4.0 Pioneer in Spain, is Moving Forward With the Implementation of its Cultural and Technological Transformation Program

- **The Hadi Industrial technology model is already up and running in Cepsa's industrial centers in Palos (Huelva) and will be fully implemented in San Roque (Cadiz) by 2022.**
- **The program places Cepsa at the forefront of cultural change on work methods in the industrial environment by seeking greater efficiency, agility and safety.**
- **As a result, process productivity has increased by 6% and has the potential to increase by up to 20%.**

CEPSA has been working for around three years to implement the Hadi Industrial model, generating a cultural, geographical and technological transformation in the company's operating centers. This has made it a pioneer in industrial environment work methods and inter-employee communication. The initiative has already been implemented in Madrid and at other centers and is enabling Cepsa to adapt to the new digital reality of the fourth industrial revolution. This objective has already been achieved at the Palos industrial center and is underway at San Roque.

Companies like Cepsa that operate 24 hours a day have two distinct workforces: one with regular working hours (fixed schedules and fully connected) and another engaged in shift work (hours subject to rotation and poor access to digital tools). The Hadi Industrial project was designed to narrow that gap. For María José García Prat, head of the Hadi project, "Hadi Industrial is more than just an opportunity. It offers a way to implement a work model that democratizes and meets the needs of shift workers, tangibly and effectively. It represents a change in technology, process optimization and, above all, culture." She adds that, "work systems in business and industrial organizations, unchanged in over a century, are giving way at Cepsa to innovation through information digitization and optimization, and new ways of working. Our objective is that by 2022, every Cepsa plant in Andalusia will have the digital tools offered by the Hadi Industrial model."

The technological and cultural transformation of Cepsa's operating centers has continued since the project began in 2018. The process is complete in the refining and chemical areas at the Palos industrial complex and is underway at San Roque. "Cepsa employees now work in a more efficient, safe and agile way," says García Prat. As a result of this transformation, shift workers now use tablets suitable for industrial environments under the EU ATEX directive, which describes which types of equipment and environments are allowed for work in

industrial centers. The tablets enable fast, mobile digital work in the field. They make information more accessible and easier to monitor at any time and place, avoiding unnecessary travel and facilitating operations at the plant.

This and other technology facilitates all management related to work authorizations, reducing planning and execution times, and enabling a paper-free process. It also allows digital shift handover logs to be consulted from any location—even from outside the industrial complex—and the creation of notes about potential maintenance issues, which increase information reliability and reduce process errors.

15% productivity improvement in work authorizations and other processes

The changes promoted by the Hadi Industrial model have enabled efficiencies that improve operations and maintenance tasks, increasing workforce productivity by more than 6%, and potentially up to 20%. Downtime at ancillary companies has been cut, as the efficiency of maintenance-related processes and procedures at plants has increased by 15%. This commitment to cultural and technological change has increased efficiency in relation to operational shutdowns, thanks to the speeding up of job supervision, printing savings, communication readiness, easy access to graphical documentation and reduced contractor downtime, among other factors.

Following this significant step in process agility, Cepsa is also working to provide its operators in industrial environments with work smartphones. This will improve the user experience and allow communications to migrate to a digital model, providing better sound quality for communications in the process plant—where workers currently communicate via portable radio—and introducing new features, such as the ability to send videos and texts, and make video calls.

Cultural change has been an essential part of taking this transformation beyond technology alone and was supported from the outset by a meticulous change management process. The process uses a co-design approach, in which the users themselves have participated, and is people-focused, allowing employees to adapt to a new way of working.

García Prat highlights “the success of this change within the company,” thanking “staff for their receptiveness and work on implementing the Hadi Industrial model.”

Cepsa is a global energy and chemical company operating at every stage of the oil and gas value chain. Cepsa also manufactures products from plant-based raw materials and operates in the renewable energy sector. Cepsa has 90 years of experience and a team of over 10,000



| — + — +
+ |
PRESS RELEASE

employees, who combine technical excellence with adaptability. Cepsa operates on five continents.

San Roque, June 16, 2020

Cepsa — Communication

comunicacion.sanroque@cepsa.com

Tel: 659 578 080

www.cepsa.com