# Investor Update

March 2023

# Stepping up the Transition

## Driving growth and value

The Repsol Commitment
Net Zero Emissions
by 2050

# Disclaimer



This document contains information and statements that constitute forward-looking statements about Repsol. Such estimates or projections may include statements about current plans, objectives and expectations, including statements regarding trends affecting Repsol's financial condition, financial ratios, operating results, business, strategy, geographic concentration, production volumes and reserves, capital expenditures, cost savings, investments and dividend policies. Such estimates or projections may also include assumptions about future economic or other conditions, such as future crude oil or other prices, refining or marketing margins and exchange rates. Forward-looking statements are generally identified by the use of terms such as "expects," "anticipates," "forecasts," "believes," "estimates," "appreciates" and similar expressions. Such statements are not guarantees of future performance, prices, margins, exchange rates or any other event, and are subject to significant risks, uncertainties, changes and other factors that may be beyond Repsol's control or may be difficult to predict. Such risks and uncertainties include those factors and circumstances identified in the communications and documents filed by Repsol and its subsidiaries with the Comisión Nacional del Mercado de Valores in Spain and with the other supervisory authorities of the markets in which the securities issued by Repsol and/or its subsidiaries are traded. Except to the extent required by applicable law, Repsol assumes no obligation - even when new information is published, or new facts are produced - to publicly report the updating or revision of these forward-looking statements.

This document mentions resources which do not constitute proved reserves and will be recognized as such when they comply with the formal conditions required by the system “SPE/WPC/AAPG/SPEE Petroleum Resources Management System” (SPE-PRMS) (SPE – Society of Pretroleum Engineers).

In October 2015, the European Securities Markets Authority (ESMA) published its Guidelines on Alternative Performance Measures (APMs). The guidelines apply to regulated information published on or after 3 July 2016. The information and breakdowns relative to the APMs used in this presentation are updated quarterly on Repsol´s website.

This document does not constitute an offer or invitation to purchase or subscribe securities, pursuant to the provisions of the Royal Legislative Decree 4/2015 of the 23rd of October approving the recast text of the Spanish Securities Market Law and its implementing regulations. In addition, this document does not constitute an offer to purchase, sell, or exchange, neither a request for an offer of purchase, sale or exchange of securities in any other jurisdiction.

The information contained in the document has not been verified or revised by the Auditors of Repsol.

# Multi-energy provider

**550 Kboe/d**

Production

**1,909 Mbep**

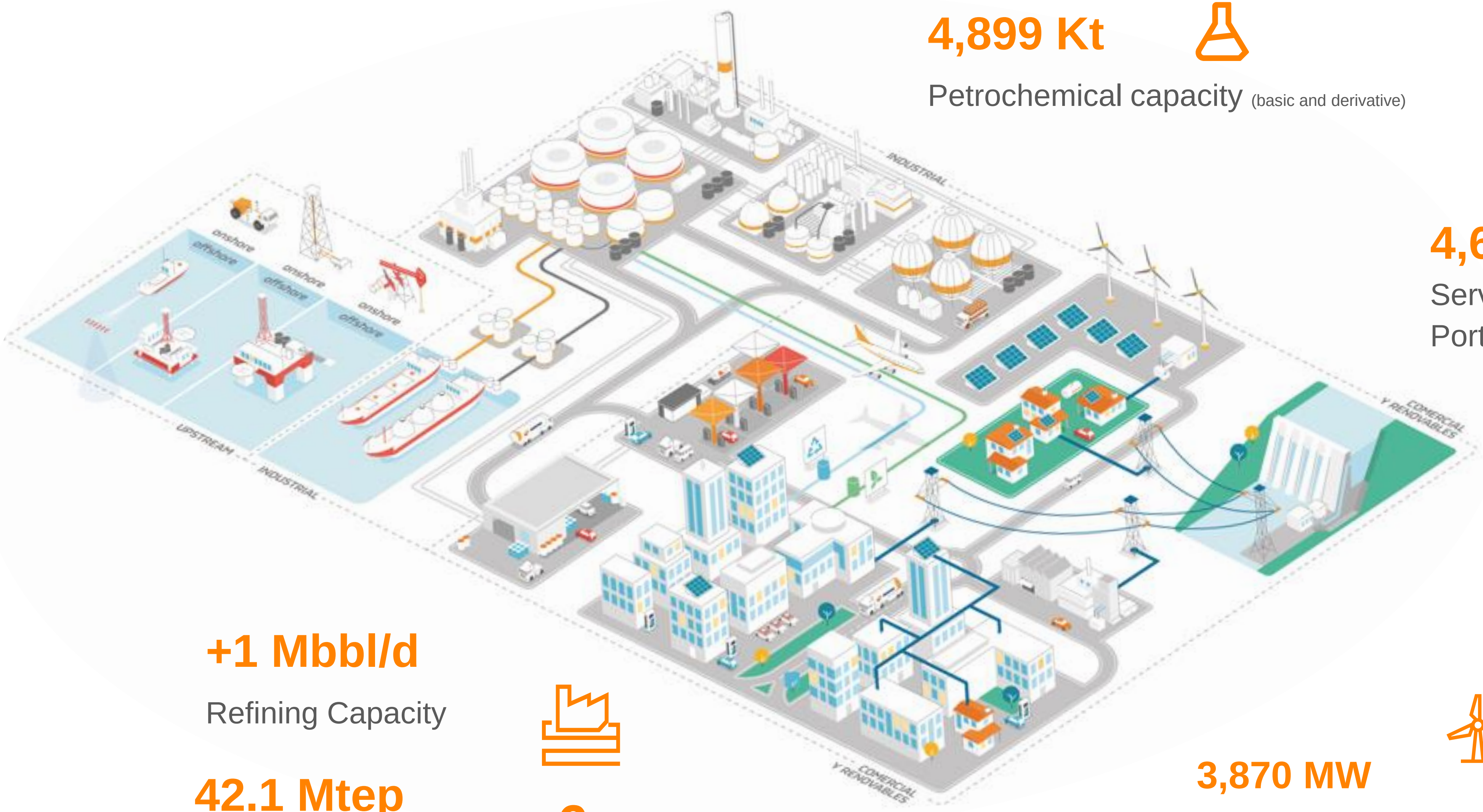
Proved Reserves

**24 M**

Clients

**5.5 M** digital

**1.5 M** in gas and power




**4,899 Kt**

Petrochemical capacity (basic and derivative)

**4,651**

Services Stations in Spain, Portugal, Peru and Mexico

**+1,000**

Recharging points

**+1 Mbbl/d**

Refining Capacity

**42.1 Mtep**

Processed Crude

**6** Refineries

**3,870 MW**

Power generation capacity

**1,645 MW**

Renewable generation

Note: data end 2022

# Index



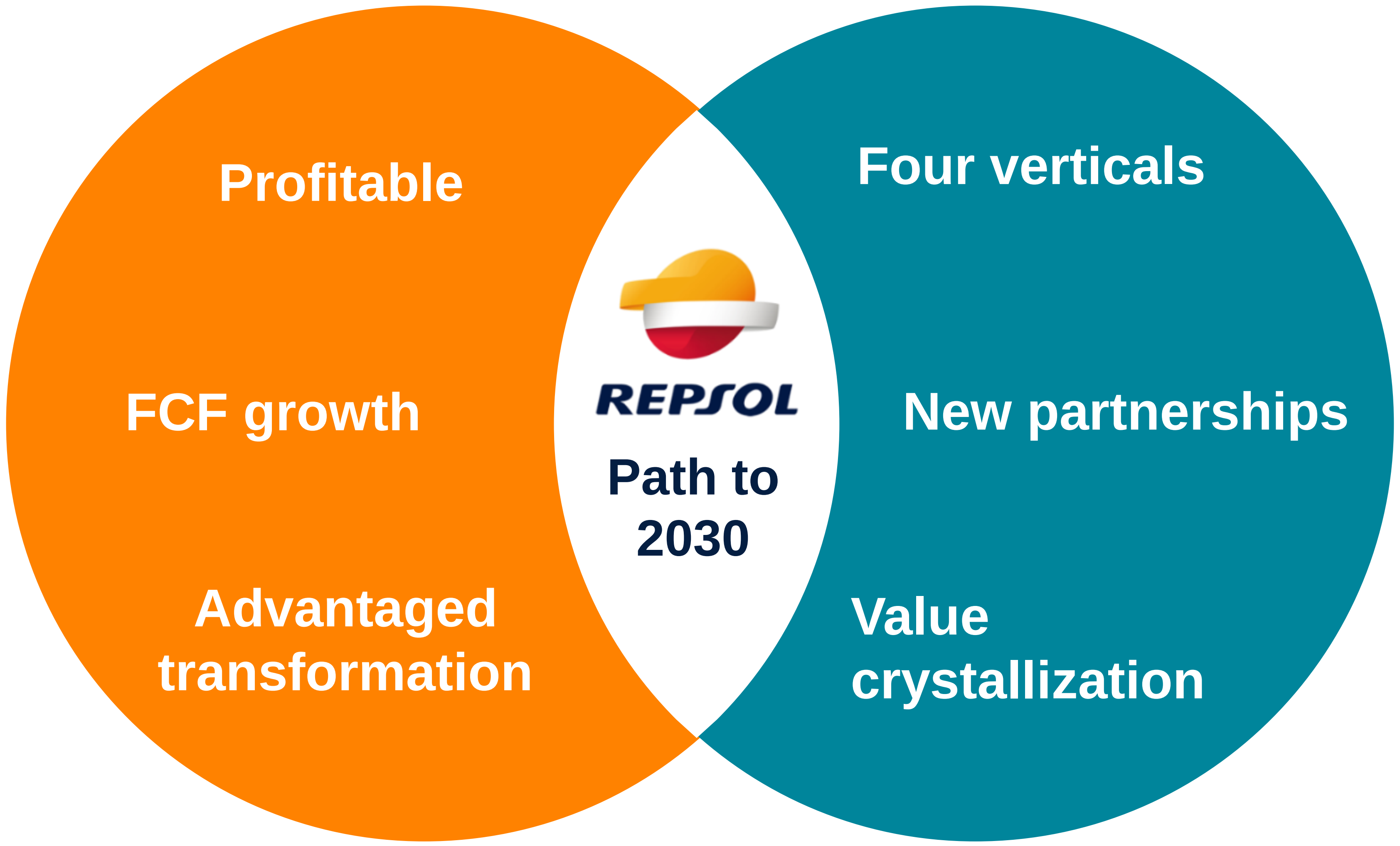
# Path to 2030

01.

# Ambitious transformation journey to thrive in Energy Transition

## De-carbonize the portfolio

## New operating model




**Towards Net Zero emissions**

**Leading investor proposition**

# Decarbonization is an opportunity to build business platforms as technology evolves

2020-2025 | 2025-2030 | +2030

## Industrial transformation
- Advanced biofuels, biogas and recycling
- Renewable hydrogen
- Synthetic fuels (e-fuels)

## Renewable generation
- Hybrid plants
- Stationary energy storage

## Customer-centric businesses
- Low carbon power retail + Energy Solutions
- Dual-platform advanced mobility

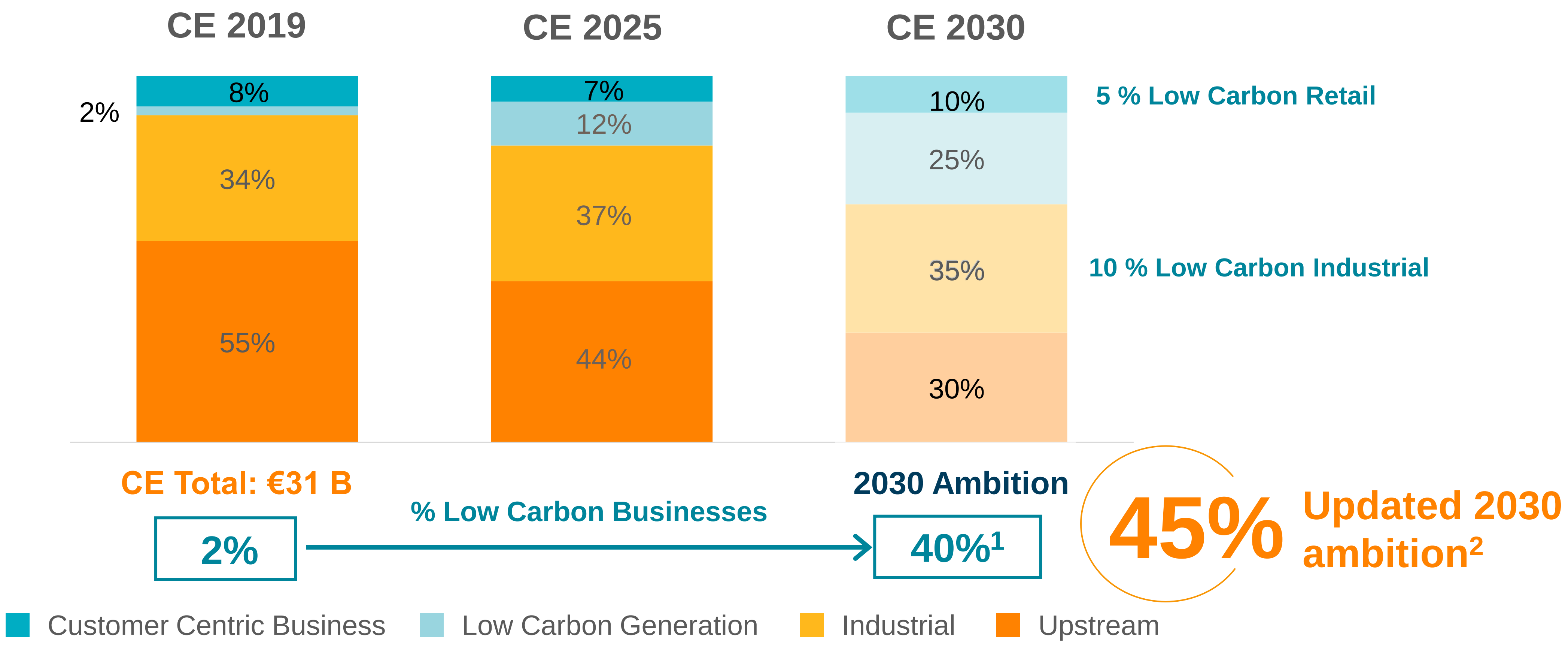
## Carbon sinks
- Natural Climate Solutions[1]
- Carbon Capture Utilization & Storage

1. Forestry JV Repsol Fundación Sylvestris

# Repsol 2030: A more sustainable, balanced and profitable company

REPSOL

## **Transforming** the company's portfolio




**2030 Repsol's Low Carbon business: ~45% of CE[2]**

1. Increase in low carbon CE through investments in low carbon generation, new industrial low carbon platforms (circularity, $H_2$ & e-fuels, etc.), decarbonization through efficiency initiatives, e-mobility, and value-added services, among others
2. The Capital Employed in Low Carbon Businesses by 2030 increases to 45% from the original SP objective of 40%   3. In homogeneous price basis @$50/bbl & $2.5 HH

Note: CE of RES considering consolidation by the proportional method. Capital employed figures not including Corporation (€2 B in 2019)

# Strategy 2021-25:

# 02.

# Delivering financial targets while transforming the company

Ambition 21-25

## 2021 - 2022


- Efficiency & capital discipline
- Capex reduction
- Prudent financial policy and commitment with current credit rating

## 2023 - 2025


- Portfolio optimization & new business platforms
- Metrics growth & high Capex intensity
- ROCE and gearing

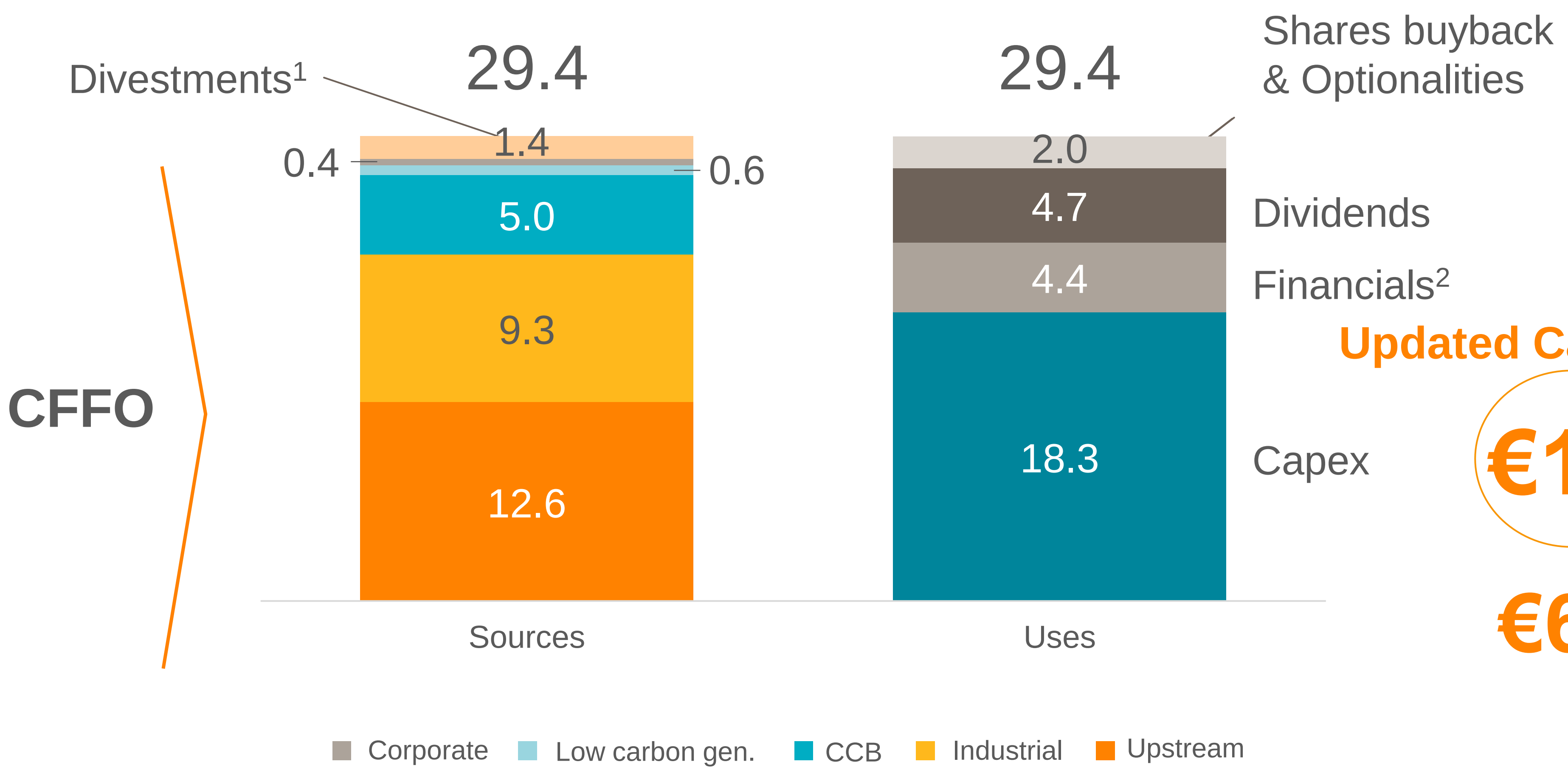
**Self-financed plan @$50/bbl & $2.5 HH**

Ensuring shareholder value maximization

# Self-financed plan

Cash generation

## Cumulative sources and uses of cash, 2021-2025 (B€)




**Updated Capex 2021-2025[3]**

**€19 B**

**€6.5 B** **Capex to Low Carbon[4]**

## 2021-2025 B-even post-dividends ($/bbl)

**$50/bbl**

FCF BE
(inc. SBB)

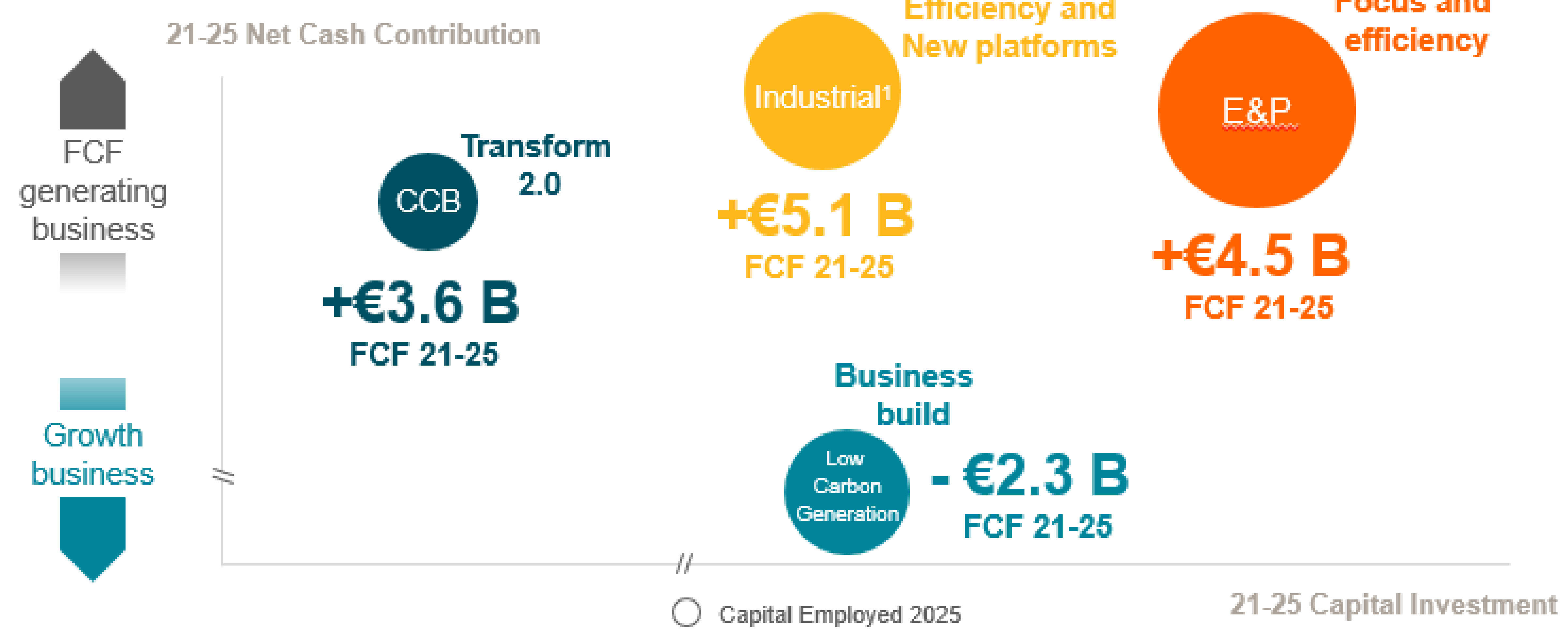
**< $45/bbl**

FCF BE
pre-SBB

1. Includes RES portfolio divestments. Other potential inorganic transactions driven by new corporate model, are not included in this Sources and Uses of cash.
2. Includes interests and others as dividend to minority shareholders and hybrid bond interests
3. €1 B low carbon capex increase over the original objective in the Strategic Plan
4. The total capex in low carbon projects increases to ~€6.5 in 2021-2025 from the original SP objective of €5.5 B. The share of low carbon capex over the total company investment in 2021-2025 increases to 35% from the original SP objective of 30%

# Legacy and new businesses driving portfolio performance along the Transition

## Contribution to portfolio financial profile 21-25




## Contribution to carbon intensity reduction

*Low carbon strategies*

CIRCULAR ECONOMY

LOW CARBON PRODUCTS

PORTFOLIO DECARBONIZE

CUSTOMER CENTRIC

LOW CARBON GENERATION

1. Industrial includes Refining Spain and Peru R&M, Chemicals, Trading & Wholesale Gas businesses

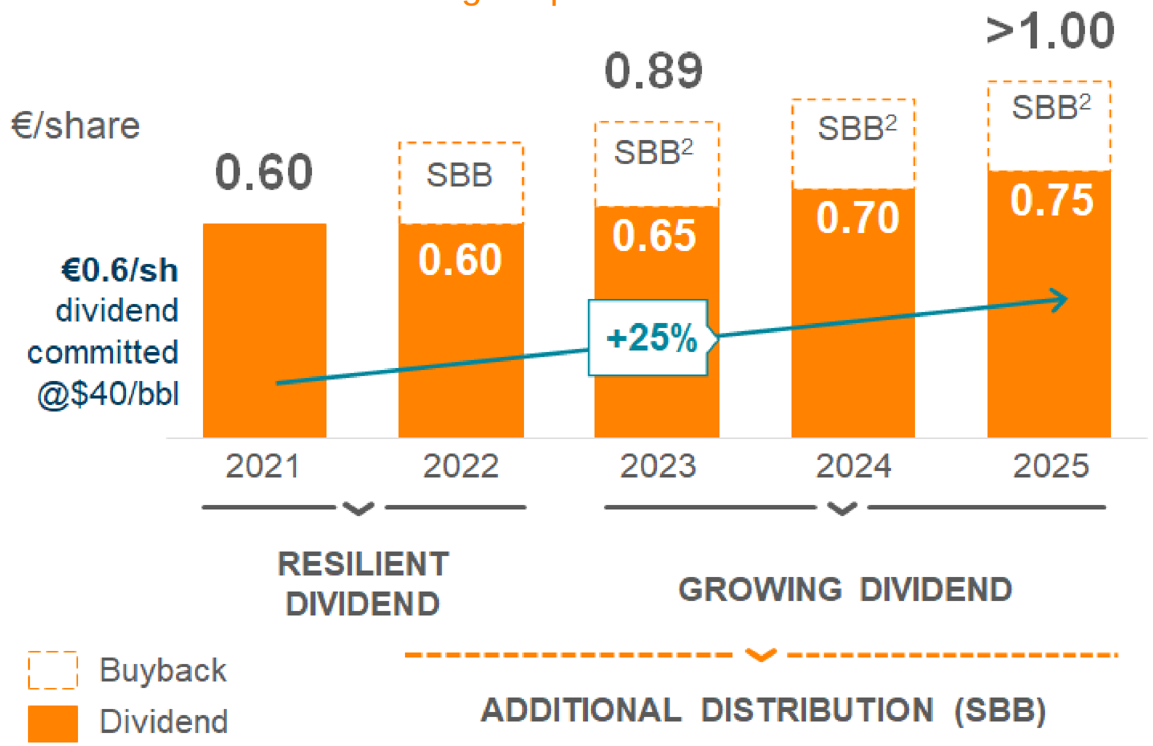
Note: Corporate values not considered

# Leading distribution and clear capital allocation framework

Capital allocation 21-25

## Resilient shareholder remuneration

| | 2022 | 2023 |
|---|---|---|
| Capital reduction | 200 M shares[1] 100% SBB expected in SP | 50 M shares[4] before end July'23 |
| Dividend | €0.63 +5% vs original plan | €0.70 +11% vs 2022[3] |




Original SP 21-25

## Capital allocation priorities

If Price deck improves
- 4 Extra shareholder distribution
- 3 Additional Low carbon CAPEX

At base case
- 2 Shareholder distribution
- 1 Value CAPEX

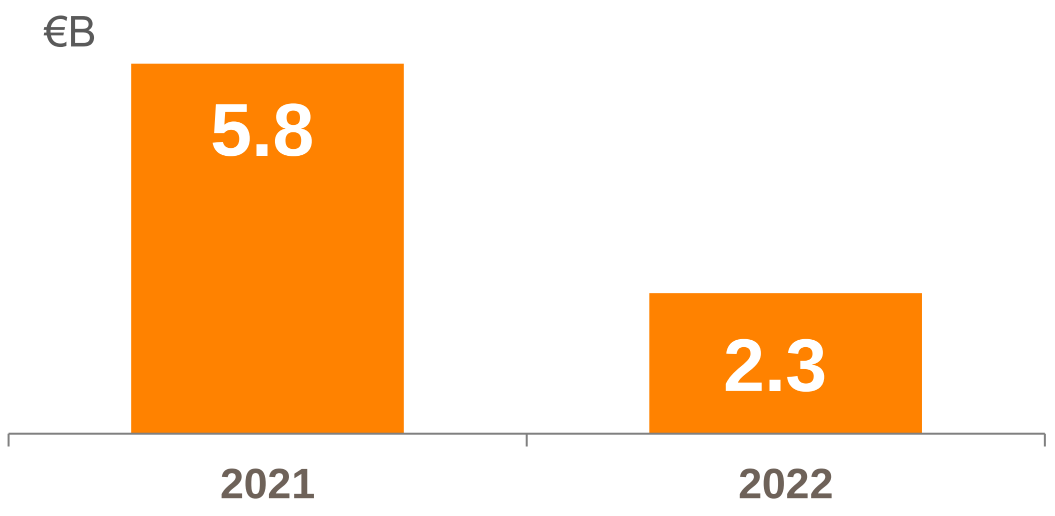
If Price deck worsens
- 0 CAPEX flexibility

FINANCIAL DISCIPLINE

1) 200 M shares redeemed in 2022, representing 13% of share capital at the beginning of 2022. 100% SBB expected in SP 2021-25
2) The SBB in 2023-25 period will depend on the CFFO generated
3) Expected dividend in 2023
4) New SBB program for up to 35 million shares and intention of cancelling 50 million shares before the end of July (35 million shares through the SBB program and another 15 million shares coming from treasury stock position).

# Preserving strong financial structure

## Net debt[1] evolution




1. Includes leases

| | | |
|---|---|---|
| S&P Global Ratings | BBB+<br>Stable Outlook | Last affirmation<br>*November 16, 2022* |
| Fitch Ratings | BBB<br>Positive Outlook | Last affirmation<br>*October 11, 2022* |
| Moody's | Baa1<br>Stable Outlook | Last affirmation<br>*December 20, 2022* |

**Solid investment grade supported by Rating Agencies**

S&P upgraded Repsol rating from BBB to BBB+ in November 2022 and Moody's from Baa2 to Baa1 in December 2022

# Business strategies

# 03.

# Setting the new business priorities

**Upstream**

**Yield and Focus**

**Industrial**



**Yield and New Platforms**

**Customer-centric**




**Yield and Transformation**

**Low-carbon generation**




**Business Build**

# Repsol E&P priorities 2021-25

REPSOL

## 1 FCF as a priority (Leading FCF B-even)

- FCF breakeven <$40/bbl
- Low capital intensity and flexibility
- Generate €4.5 B FCF @$50/bbl & $2.5 HH
- -15% OPEX reduction

## 2 Resilient Value delivery

- Top leading project profitability
- Short pay-back
- Digital program
- Reduction of -30% G&A

## 3 Focused portfolio

- Value over volume
  - Flexible production level (~620 kboed 2021-25)
  - <14 countries
- Leaner and focused exploration

## 4 Tier 1 $CO_2$ emissions

- Emissions intensity reduction of 75%
- Streamlining to a leaner upstream portfolio
- Decline/exit of carbon intensive and non-core assets

**Building optionality and strategic flexibility**

# Focus portfolio and capex allocation: Playing to our core areas

Upstream

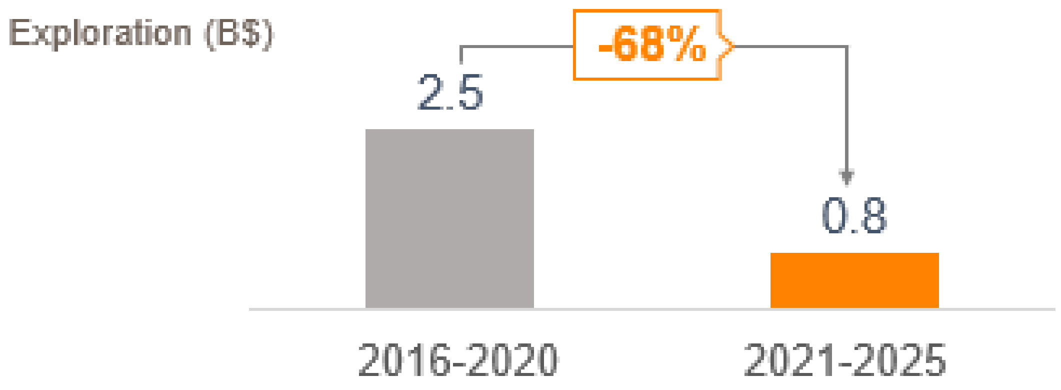
## Portfolio span reduction → from >25 to <14 countries ambition


## Highly selective new exploration strategy

### Successful track record discovering additional resources in productive basins recently

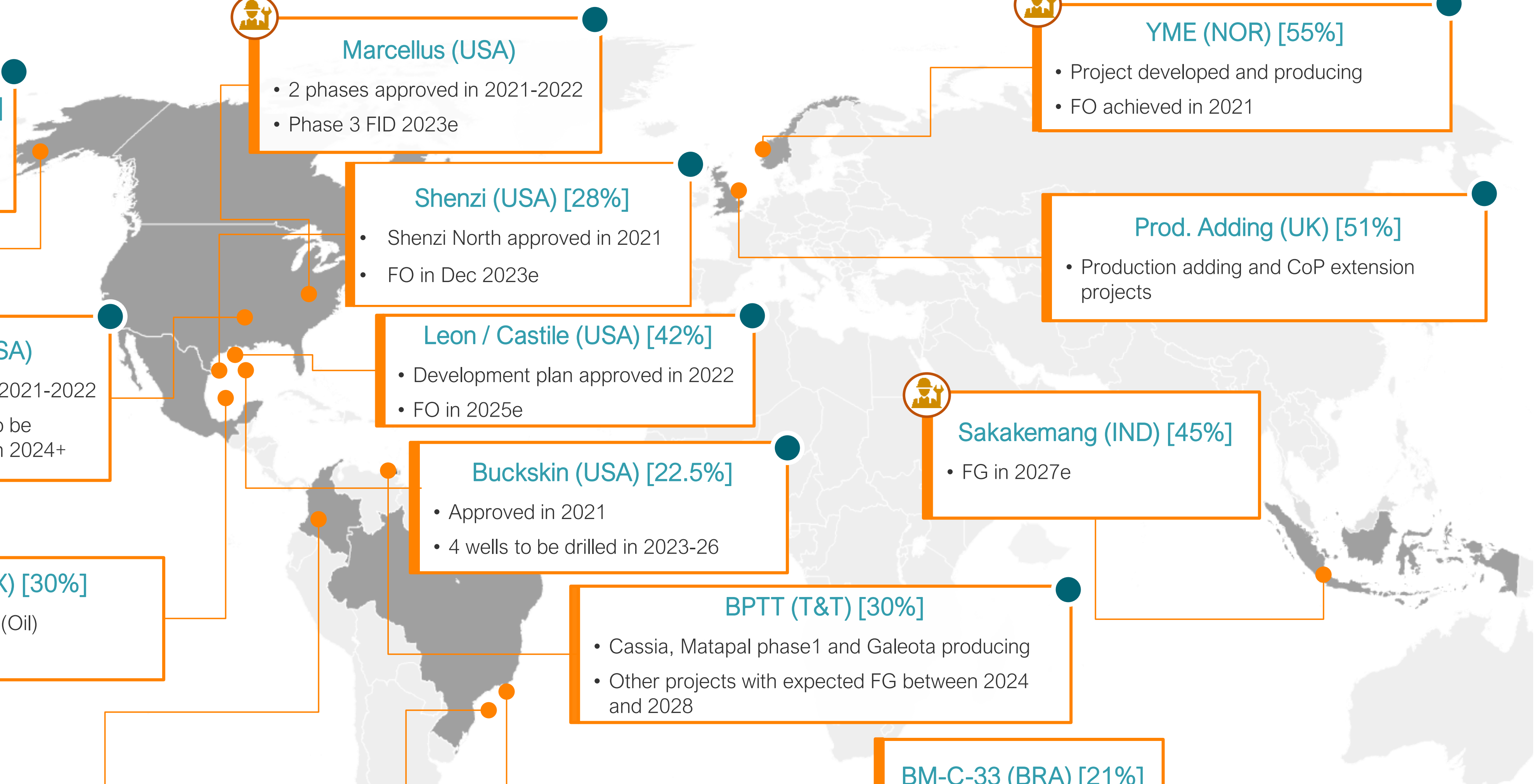
- Alaska North Slope: Horseshoe Mitquq/Stirrup
- US GoM: Black-tip/Monument
- Mex GoM: Polok/Chinwol
- Colombia Llanos: Lorito
- S. Sumatra: Sakakemang

### Renewed strategy. Leaner and focused on productive basins, to shorten the cycle



# Progress in key projects to support future production

## Upstream



**Alaska Pikka (USA) [49%]**
- Phase 1 FID taken 2022
- FO in 2026e

**Marcellus (USA)**
- 2 phases approved in 2021-2022
- Phase 3 FID 2023e

**YME (NOR) [55%]**
- Project developed and producing
- FO achieved in 2021

**Shenzi (USA) [28%]**
- Shenzi North approved in 2021
- FO in Dec 2023e

**Prod. Adding (UK) [51%]**
- Production adding and CoP extension projects

**Eagle Ford (USA)**
- 3 phases approved in 2021-2022
- Remaining inventory to be developed in phases in 2024+

**Leon / Castile (USA) [42%]**
- Development plan approved in 2022
- FO in 2025e

**Sakakemang (IND) [45%]**
- FG in 2027e

**Buckskin (USA) [22.5%]**
- Approved in 2021
- 4 wells to be drilled in 2023-26

**Block 29 (MEX) [30%]**
- 2 discoveries in Polok (Oil)
- FO in 2026e

**BPTT (T&T) [30%]**
- Cassia, Matapal phase1 and Galeota producing
- Other projects with expected FG between 2024 and 2028

**BM-C-33 (BRA) [21%]**
- FG in 2027e

**Akacías (COL) [45%]**
- Full field Development ongoing.16 wells in 2022
- 2023+: 20 new producers, 9 water injection wells
- CPF 50 kbp/d starting on 2024

**Lapa SW (BRA) [15%]**
- FID taken in 2022
- FO in 2025e

FID taken

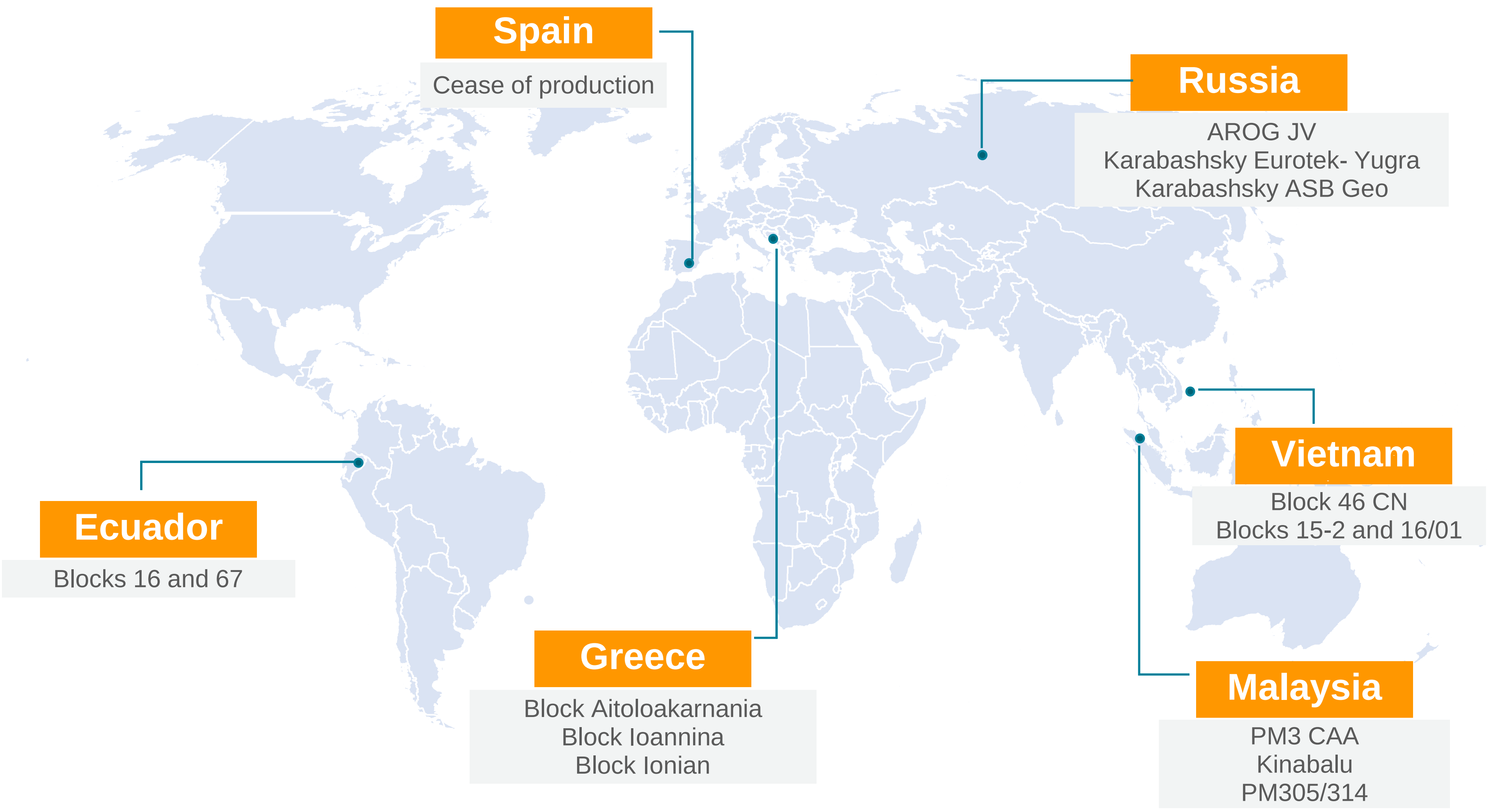
Operated

[Repsol's Working Interest]

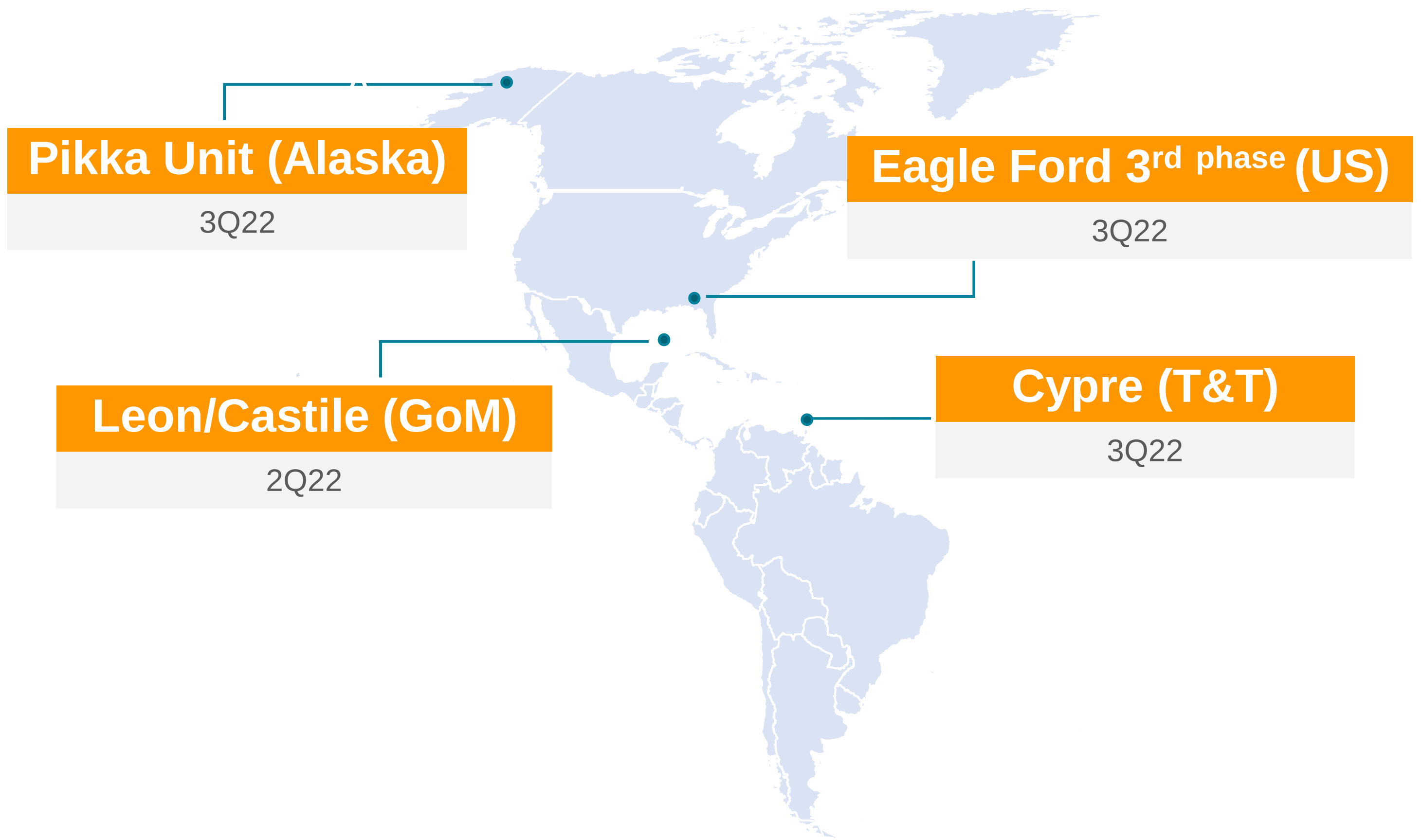
# Progressing in portfolio rationalization and FIDs

Upstream

## Portfolio rationalization




## FIDs 2022




**Completed the exit from Upstream operations in six countries**

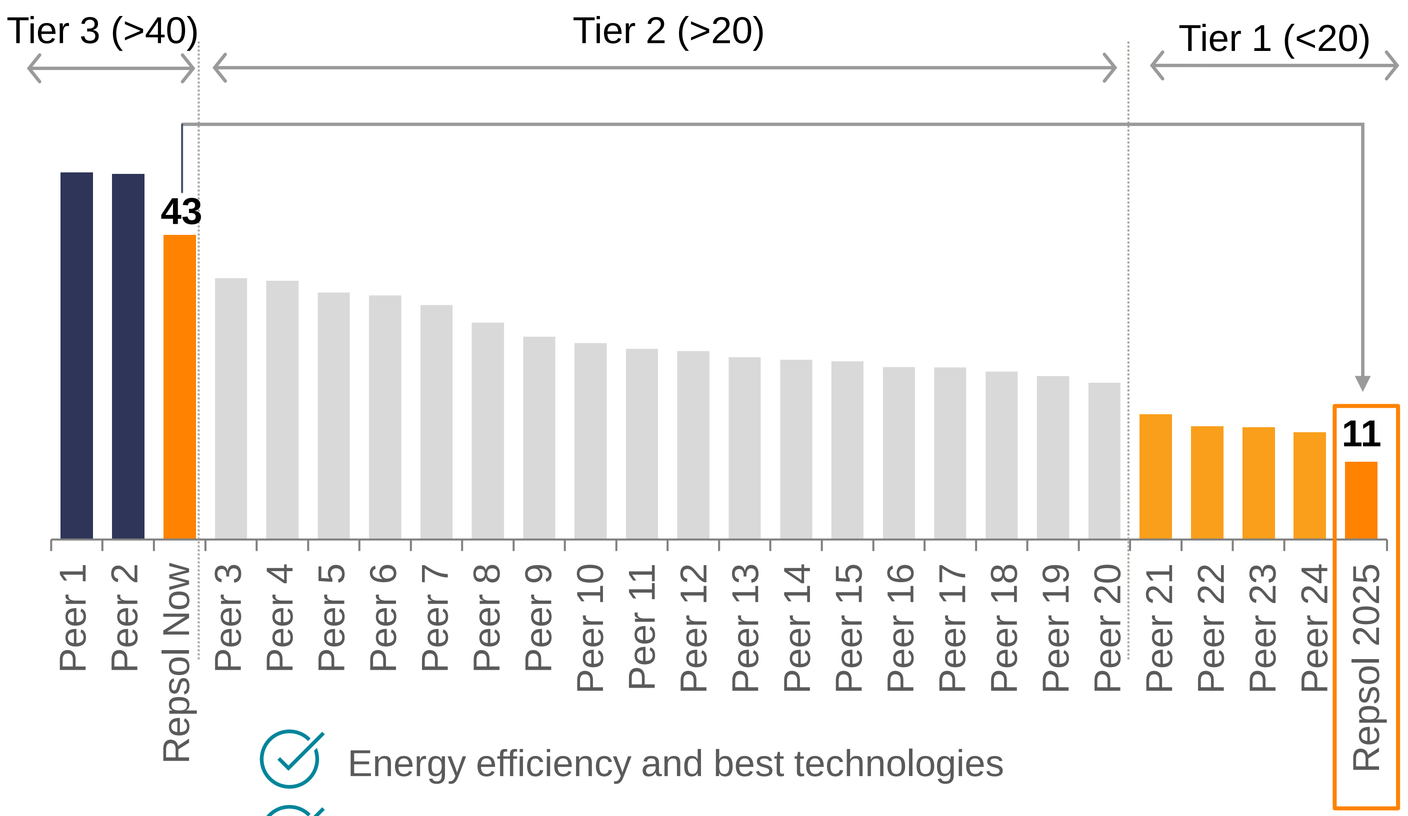
Includes transactions completed in 2021 and 1Q22

# High grading portfolio supporting carbon intensity reduction

Upstream

## Repsol to become tier 1 lowest carbon intensity with a 75% reduction

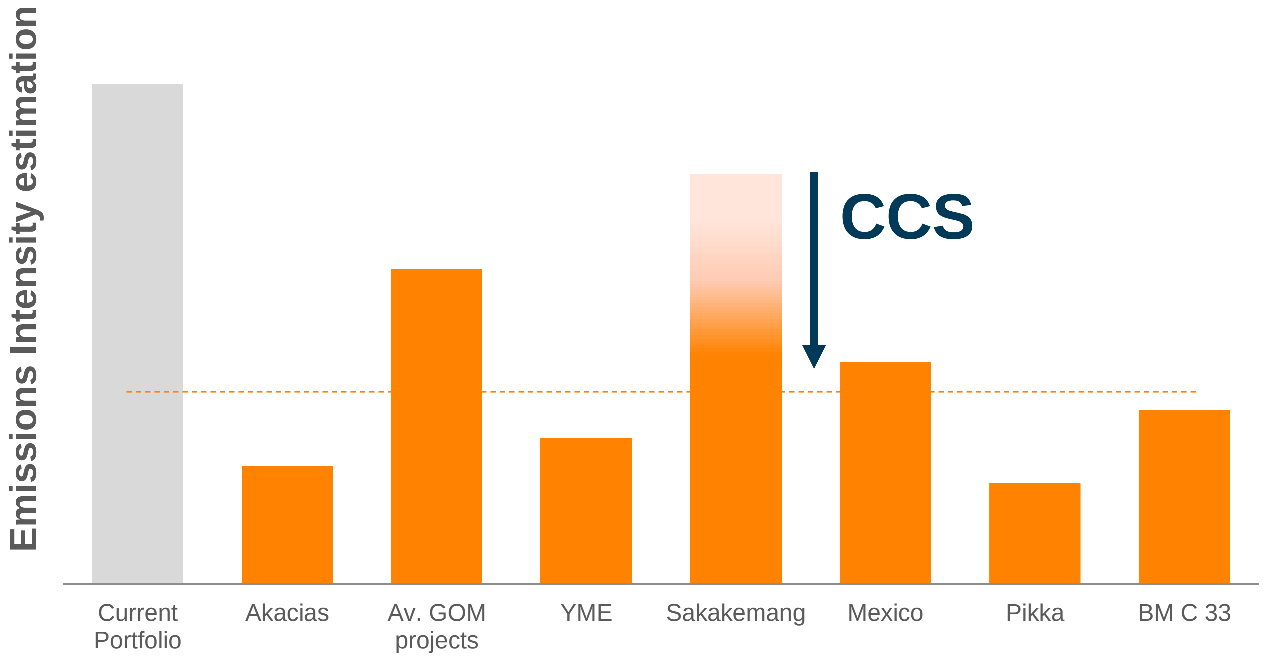
Emissions intensity per barrel produced (kg$CO_2$/boe)




- Energy efficiency and best technologies
- Decline/exit of carbon intenisve and non-core assets

## High growth new barrels with lower emission intensity

New production pushes down emissions intensity



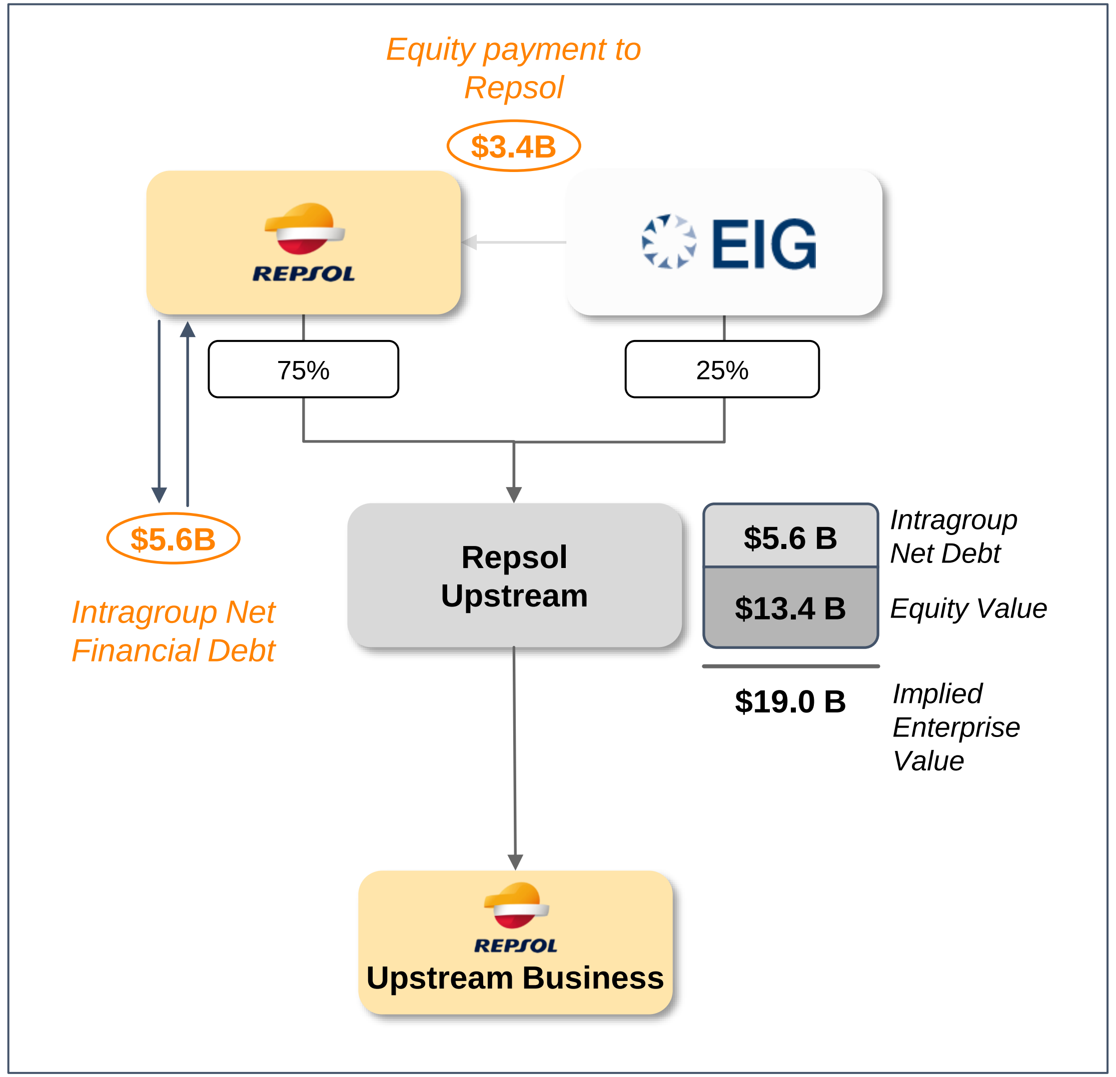

## Emissions reduction projects in most intensive assets

**Sakakemang:**
CCS project in FFD phase with 1.5-2 Mt $CO_2$ per year captured and a total investment of €247 M

Note: The peers considered on the above chart are Eni, Gazprom, BHP, Conoco, Petronas, Hess, Anadarko, Exxon, Woodside, Equinor, CNPC, Total, Occidental, Kosmos, Marathon, CNOOC, Shell, OMV, Chevron, Petrobras, BP, Rosneft, Noble, Apache. 2019 Data
Source: Wood Mackenzie Emissions Benchmarking Tool

# EIG's acquisition of 25% Repsol Upstream equity stake for $3.4 B

Value crystallization through partnerships




## Transaction structure

**Enterprise Value for Repsol Upstream of $19.0 B**

- Net Financial Debt **$5.6 B**
- **$13.4 B** resulting Equity value

**EIG's acquisition of 25% Working Interest** in Repsol Upstream for **$4.8 B**

- **$3.4 B** Common equity
- **$1.4 B** Net Financial Debt

**Price Structure**

- 70% upfront payment on completion
- 30% to be paid in three equal annual instalments over a three-year period

## Governance

**No change of control**

- Repsol remains the controlling shareholder and, as such, retains control over the operations
- The vehicle remains part of the Repsol Group and is consolidated, from an accounting perspective, by the global integration method

**Board: 8 Directors**

- 4 Repsol + 2 EIG + 2 Independents
- Repsol retains the Chairman with casting vote

# Setting the new business priorities

## Upstream



**Yield and Focus**

## Industrial

**Yield and New Platforms**

## Customer-centric




**Yield and Transformation**

## Low-carbon generation




**Business Build**

# Maximizing yield and developing the next wave of profitable growth

Industrial Strategy 2021-25

| | Refining[1] | Chemicals | Trading |
|---|---|---|---|
| **1 Yield** Cash generation in a complex environment | – Net Cash Margin 1Q Solomon and Wood Mackenzie<br>– **Advantaged position**<br>– Enhancing competitiveness and **operational performance** | – **Differentiation** with high value products<br>– **Growth** in incoming opportunities<br>– **Feedstock flexibility:** 60% LPGs to crackers vs 25% EU average | – **Maximize the integration** and value from assets<br>– Incremental **growth in key products and markets** |
| **2 Digitalization** *Industry 4.0 driving integration & improved decision making* | – **Automated** and self-learning **plant optimization** based on real-time data<br>– **Enhance asset availability** to maximize output and optimize maintenance costs (-5% by 2025)<br>– **Integrating value chain management** through planning models based on AI and machine learning<br>– **Smart energy optimizers** to reduce consumption and GHG emissions (-0.1 Mt $CO_2$) | | |
| **3 New platforms** | – Leadership in **new low-carbon businesses** (hydrogen, waste to x, etc.) | – **Circular platforms** (recycling and chemicals from waste) | – **Grow in low carbon businesses** (biogas/biofuels, $CO_2$, etc.) |

1. Includes Spain and Peru R&M

# Transformation of our sites into multi-energy hubs

Low Carbon Products

## 1.9 GWeq

Increased renewable $H_2$ ambition by 2030

- **+40% increased 2025 ambition to 0.55 GWeq**
- **+60% increased 2030 ambition to 1.9 GWeq**
- Three-way route: electrolysis, biomethane and photo electrocatalysis (long-term)
- E-fuels demo plant underway
- 2.5 MW electrolyzer in Petronor by 2022

## 2 Mton

Low carbon fuels[1] by 2030

- **1.3 Mton of low carbon fuels to 2025**
- **Advanced HVO, the best option to comply with the legislation and grow in biofuels generating value**
- First biofuels marketer in Spain
- Multi-technology and raw material approach

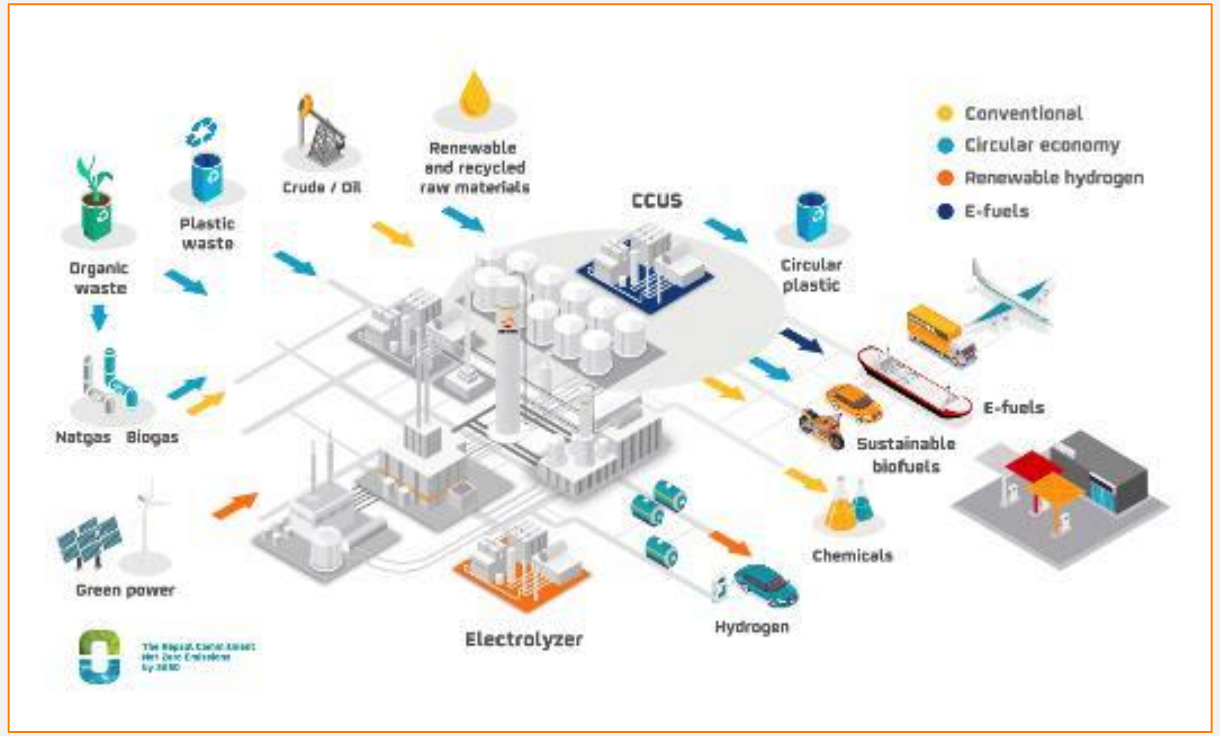
## +20%

Recycled polyolefins by 2030

- **10% recycled polyolefins by 2025**
- Chemical and mechanical recycling

**Maximizing Value through partnerships**

### Multi-energy hubs that fit into a more sustainable future




1. Considering gross capacity of projects developed by 2030

# Ambition to become a leader in renewable $H_2$ in the Iberian Peninsula

Renewable Hydrogen

## Multi-technology approach

providing flexibility,
and optimizing production

**Electrolysis**

**Biomethane**
in existing SMRs[1]

**Photoelectrocatalysis**
proprietary technology

## Largest $H_2$ consumer (72%) and producer in Spain

Privileged integrated position allowing **arbitrage between self-consumption and other final uses**

**Transportation and e-fuel**
leveraging SSs

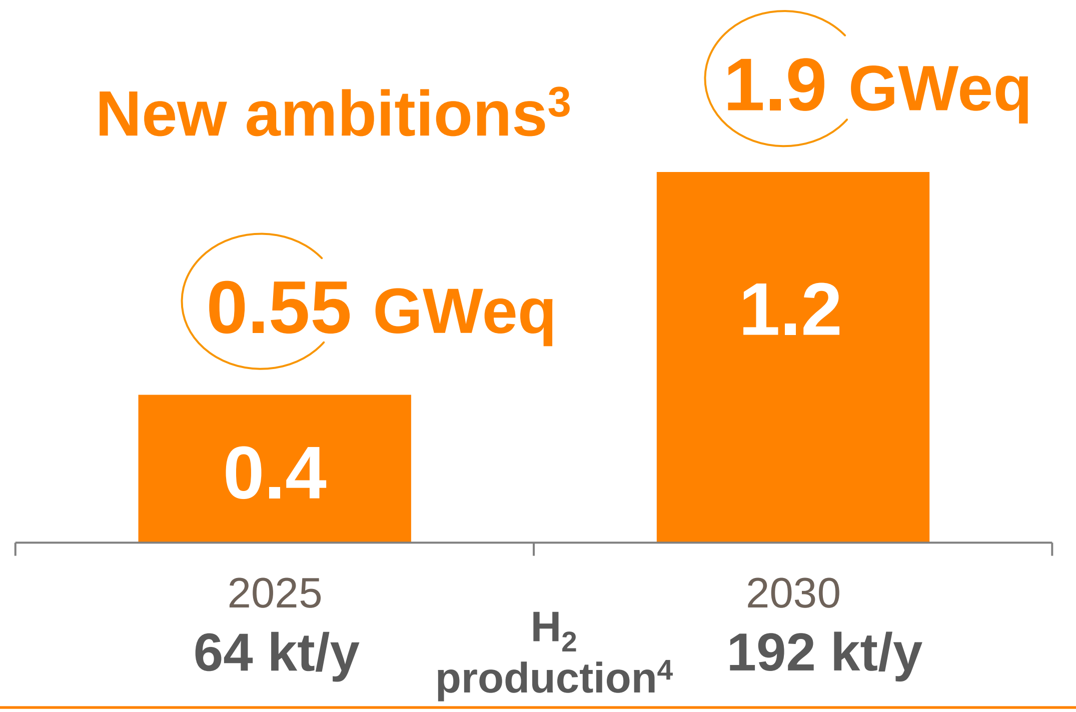
**Industrial feedstock**
to other players

**Gas network injection**
blended with gas for residential and industrial use

**Electricity storage**
for flexible power generation

## Clear ambition[2] to become Iberian leader

**Renewable $H_2$ capacity** under development [GWeq]




**Repsol to become an active $H_2$ player**
across uses, and a strategic partner to develop the Government ambition

1. Steam reformer 2. Repsol's hydrogen ambition conditioned to access to regulatory changes and availability of EU recovery funds Plan
3. Renewable H2 ambition increased in October 2021 from 0.4 to 0.55 GWeq in 2025 and from 1.2 to 1.9 GWeq in 2030 4.Considering a ratio of 0.02 t/h per MW and 8,000 hours of operation per year based on Repsol's past projects

# Repsol becoming an advantaged producer of low carbon fuels

Low carbon fuels

## Repsol best positioned for sustainable biofuels production

Already a leading biofuels producer, and **first biofuels marketer in Spain** (66% share)

Leveraging our **tier one industrial sites** to produce biofuels in own facilities through modifications of current units
- **Lower Capex**: <€500/t in existing plants (vs. >€1000/t of peer's new plants)

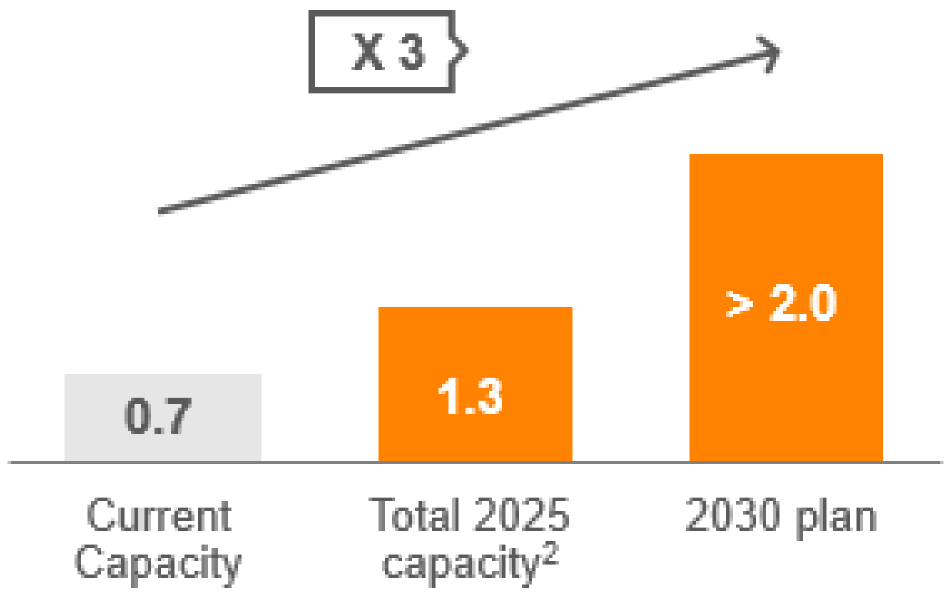
Average projects **IRR >15%**

**Positioning, scale and relevance** of our industrial hubs key to secure feedstock

## Reaching > 2 Mta of low carbon fuels in 2030[1]

**Low carbon fuels gross production (Mta)**

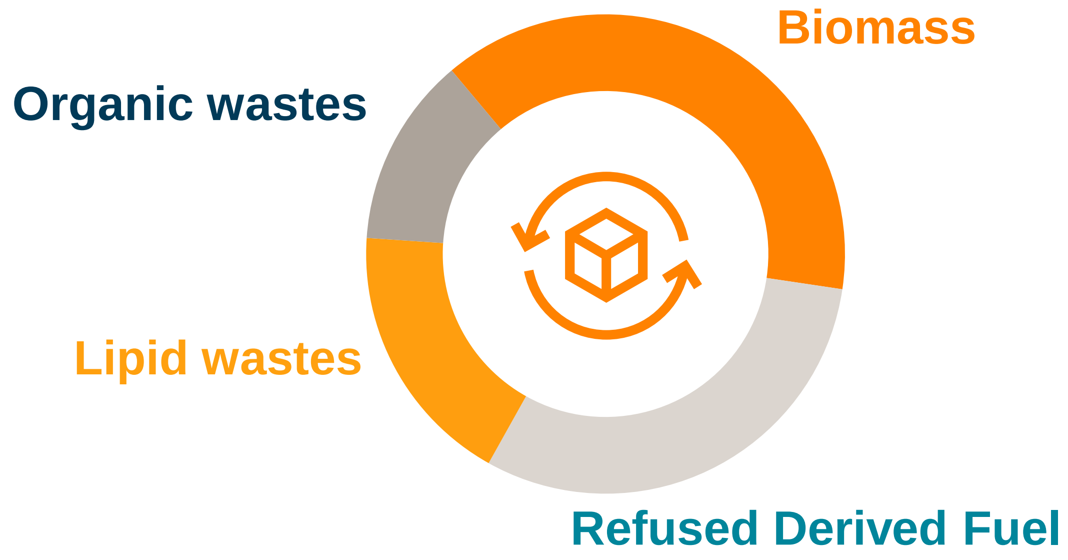
**Updated ambition: from 600kt of HVO to >2 Mt of low carbon fuels**




Repsol with a **leading sustainable biofuels ambition**

## With a multi-technology and raw material approach

**Use of wastes as feedstock**




- **> 65% of biofuels produced from waste** by 2030 (up to 100% potentially to satisfy market or regulation demands)
- Large **availability of required feedstock with flexibility** between alternatives
- **~4 Mt of waste[3]** to be used as raw materials by 2030

1. Gross volumes 2. Expected capacity of sustainable biofuels by 2025 includes: 700 kt/y from current existing capacity, 250 kt/y capacity from the advanced biofuels plant in Cartagena, 130 kt/y capacity from a gasification plant to produce methanol and ~300 kt/y capacity through modifications in existing units. 3. Gross volume. It includes Repsol's whole circular strategy: biofuels, circular chemical products and plastics and biogas production

# 25/25 decarbonization program with strong contribution to margin improvement and $CO_2$ reduction

REPSOL

## Maximizing **energy efficiency** with attractive returns

Adopting **best-in-class technologies**

Exploration of **energy use opportunities** and **utilities optimization**

**Digitalization** of operations and integration with AI

**Industrial energy efficiency 2021-2025**

**>20%** estimated IRR

**-0.8 Mt** $CO_2$ reduction[1]

**€0.4 B** Total Capex

**>200** Initiatives identified

## **New low carbon business** selected projects

| Project | Investment | Capacity | |
|---|---|---|---|
| **C43: Waste & UCOs treatment plant**<br>Advanced HVO plant - **Reducing 900 kt/y $CO_2$ emissions** | €188 M | 250 kta<br>300 kta | Sustainable biofuels<br>From waste per year<br>**Cartagena** |
| **Chemicals circularity**<br>– Zero project: chemical recycling of used plastics<br>– Reciclex project: mechanical recycling of polyolefins | €70 M | 74 kta | Circular polyolefins[2]<br>**Puertollano** |
| **Biogas generation plant from urban waste**<br>**Biogas** to substitute traditional fuel consumption | €20 M | 10 kta | Urban waste<br>**Petronor** |
| **Net zero emissions fuel plant**<br>**E-fuel production** from renewable hydrogen (electrolysis) and $CO_2$ | €60 M | 10 MW | Electrolyzer<br>**Petronor** |

1. Scope 1+2 emissions 2. Recycle 20% equivalent of our polyolefins production by 2030, target to which other technologies will also contribute (e.g. gasification)

# Setting the new business priorities

## Upstream



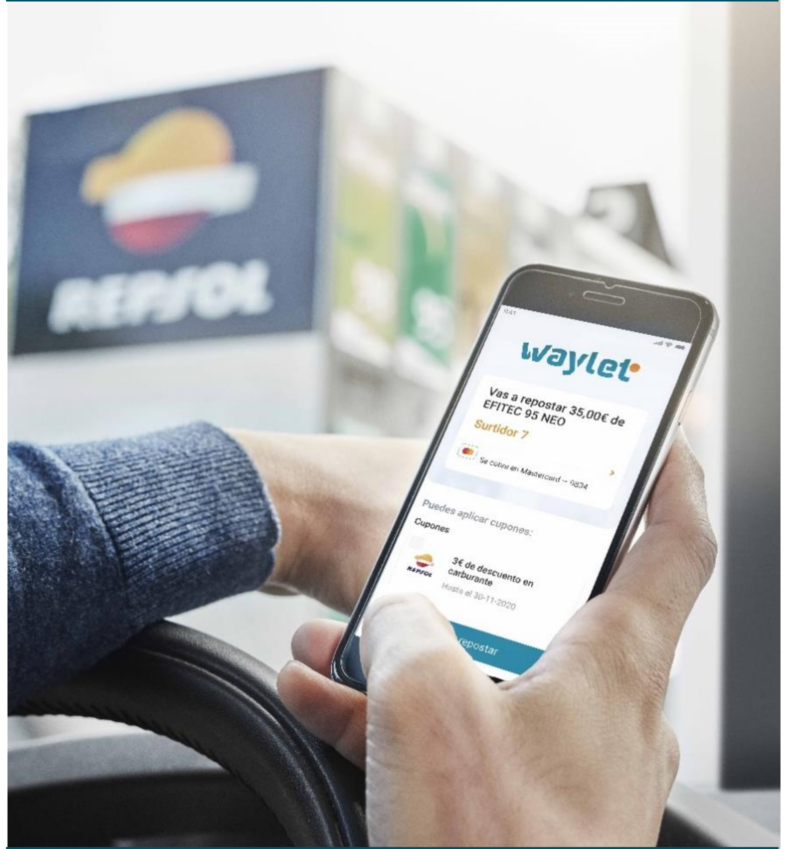
Yield and Focus

## Industrial



Yield and New Platforms

## Customer-centric




Yield and Transformation

## Low-carbon generation




Business Build

# Strong and growing profits and cash generation

Customer-Centric Businesses Strategy 2021-25

## Key foundations

| Longstanding Iberian Energy Leader | Mobility leader in continuous transformation | High-growth power customer business |
|---|---|---|

## Strategic drivers in Energy Transition

### Multi-energy

**Cross-sell** to current customers and channels, adding **new services** (E-Mobility, Energy Services & Advanced mobility services)

### Customer centricity

Roll out the new **transversal loyalty program,** developing engagement with **end customers**

### World-class digital

Expand digit platforms for customer engagement (**Waylet** & **Vivit apps**), with **AI based** personalization and advanced pricing

## Ways of working

More autonomous management, strengthening **entrepreneurship culture**

# Building on our advantages

Customer Centric transformation

## 8 Million
Digital clients by 2025

- **Unique position to serve the multi-energy needs of our customers**
- 5.5 M Waylet by end 2022 (2.8x vs 2020)
- Vivit and Energy Origin launched in 2021
- Launching transversal loyalty program

## +1,000
Public PoR by 2022 in Iberia

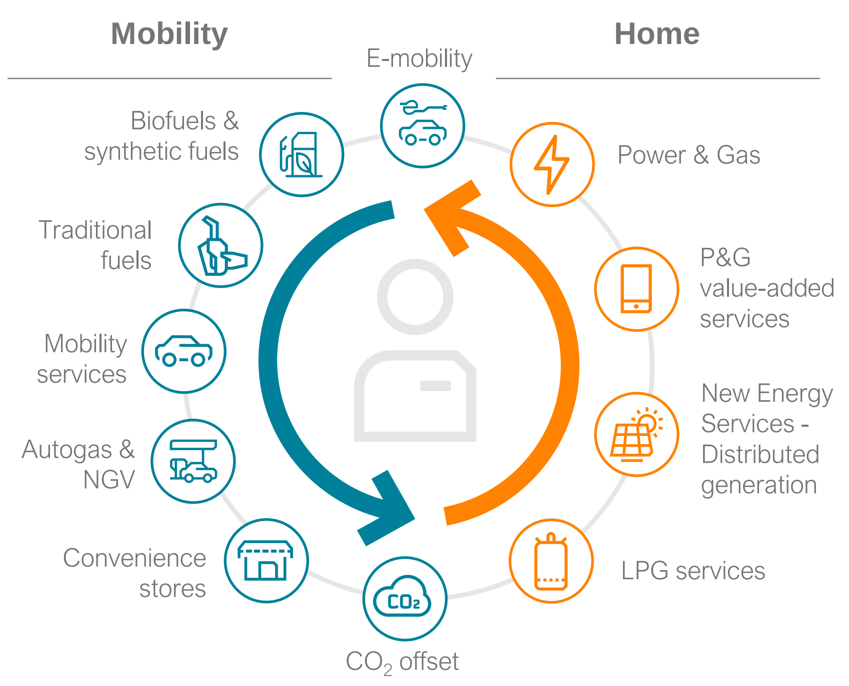
- **Quick chargers every 50 km in Spain by 2022**
- Capex €50 M in Spain
- Ultra / fast charging terminals in premium locations

## 355
Solar communities by end of 2022

- **Innovative solutions for energy generation and optimization, reinforcing a multi-energy offer**
- Solar360: self-consumption
- Solmatch and Ekiluz: communities oriented

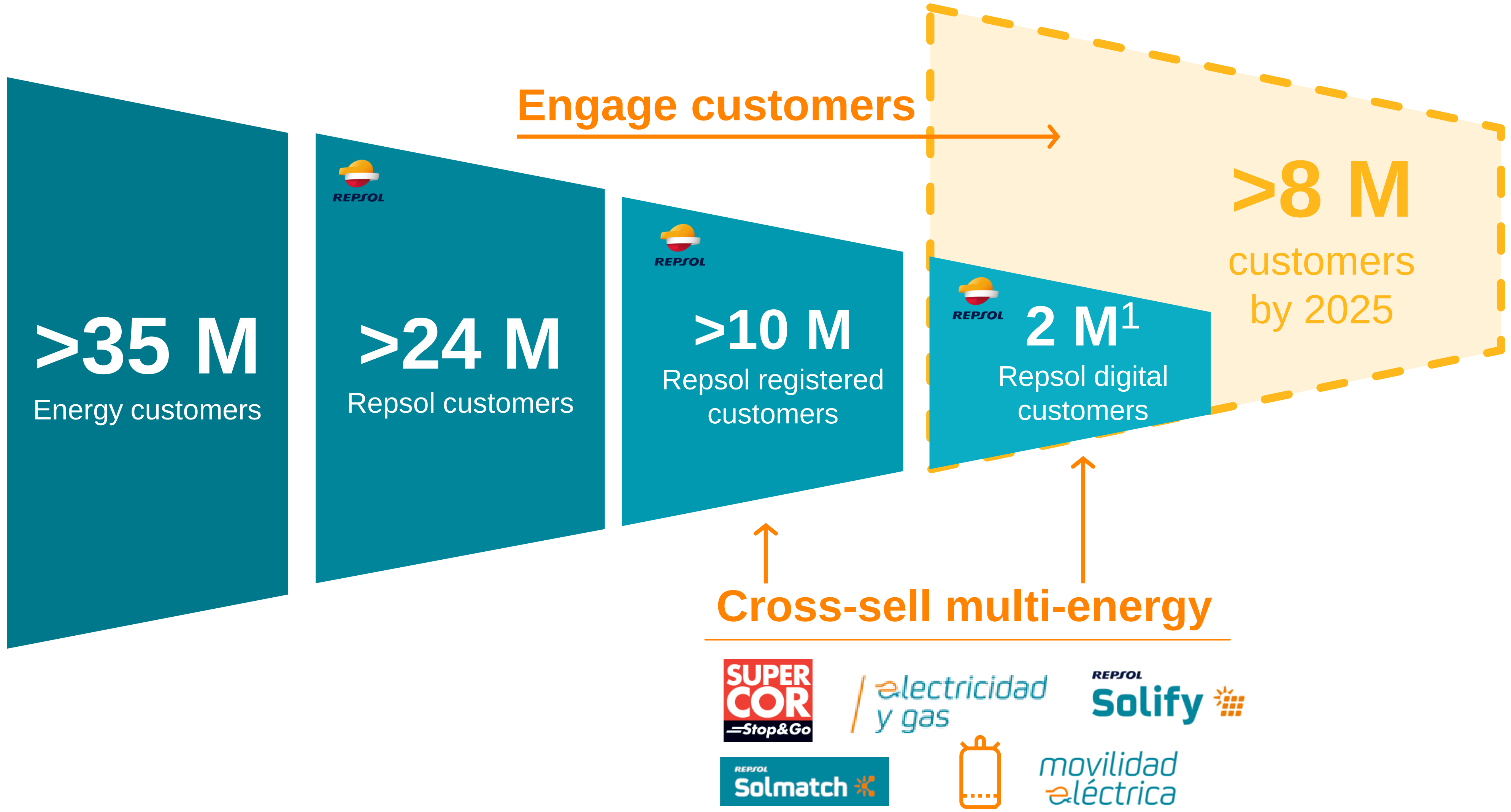
**To drive 1.4x EBITDA by 2025 (vs. 2019)**

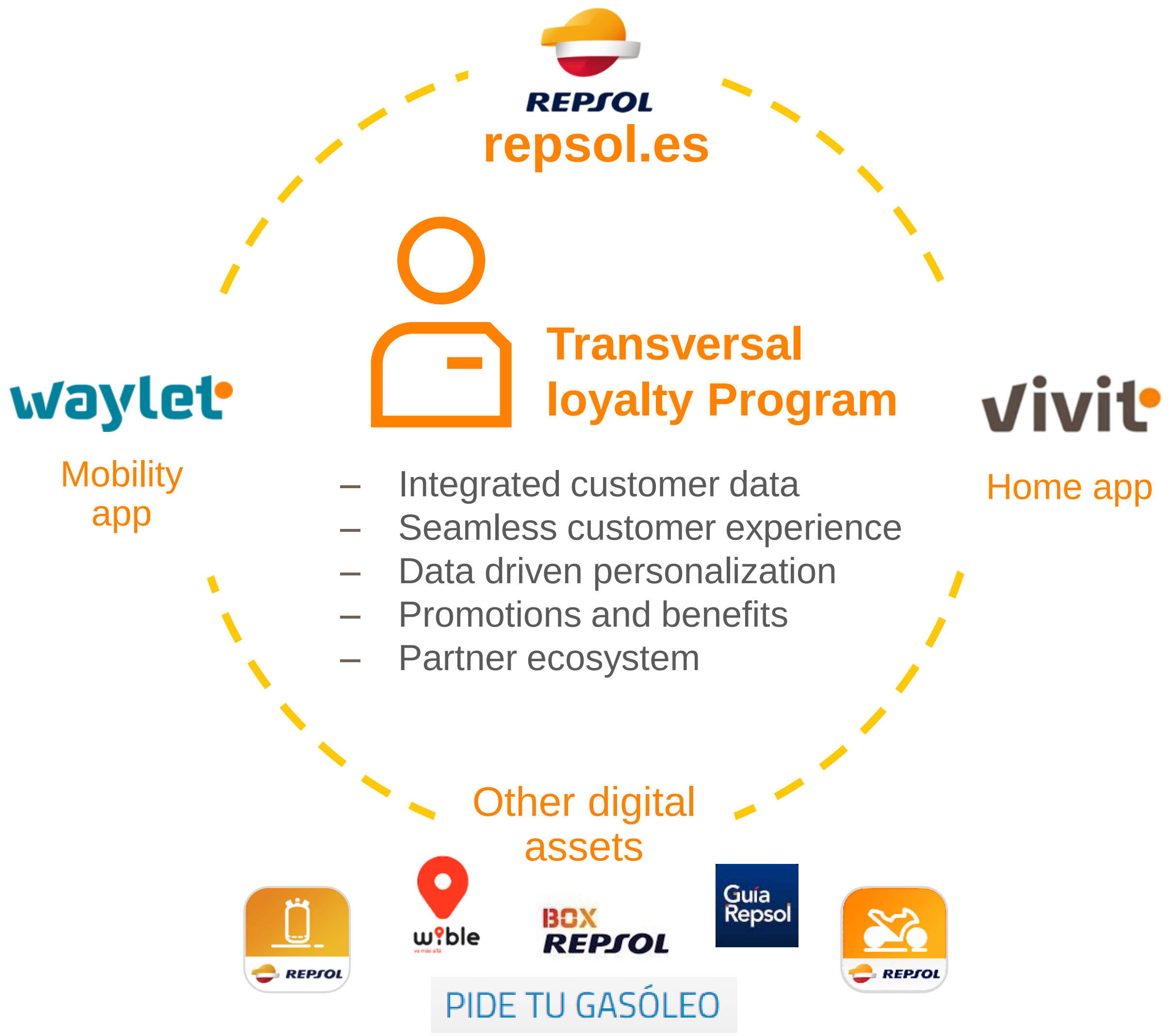
### A differentiated multi-energy customer centric view




Simplifying the net-zero journeys of our customers

# Launching Repsol's Transversal Loyalty Program to orchestrate customer-centric multienergy approach across customer base




1. 5.5 Million clients at the end of 2022

**New transversal loyalty program to reach 8 M customers (100% digital) and generate incremental margin by 2025**

# Repsol to develop widespread, smart, conveniently-located charging network

e-Mobility

REPSOL

2022

Ultra / Fast

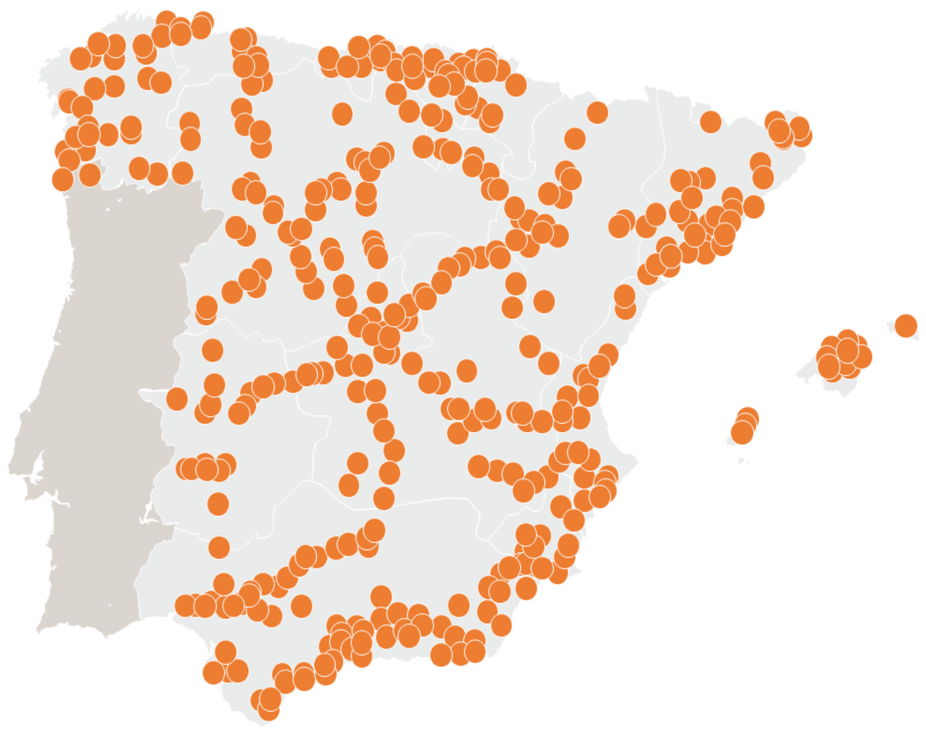
chargers every

50km

+1,000

public chargers

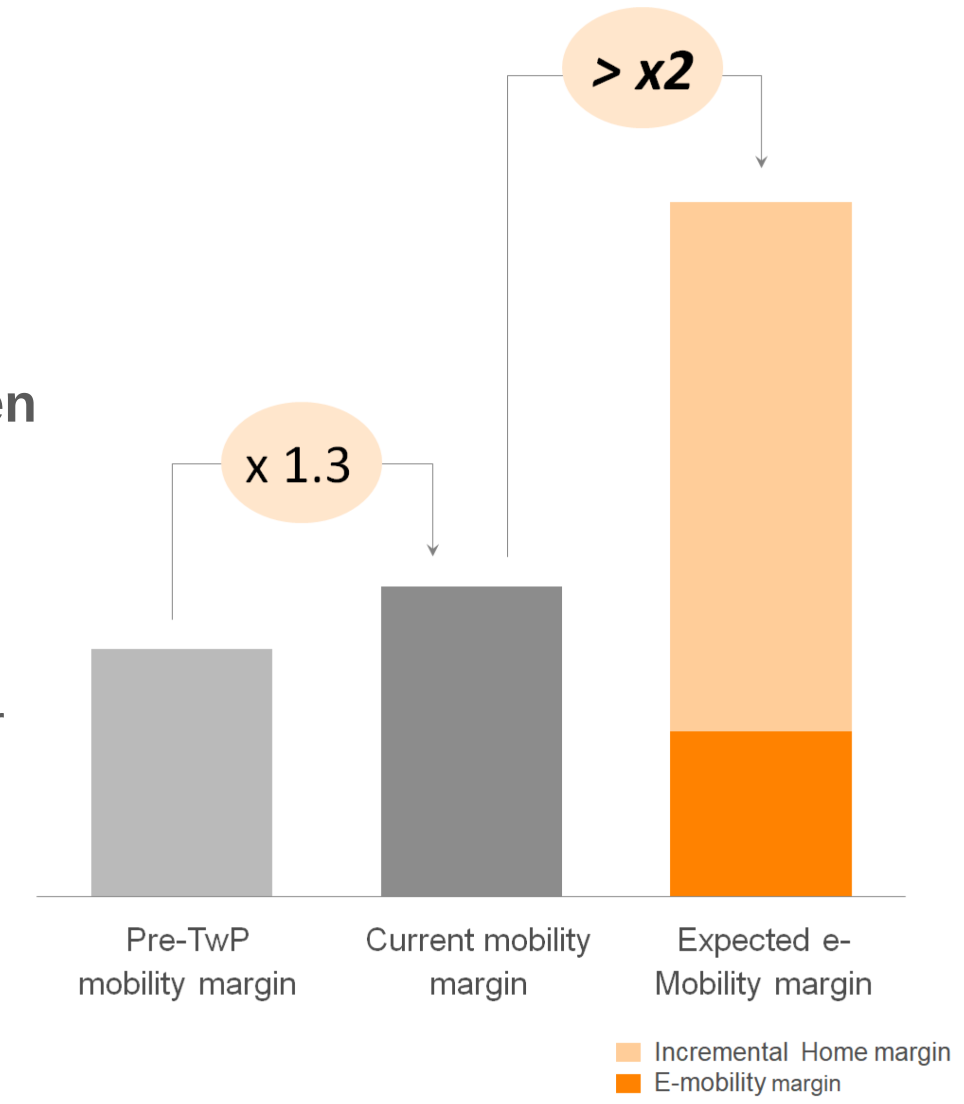
Committed to develop a charging network in Iberia focused in **fast and ultrafast** chargers in main transport corridors



A **very synergistic** business with attractive economics for Repsol

The economics of E-Mobility & home power consumption are **even more attractive for Repsol than those of traditional mobility**

More than double growth in enhancing contribution margin per customer




Contribution margin per customer (€/customer) – Traditional mobility customers vs. E-mobility customers

# Setting the new business priorities

Upstream



Yield and Focus

Industrial



Yield and New Platforms

Customer-centric




Yield and Transformation

Low-carbon generation


Business Build

# Developing a competitive renewable player with international platforms

Low-Carbon Generation

## 20 GW

Increased Renewables capacity by 2030

- **+15% RES ambition to 6 GW (2025)**
- **+60% RES ambition to 20 GW (2030)**
- Hecate optionality: RoFos and takeover
- Balanced technology mix: solar, wind & hydro
- Hybrid projects and storage 4.3 GW pipeline
- Relevant presence in OECD markets

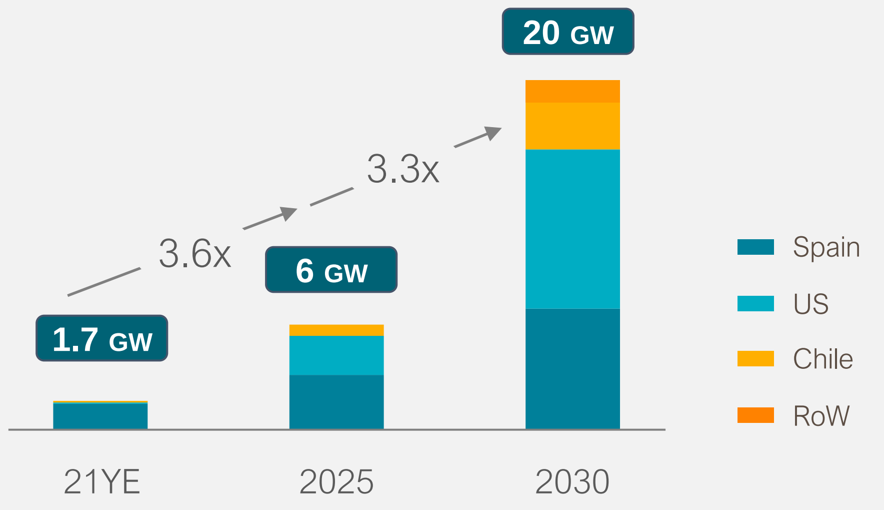
## >10%

Best-in-class Equity IRR

- Capturing full yield of every project phase:
  - Top development and operational capabilities
  - Optimal Structuring and financing
  - Differentiated Energy & risk management
  - Asset rotation of operational assets

**Selectively investing to create value**

**Accelerating our ambitions from a sizeable, tangible and technologically and geographically diversified pipeline of renewable projects**




Notes: assuming Hydro is entirely in Spain and considering 100% in Spain and International (excl. Chile) and 50% JV stake in Chile; US Solar includes Solar PV plus Battery Storage.

# Strong portfolio of advanced stage projects with short term material growth and robust profitability

REPSOL

## Spain

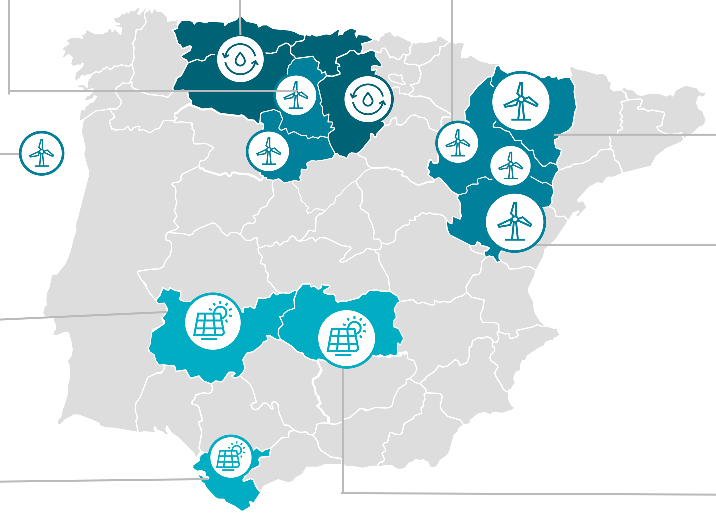
**PI (2 plants)**
Capacity: 175 MWp
Technology:

**Hydroelectric plants**
Capacity: 699 MWp
Technology:

**Delta I**
Capacity: 335 MWp
Technology:

**Additional pipeline**
Capacity: 851 MW[1]
Technology:

**Windfloat (PT)**
Capacity: 5 MWp
Technology:



**Delta II (phase 1)**
Capacity: 253 MWp
Technology:

**Valdesolar**
Capacity: 264 MWp
Technology:

**Delta II (phase 2)**
Capacity: 612 MWp
Technology:

**Sigma**
Capacity: 204 MWp
Technology:

**Kappa**
Capacity: 126 MWp
Technology:

## Chile

**Elena**
Capacity: 270 MWp
Technology:

**Antofagasta**
Capacity: 397 MWp
Technology:

**Cabo Leonés III ph. 1**
Capacity: 39 MWp
Technology:

**Atacama**
Capacity: 90 MWp
Technology:

**Cabo Leonés III ph. 2**
Capacity: 55 MWp
Technology:

Operating | Under construction / secured | High visibility pipeline

Hydro | Solar PV | Wind | Wind & Solar PV

(1) Greenfield projects with interconnection rights, including solar hybridization projects in wind portfolio

# Hecate acquisition

## De-risking the ambition

**The acquisition of a stake in Hecate Energy allows Repsol to create a high growth renewable platform with strong development capabilities in the US**

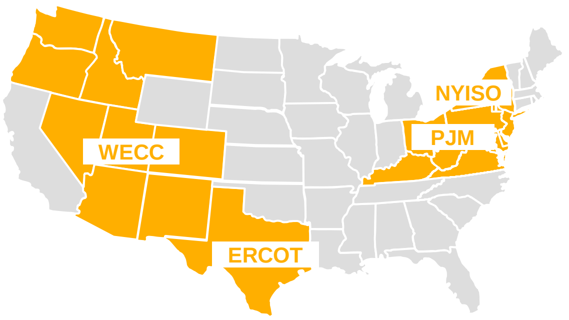
**Minority stake (40%) of Hecate Energy, leading independent developer with a portfolio of more than 40 GW of utility-scale PV solar and battery storage projects in the U.S.**

- One of the largest, and regionally diversified, solar PV portfolios in the U.S.
- 16.8 GW pipeline (Early and mid term projects) and 4.3 GW Storage Capacity through Hecate Grid

**Participation in the development** (being able to influence and decide EPC and PPA before the transfer) **phase while maintaining preferential position to build the Renewable position in the USA**

- Access to Hecate pipeline (at Repsol sole discretion)
- Parallel incorporation of Repsol OpCo to develop, construct and operate new GW in USA
- Potential full acquisition in year 3 at Fair Market Value

**Well-diversified footprint across the most attractive US energy markets…**



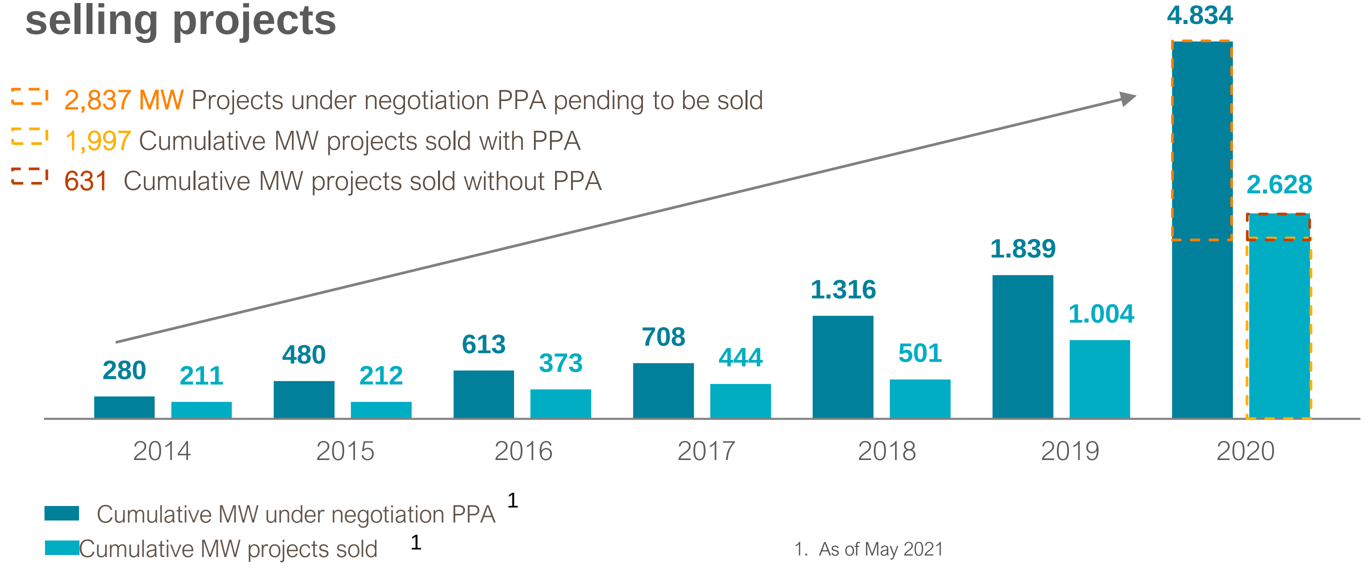

Early and mid term projects

**16.8 GWdc**

**Solar PV** 13.8 GWdc

**Batteries** 3.0 GWdc

**… and a strong track record developing and selling projects**




1. As of May 2021

**Operating**

**Jicarilla 2**

**(62.5 MWdc, Solar - New Mexico)**

**Under construction/Secured**

**Jicarilla 1 Solar + Storage**

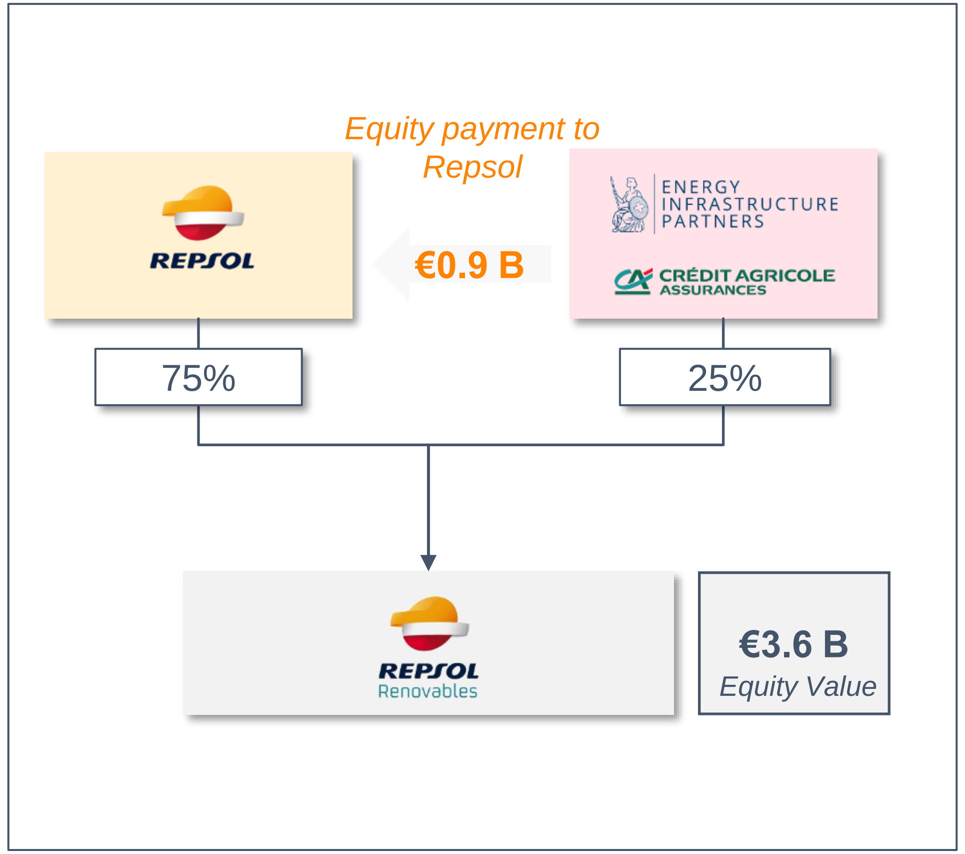
**(62.5 MWdc + 20 MW, Solar+Batteries - New Mexico)**

**Frye**

**(637 MWdc, Solar - Texas)**

# EIP - Crédit Agricole acquisition of 25% Repsol Renovables equity stake for €0.9 B

Value crystallization through partnerships



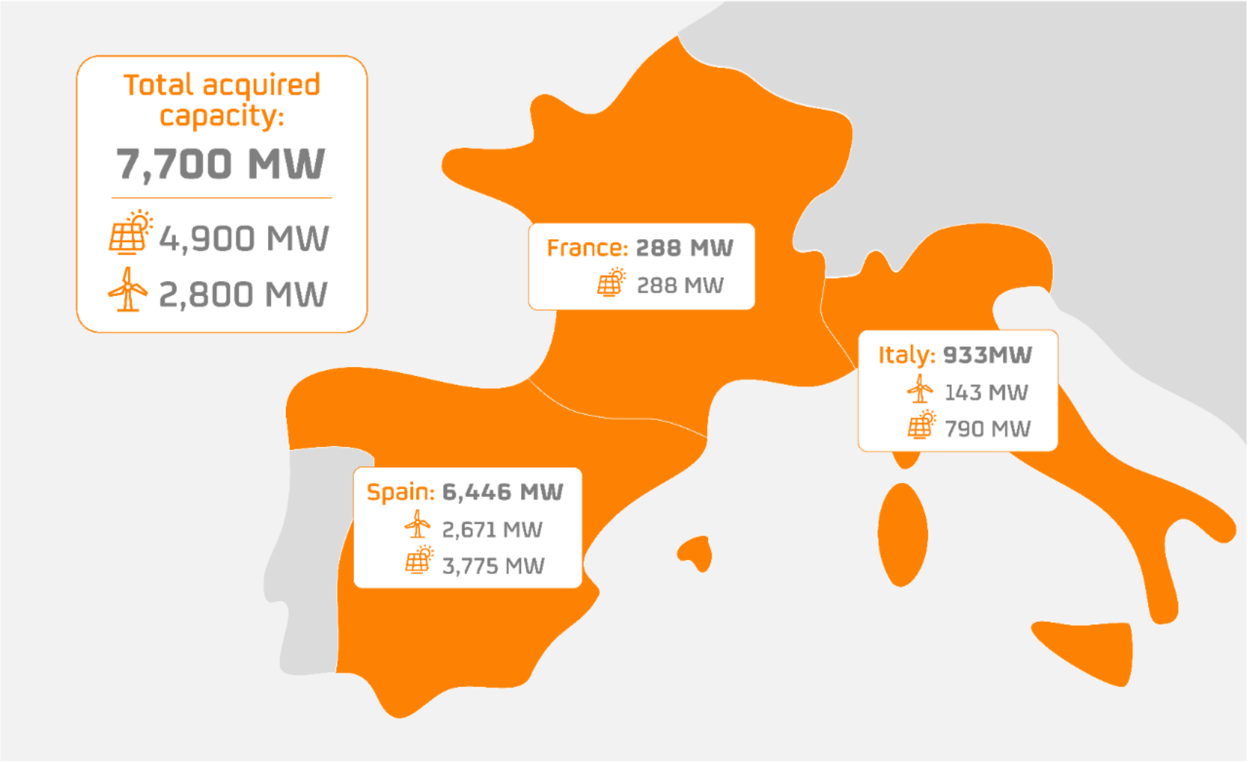

## Transaction Overview

- **Price implies valuing Repsol's renewables business at €4.4 B**, including debt
- **Partnership with reputable, experienced investors specialized in the renewable sector** and with a long-term view
- **Represents a validation of Repsol's strategy in renewables** and reinforces, through investment commitments, the achievement of the objectives set out by the company
- Demonstrates the **strength of the renewables growth model** that Repsol has built in the last three years
- **Delivers stated objectives** to bring in minority partner committed to Repsol's 2025 and 2030 capacity targets
- **Repsol retains control** of the vehicle and consolidation

# Asterion acquisition helps to de-risk 2025 and 2030 capacity addition targets

De-risking the ambition

ASTERION
ENERGIES




**7.7 GW**

**OECD Countries**

**€560 million[1]**

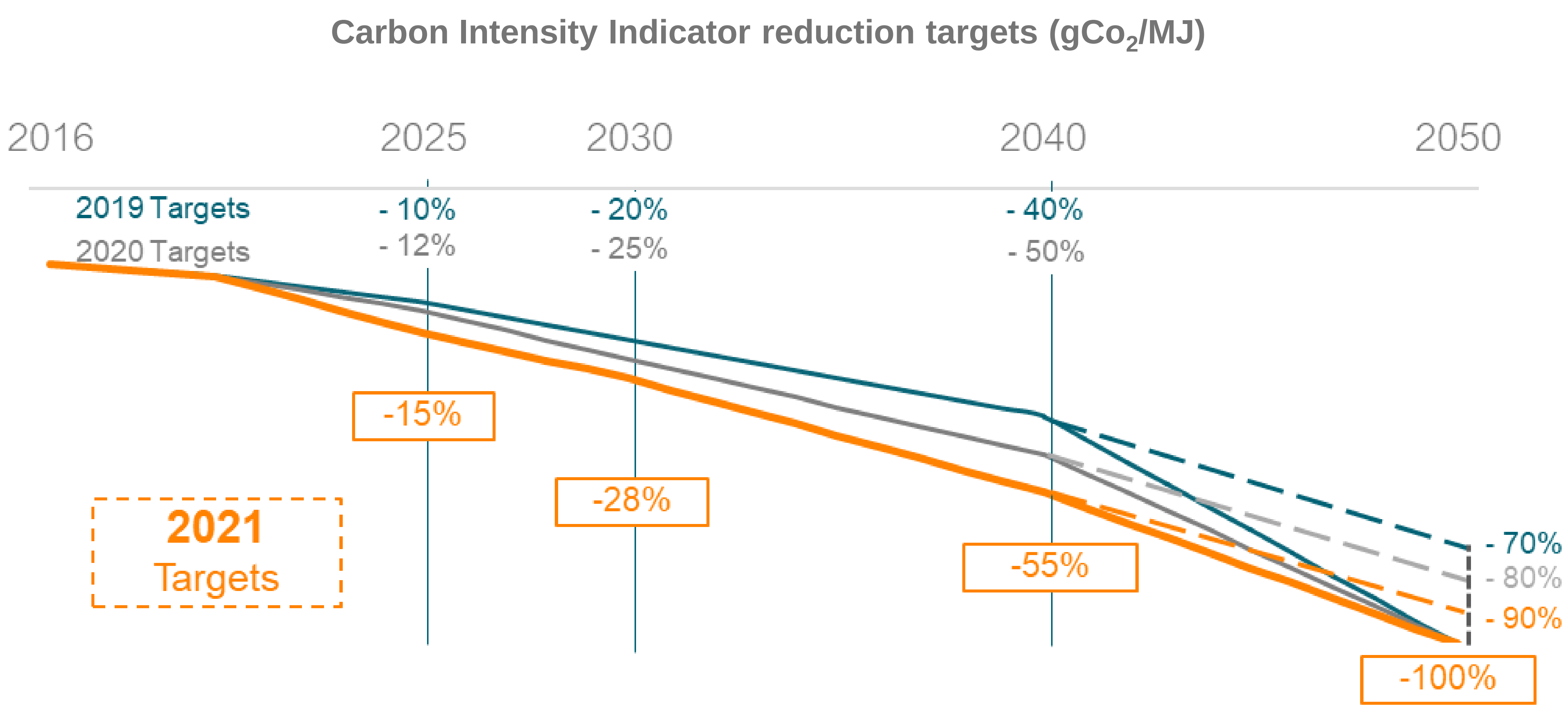
**Wind/ Solar Balance**

(1) Price to be paid, once closed, includes also a contingent payment of €20 million additional to this figure

# Decarbonization
# Metrics and targets


04.

# Repsol's key metric and target driving our strategy



# Repsol's set of key metrics and targets, with one core metric

**Carbon Intensity reduction ($\%\ CO_2e$/energy)**

- 2025-2030-2040-2050 w/ scope 3 included
- Three metrics for scope 3: primary energy*, end-user sales**, total sales**

Absolute emission reduction (% of $CO_2e$)

- Scope 1+2 operated 2030*
- Scope 1+2+3 net 2030*

Emission reduction E&P

- Methane intensity 2025 (%methane/gas output)*
- Routine flaring reduction 2025 (%)*
- Emission intensity reduction 2025 ($\%CO_2$/boe)*

Business metrics driving $CO_2$ emissions

- GW renewable power generation capacity: 2025-2030*, 2040-2050**
- Ton/yr production of renewable liquid fuels: 2025-2030*, 2040-2050**
- GWe production of renewable hydrogen: 2025-2030*, 2040-2050**
- E&P production** (boed)
- Oil processed in refineries** (ton/yr)

**Capital allocation (% of total capital allocated to low-carbon)**

- % Capex* 2021-2025,** 2030-2050
- % Capital employed* 2030,** 2040-2050

(*) Firm targets under any scenario (**) Projections linked to IEA SDS and NZE macro scenarios

# Delivery

05.

# Strong strategic delivery towards long-term targets

Key messages 2022

| | |
|---|---|
| **€6.7 B**<br>Adj. Net Income<br>2.7x vs 2021 | **€8.9 B**<br>CFFO<br>+64% vs 2021 |
| **€2.3 B**<br>Net Debt[1]<br>-61% vs Dec'21 | **8%**<br>Gearing<br>-12.2 p.p. vs Dec'21 |

## Accelerating transformation

- **Strategic partnerships in Upstream and Renewables** crystallize value and liberate capital to accelerate shift to Low Carbon (~ €4.3 B combined proceeds)
- **High-grading Upstream portfolio** through divestments and new FIDs
- Adapting to **strong Refining environment**
- Expanding **Commercial digital loyalty program**
- **Developing Renewable project pipeline.** Acquisition of **Asterion Energies**

## Increasing shareholder remuneration

- **Distributing 25-30% of CFFO** through a **combination of dividends and buybacks**
- **Dividends: +5% in 2022** (to 0.63 €/sh) and **+11% in 2023** (to 0.70 €/sh)
- **Buybacks: 200 M shares cancelled in 2022. New 50 M shares capital reduction** to be executed **before end-July'23**
- **Delivered by 2022** all the **share buyback commitments** of '**21-25 Strategic Plan**

## Strengthening financial position

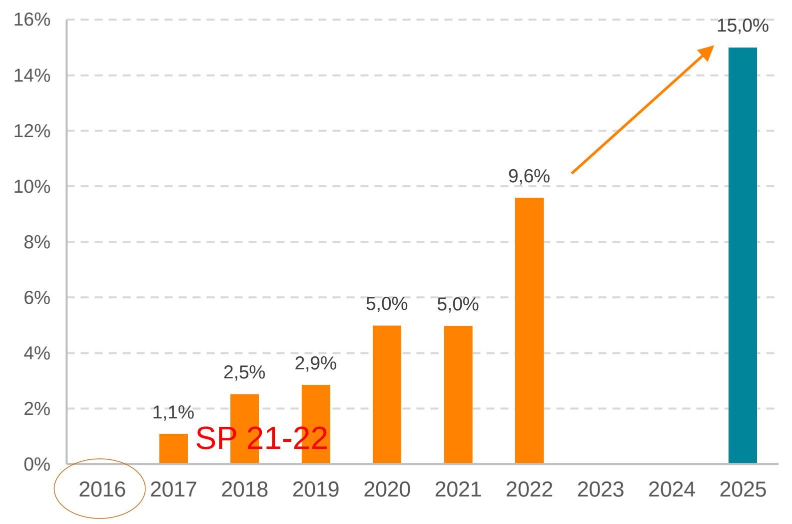
- **Net positive cash position ex-leases**. **Rating upgrades** by S&P and Moody's

1. Includes leases

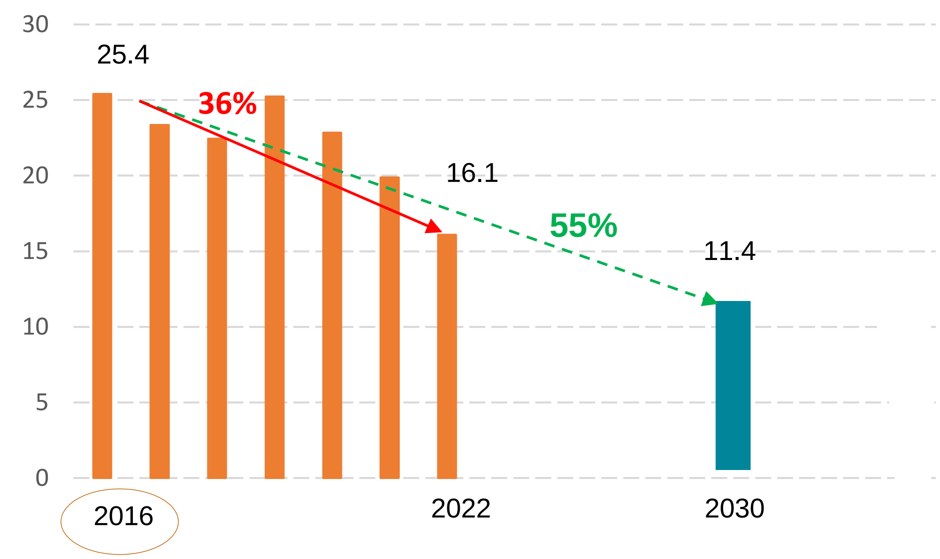
# Progress towards 2025 and 2030 decarbonization targets

Decarbonization delivery (SP 21-22)

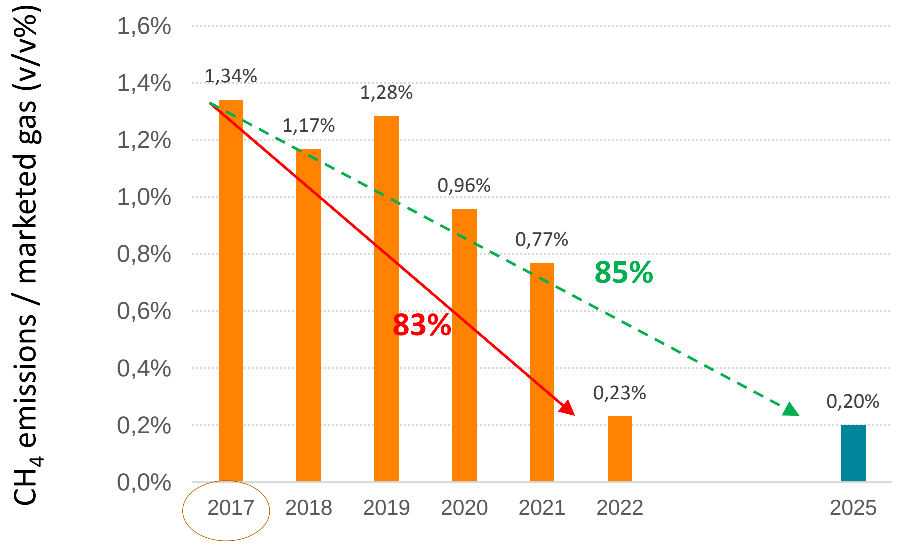
## % reduction CII 2025



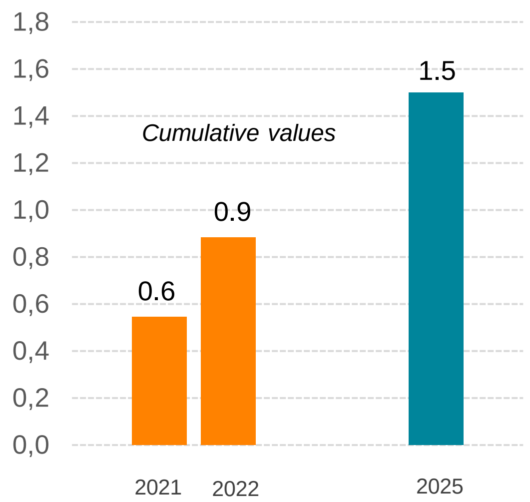

## Scope 1+2 reduction 2030 ($MtCO_2e$)




## Methane intensity reduction 2025




## $CO_2e$ Reduction Plan 2021-2025




Year of reference

Real value

Target

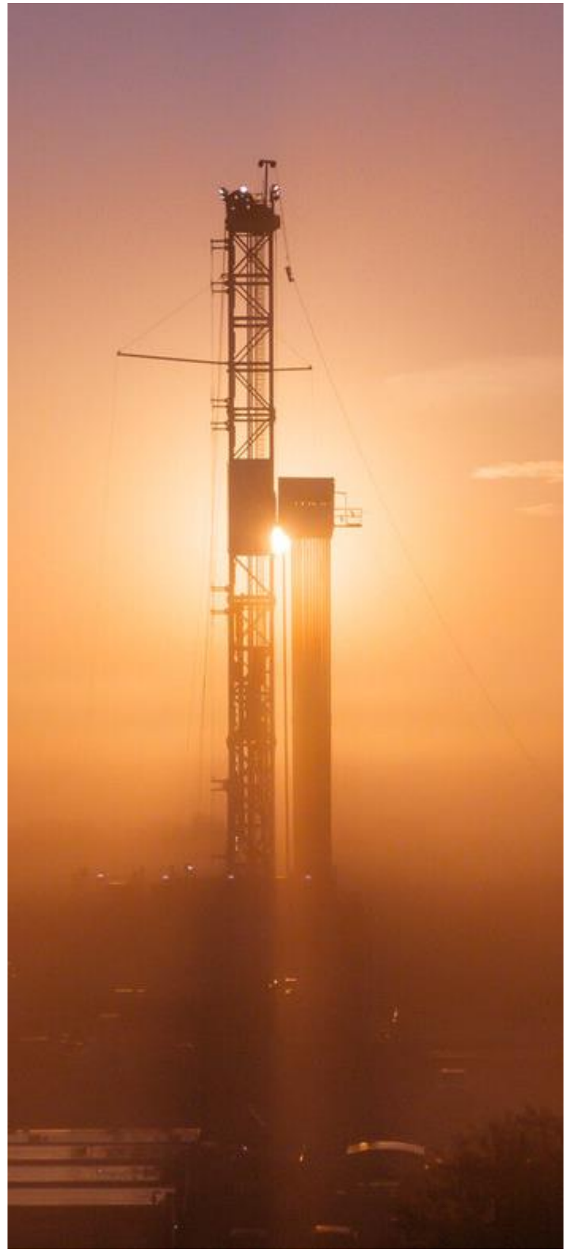
# Organic cash flow generation supports increased distributions and capex

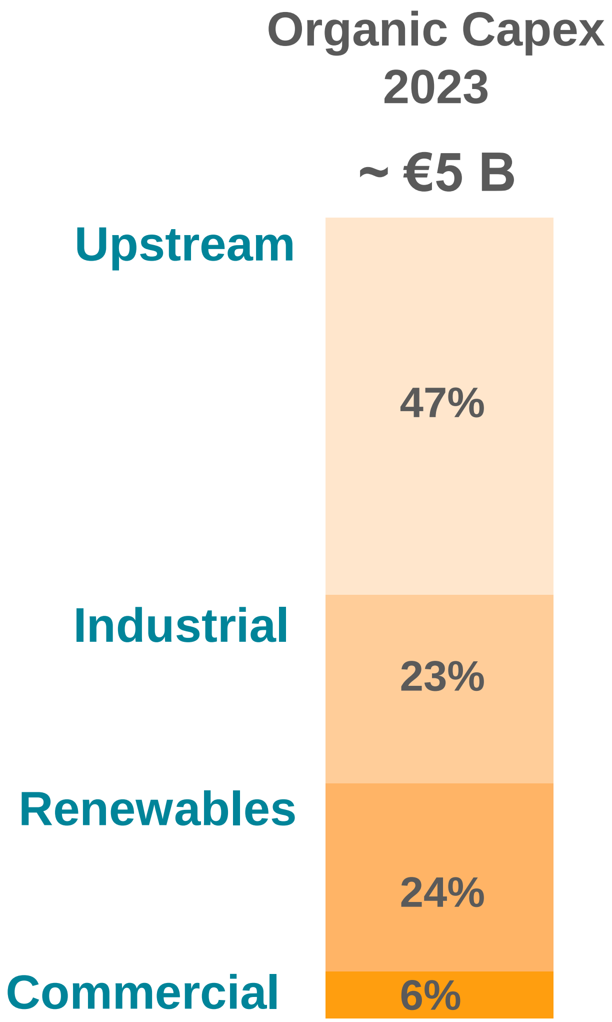
Outlook 2023

| | | |
|---|---|---|
| **Cash Flow from Operations** | **~ €8 B** | 80 $/bbl Brent<br>4 $/Mbtu Henry Hub<br>9 $/bbl Refining margin indicator |
| **Organic Capex** | **~ €5 B** | 47% Upstream<br>23% Industrial<br>30% Commercial and Renewables |
| **Shareholder remuneration** | **25 - 30% of CFFO** | **+11% dividend** to 0.70 €/share<br><br>**50 M shares capital reduction** before end **of July'23**<br><br>**Further buybacks** to reach CFFO distribution target |

# Investment focus on Upstream and Low Carbon initiatives

Capex 2023






**35% in Low Carbon initiatives**
**86% in OECD countries**

**~ 70%** in projects with **FID already taken**
**> 80%** in **production growth** projects
**> 60% in North America**

1st phase of **Pikka.** Additional wells in **Marcellus** and **Eagle Ford**
Development of **Leon-Castile, Buckskin** and **Shenzi North** in **GoM**

**Advanced biofuels**: **C-43** project
FIDs **electrolyzers** plants
**Expansion of Sines** petrochemical plant in Portugal

~ 50% **Spain**: development of Delta II and Pi wind projects
~ 40% **US:** development of the Frye solar project (Texas)

# Investor Update

March 2023

# Stepping up the Transition

## Driving growth and value

The Repsol Commitment
Net Zero Emissions
by 2050