2024

REPSOL Group

Management Report
1st Half

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

The company

Repsol's ***mission*** (its reason for being) is to be an energy company committed to a sustainable world.
Our ***vision*** (where Repsol is heading) is to be a global energy company that relies on innovation, efficiency and respect to create sustainable value in the service of societal progress.

Repsol has laid down ***principles of action*** —Efficiency, Respect, Anticipation and Value Creation— and company behaviors —Results Orientation, Accountability, Cooperation, Entrepreneurial Attitude and Inspiring Leadership— to make this mission a reality and our vision an attainable challenge.

Further information available at www.repsol.com.

The Management Report

The ***Interim Management Report*** of the Repsol Group[1] has been drawn up for the sole purpose of updating the information contained in the consolidated Management Report for 2023, focusing on the new circumstances and activities that have taken place during the first six months of 2024 and without duplicating the information already published.

In conjunction with this report, Repsol has published condensed interim consolidated financial statements for the first half of 2024 (hereinafter, "1H24 interim Financial Statements"). Both the interim Financial Statements and the interim Management Report of the Repsol Group for 1H24 were approved by the Board of Directors of Repsol, S.A. at its meeting held on July 23, 2024.

Report information

The ***financial information*** contained in this document, unless expressly indicated otherwise, has been prepared in accordance with the business segment reporting model described in Appendix III and in Note 1.3 "Information by business segments" of the condensed interim consolidated Financial Statements for the first half of 2024.

This reporting model uses Alternative Performance Measures (APMs), in accordance with the Guidelines of the European Securities Markets Authority (ESMA), meaning "adjusted" figures with respect to those presented in accordance with IFRS-EU. The information, breakdowns and reconciliations are included in Appendix III — Alternative Performance Measures of this report and are updated quarterly on the Repsol website (www.repsol.com). The balance sheet, income statement and statement of cash flows prepared under the Group's reporting model are presented in Appendix II.

The ***sustainability information*** included in this document has been drawn up in accordance with the corporate rules that set out the standard criteria and methodology to be applied in each case. For more information, see section 7. Sustainability of the Group's 2023 Management Report.

The ***forward-looking information*** contained in the various sections of this document reflects the plans, forecasts or estimates of the Group's directors at the date of its approval. These are based on assumptions considered reasonable, and under no circumstances should such forward-looking information be interpreted as a guarantee of the Company's future performance, in the sense that such plans, forecasts or estimates are subject to risks and uncertainties and therefore the Group's future performance may exceed or fall short of initial expectations.

[1] Henceforth, the names "Repsol", "Repsol Group" or the "Company" are used interchangeably to refer to the group of companies consisting of Repsol, S.A. and its subsidiaries, associates and joint arrangements.

Contents

1. First half of 2024 in a nutshell

The business outlook in the first half of 2024 was dominated by geopolitical tensions, the effects of public policies to curb global inflation, and uncertainty over the economic recovery in China.

Against this backdrop, in the energy markets we witnessed a recovery, accompanied by considerable volatility, in crude oil prices (Brent averaged $84/bbl, 6% above the 2023 price), along with low gas prices (the average Henry Hub price dropped 25% to $2.1/MBtu) and very low electricity prices in Spain (which fell 56% to €39/MWh)

● *For more information, see section 2. Environment.*

Results and financial position

Income for the first half of the year exceeded the figure for the same period of the previous year and allowed for a significant increase in investment, along with an improvement in shareholder remuneration, in line with the Company's strategic vision (which was renewed in February).

Results for the period

(Million euros)	1H 2024	1H 2023	Δ
Upstream	869	884	(2)%
Industrial	1,019	1,623	(37)%
Customer	314	322	(3)%
LCG	(5)	46	-
Corporate and others	(71)	(157)	55 %
Adjusted income	**2,126**	**2,718**	**(22)%**
Inventory effect	(86)	(505)	83 %
Special items	(390)	(667)	42 %
Non-controlling interests	(24)	(126)	81 %
Net income	**1,626**	**1,420**	**15 %**

Adjusted income, which measures the ordinary running of the businesses, amounted to €2,126 million, down 22% on the previous year.

The results at *Upstream* (€869 million; -2%) reflect lower gas realization prices and lower volumes sold, mitigated by higher crude oil prices.

At *Industrial*, the lower earnings (€1,019 million; -37%) are down to lower margins at the refining and oil and gas trading businesses and by poor market conditions for the Chemicals segment.

At *Customer* (€314 million euros; -3%), lower earnings at the Mobility business (drop in diesel sales in Spain) and LPG (due to regulated prices) were mitigated by an improved set of earnings at the electricity and gas marketing business (higher number of customers and sales) and at the Lubricants and Aviation businesses (higher margins).

Strong earnings in an environment of lower energy prices.

- Improved earnings amid falling energy prices and lower industrial margins.
- Heavy investment.
- Growth in the return for shareholders.

Low Carbon Generation (LCG) reported negative results (€-5 million), despite higher renewable production, as a result of lower electricity prices, higher project development costs and lower production at combined cycle facilities.

The ***inventory effect*** —less negative than in the previous year (€-86 million compared with €-505 million in 2023)— reflects the more favorable trend in crude oil and product prices during the period.

Special items (€-390 million) mainly includes the negative impact of the Spanish temporary energy levy.

Non-controlling interests (€-24 million) shows the stakes held by Repsol's partners at the Upstream and Renewables businesses (25%).

All in all, ***net income***, which reflects the profits pertaining to the shareholders of Repsol, S.A., amounted to €1,626 million, up 15% on 2023. This figure includes a corporate income tax expense of €949 million (effective rate of -35%).

Free cash flow for the first half of the year came to €-1,341 million. This cash consumption reflects the increase in working capital (higher inventories in industrial activity), the payment resulting from the agreement to settle the arbitration proceedings with Sinopec (€986 million) and higher investment (€4,011 million, mainly for the development of LCG's project portfolio and the transformation of industrial complexes).

Net debt (€4,595 million) increased during the period, which ended with a leverage ratio of 13.8% and high liquidity (€9,669 million). This strong financial position has been recognized by the rating agencies, which confirmed Repsol's investment grade rating.

The ***shareholder return*** includes the payment of a dividend of €0.4 per share in the first half of the year and a further €0.5 in July, which represents an increase of approximately 30% with respect to 2023. In addition, capital was reduced through the cancellation of treasury shares.

● *For more information, see section 3. Financial performance and shareholder return.*

Further progress toward industrial transformation, multi-energy supply and decarbonization.

- Start of large-scale production of 100% renewable fuels at the Cartagena and agreements with other companies to ramp up biofuel production (Bunge, Genia).
- Ongoing efforts to develop the Company's multi-energy offer, focusing on the customer and supported by digitalization (Waylet...).
- Increased portfolio of renewable generation projects (ConnectGen) and start-up of new plants in the United States and Spain.

Business performance and transformation

Repsol pressed ahead with its transformation as it adapts to the energy transition. This vision is embodied in its Strategic Update 2024–2027, which was unveiled in February and sets priorities and objectives to further strengthen the Company's profitable growth, consolidate its multi-energy commitment and achieve its decarbonization goals.

At ***Upstream***, production (589 Kboe/d) was 2% lower than in the same period of 2023. Asset portfolio management continued, prioritizing value over volume, with sales concluded in the United States (South West Eagle Ford) and agreements reached in Venezuela to improve asset quality (incorporation of fields at Petroquiriquire), ensure operational continuity and recover outstanding debt owed to the Company (US license).

At ***Industrial***, the Refining complexes reported healthy margins (albeit lower than in 2023), with a higher utilization of conversion capacity. Elsewhere, the Chemicals businesses were successful in adapting their production, logistics and sales structures to respond to an environment of weak demand and low product prices.

Meanwhile, Repsol pressed forward with its transformation of large industrial complexes, focusing on the future sustainability of the industry: the start-up of the Advanced Biofuels Plant (C43) located in Cartagena, the first plant in Spain specifically designed to produce 100% renewable fuels from lipid waste; the strategic alliance with Bunge, whereby Repsol will acquire 40% of three industrial facilities in the Iberian Peninsula to satisfy growing demand for raw materials with which to produce renewable fuels; and the agreement to acquire up to 40% of Genia Bionergy, to create a biomethane growth platform.

At ***Customer***, highlights included the efforts made to develop the Company's multi-energy offer, focused on the customer and supported by digitalization. The number of electricity and gas customers increased during the period (2.3 million customers). At June 30, a total of 342 service stations were already supplying 100% renewable fuel in Spain and Portugal.

At ***Low Carbon Generation***, highlights included further investment, following the acquisition of renewable projects developer ConnectGen LLC, which has a portfolio of 20 GW (especially in onshore wind power projects in the United States). Total installed capacity in operation stood at 5,266 MW, following the commissioning of the first project in Andalusia, (Sigma, 204 MW), and the Group's largest photovoltaic plant to date (Frye, 637 MW) in the United States, which increased renewable electricity generation by 49%.

Our ***transformation*** strategy continues to receive support from various institutions. For the electrolyzer and geothermal projects, €115 million was obtained from the Innovation Fund Large Scale 2022 and the Strategic Projects for Economic Recovery and Transformation (PERTE). Meanwhile, further financing was secured from the Official Credit Institute and the European Investment Bank, with €420 million granted to undertake transformation projects at our industrial complexes, and €400 million secured for renewable projects, respectively. Repsol has applied for project funding under the NextGenerationEU program, with its planned investments exceeding €3 billion in technological innovation, decarbonization and circular economy.

● *For more information, see section 4. Performance of our businesses.*

To help achieve the objective of ***reducing greenhouse gas emissions*** to limit the effects of climate change, various improvement actions were undertaken at the facilities, which ultimately succeeded in avoiding 97,000 metric tons of CO2 emissions.

● *For more information, see section 6. Sustainability and Governance.*

Key figures and indicators

Financial indicators[1][2]	1H 2024	1H 2023
Results		
EBITDA	4,144	4,303
Operating income	3,114	3,934
Adjusted income	2,126	2,718
Net income	1,626	1,420
Earnings per share (€/share)	1.33	1.08
ROACE (%)	5.4	5.4
Cash and liquidity		
Operating cash flow	2,287	3,522
Free cash flow	(1,341)	468
Cash generated	(2,562)	1,299
Liquidity	9,669	11,441
Investments	3,726	3,047
Available capital and debt		
Capital employed (CE)	33,300	28,895
Net Debt (ND)	4,595	797
ND / CE (%)	13.8	2.8
Shareholder return (€/share)	0.40	0.35
Taxes paid (€ million)	5,802	7,343

Sustainability indicators[3]	1H 2023	1H 2022
People		
No. of employees	26,271	25,050
New employees	2,145	2,427
Safety		
Tier 1 process safety events	1	4
Tier 2 process safety events	5	1
Total Recordable Incident Rate (TRIR)[4]	1.40	1.37
Environment		
Annual CO2e emissions reduction (Mt)	0.097	0.068
No. of spills[5]	12	16

Stock market indicators	1H 2023	1H 2022
Share price at year-end (€/share)	14.74	13.33
Average share price (€/share)	14.50	14.09
Market capitalization at year-end (million €)	17,938	17,694

Macroeconomic environment	1H 2023	1H 2022
Brent ($/bbl) average	84.1	79.7
WTI ($/bbl) average	78.8	74.8
Henry Hub ($/MBtu) average	2.1	2.8
Electricity Pool – OMIE (€/MWh)[6]	39.1	88.9
Exchange rate ($/€) average	1.08	1.08
CO2 (€/t)	65.5	89.5

Our businesses performance[1]	1H 2024	1H 2023
Upstream		
Liquids production (kbbl/d)	208	207
Gas production (kboe/d)	381	395
Hydrocarbon production (kboe/d)	589	602
Crude oil realization price ($/bbl)	77.4	70.9
Gas realization price ($/bscf)	3.2	4.0
EBITDA	2,209	2,318
Adjusted income	869	884
Operating cash flow	1,266	1,383
Investments	1,261	1,272
Industrial		
Refining capacity (kbbl/d)	1,013	1,013
Crude oil processed (Mt)	21.4	19.9
Conversion utilization Spanish refinery (%)	97.4	95.1
Distillation utilization Spanish refinery (%)	88.4	81.6
Refining margin indicator in Spain ($/bbl)	8.9	11.0
Chemical margin indicator (€/t)	237	242
Sales of petrochemical products (kt)	938	1,039
EBITDA	1,342	1,951
Adjusted income	1,019	1,623
Operating cash flow	966	1,725
Investments	629	430
Customer		
Service stations (No.)[7]	4,507	4,621
Marketing sales in Spain of diesel and gasoline (km^3)[8]	6,580	7,188
LPG sales (kt)	614	635
Electricity commercialization (GWh)	2,946	2,016
Electricity and gas customers in Spain (thousands)	2,286	1,496
EBITDA	564	539
Adjusted income	314	322
Operating cash flow	511	399
Investments	198	132
LCG		
Electricity generation (GWh)	3,666	3,951
Electricity generation capacity in operation (MW)	5,266	4,241
Renewable capacity under development (MW)	6,108	5,080
EBITDA	61	108
Adjusted income	(5)	46
Operating cash flow	6	118
Investments	1,608	1,179

(1) In millions of euros, where applicable.
(2) For more information, see section 3 and Appendix III. Alternative performance measures.
(3) Figures and indicators calculated in accordance with the Group's management policies and guidelines. For more information, see section 7 of the 2023 Management Report.
(4) The figure for 2023 relates to year-end.
(5) Number of hydrocarbon spills greater than 1 bbl that reach the environment.
(6) Iberian Energy Market Operator.
(7) The number of service stations includes those controlled and licensed stations.
(8) Own marketing sales in Spain are those marketed through controlled and licensed subsidiaries and the Direct Sales business unit.

2. Environment

+6 % Brent

-25 % Henry Hub

39 €/MWh Electricity pool – Spain

Fall in **gas and electricity prices**

Inflation easing

Strong USD

2.1 Macroeconomic environment

Recent economic trends

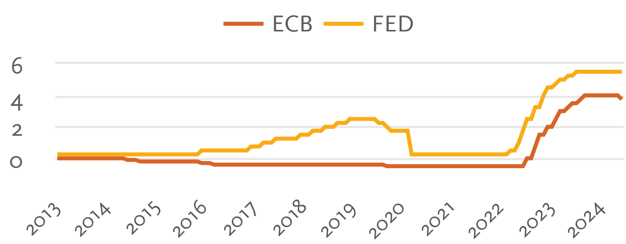
The global economy has proven its resilience in the face of an adverse economic environment, such as the drag effect created by tighter borrowing conditions, and an uncertain geopolitical backdrop, including the ongoing war in Ukraine and the conflicts in the Middle East.

Thus, according to the IMF (WEO – June 2024), following the recent shocks, global growth appeared to bottom out in late 2022, at 2.3%, shortly after global headline inflation peaked at 9.4%. During 2023 and in the first half of 2024, the global economy recorded relatively stable growth of around 3.3%. This growth, while modest in historical terms, is similar to the level that prevailed in the immediate lead-up to the pandemic and is considerably better than the level predicted a year earlier.

Notably, some regions have proved to be more resilient than others. Economic growth has been very strong in the United States, especially in the second half of 2023 (driven by strong household consumption and an unusually expansionary fiscal policy for the country's cyclical context), and in several large emerging economies, notably India, Brazil or Mexico, although not in China, whose recovery following a late reopening of its economy in the wake of Covid was shorter than expected, reflecting serious underlying structural problems. Elsewhere, growth has been somewhat more tepid among the European economies. Europe was the region most heavily affected by the adverse consequences of Russia's invasion of Ukraine and has lost some of its competitiveness, although within this region Spain has recorded a better relative performance.

In tandem, according to the IMF (WEO – June 2024), average inflation in advanced economies has been retreating from 9.9% year on year in the last quarter of 2022 to 3% in the first quarter of 2024. However, while this retreat was indeed rapid during 2023, aided by tight monetary policies, lower energy prices and a continued easing of supply chain pressures, inflation has been more stubborn recently. With goods inflation already at pre-pandemic levels, deflation now falls mainly on basic services, whose price dynamics are more rigid.

Trend in ECB and Fed interest rates

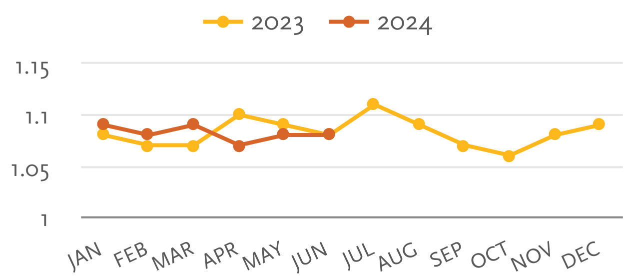


Source: Bloomberg and Repsol Research Unit.

In this context, monetary policy, while still restrictive, has moved away from rate hikes. A certain degree of divergence has also emerged across countries or regions, due to the different factors involved in pushing up inflation or the relative strength of the economies concerned. Thus, while at its June meeting the ECB already started its monetary easing cycle, the somewhat surprising upward trend in the United States regarding both activity and inflation readings have prompted the Federal Reserve (Fed) to hold off with its monetary tightening.

Looking at the exchange rate, an environment of high uncertainty and greater strength of the US economy, coupled with the interest rate spread favorable to that economy due to the Fed's strong monetary tightening, were factors supporting a stronger dollar. As of June 2024, the real effective dollar rate was up 9% since early 2022 and is about 10% above its long-term trend.

EUR/USD exchange rate performance (monthly averages)



Source: Bloomberg and Repsol Research Unit.

- *For more information, see section 5.1 Outlook for the sector*

2.2 Energy landscape

Crude oil – Brent

During the first half of the year, Brent crude oil prices moved within a range of 76 dollars per barrel ($/bbl) and 91 $/bbl, exhibiting high levels of volatility and uncertainty and reaching a year-to-date high of 91.2 $/bbl at the beginning of April, driven by the increase in geopolitical risks amid the ongoing conflict between Israel and Hamas in the Middle East.

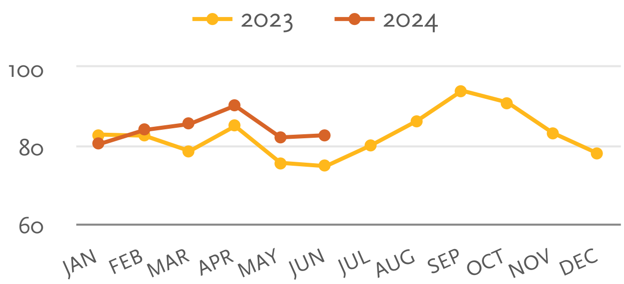
The year began with the lowest price in that range because, while the conflict between Israel and Hamas had started in late 2023, weeks after it began the market began to realize that the risk of it spreading further within the region was minimal. However, the price gradually increased as the conflict escalated.

First, Houthi militants in Yemen began to step up their attacks on commercial cargo ships in the Red Sea —along the crucial Bab al-Mandab Strait— severely disrupting maritime trade, in retaliation against Israel. The heightened risk to ships moving through this strait prompted shipping companies to avoid the Red Sea, in turn preventing access to the Suez Canal and forcing ships to sail around the Cape of Good Hope. This longer trip inevitably pushed up fuel and freight costs, thus reducing shipping efficiency and impacting the prices of the goods transported. In response to the Houthi attacks, the United States has formed a defense coalition led by nine other nations working together to beef up security in the area.

In April, the conflict escalated to a higher risk level, when Israeli attacks on Iran raised the specter of Iran becoming actively and openly involved in the conflict. However, subsequent restrained reactions from both sides allowed the situation to ease. Thereafter, the geopolitical risk diminished significantly, although the market would continue to flinch in response to Ukrainian drone attacks on Russian oil facilities, especially refineries, which led to supply outages.

On the fundamentals side, the bright outlook for demand at the beginning of the year shifted to a more negative sentiment, which, while not implying an actual drop in demand for the year ahead, did imply a slowdown compared to what was initially expected, mainly due to the uncertainty of demand from China, the main driver of oil consumption. On the supply side, OPEC+ pressed ahead with its production cuts to keep the market balanced and to counteract production increases by countries outside the group, mainly the United States. At the last OPEC+ meeting in early June, the group decided to extend most of the cuts until the end of 2025 and, depending on market conditions, to return part of the voluntary cuts carried out since last year to the market, starting in October 2024. The market focused its attention on this particular aspect, which caused prices to lose support on fears of oversupply in the market. However, the price has been recovering and stood at $80/bl at the end of June, leaving the average for the first half of the year at $84.1/bl.

Brent price performance ($/bbl)

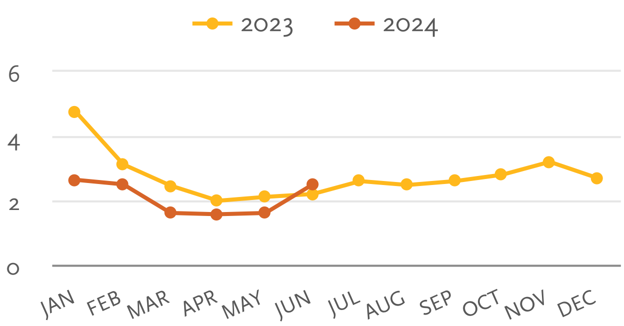


Source: Bloomberg and Repsol Research Unit.

Natural Gas – Henry Hub (HH)

During the six-month period, the US natural gas HH price averaged around $2.1/MBtu, well below the price seen during the same period in 2023 ($2.5/MBtu). The HH price remained low mainly due to a milder than usual winter (excluding the odd cold snap), which, together with electrification and efficiency, led to a decrease in residential/commercial gas consumption, while electricity generation increased following a shift from coal to gas (due to the lower price of gas). The bearish price environment caused production to fall: production had been increasing since the beginning of the year, peaking in February at around 106 Bcf/d, then declining due to the reported production cuts and pipeline maintenance in the Northeast and Gulf Coast in April and May.

Henry Hub price performance ($/MBtu) (1)



Source: Bloomberg and Repsol Research Unit.

(1) Henry Hub First of Month index (Future).

In addition, Freeport LNG was shut down, as was Cameron LNG, although both have now resumed production, which is helping LNG exports.

Electricity prices

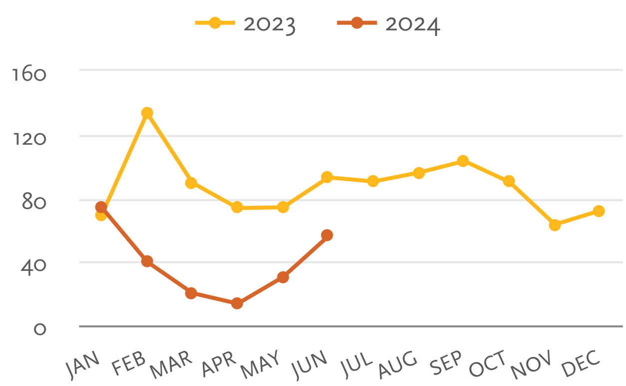
The average wholesale price of electricity in the first half of 2024 was around €39.1/MWh, well below the €88.9/MWh reported in the previous year. Amid weak demand, increased self-consumption and new photovoltaic generation facilities, the period also witnessed much higher than normal rainfall, which allowed hydroelectric reservoirs to accumulate reserves not recorded in many years.

The price was not only one of the lowest seen in the last decade, it even became negative, albeit never falling below €-2/MWh, far from the lows seen in other European countries. There was also a significant number of hours with prices close to zero. More than 1,200 hours with prices below €5/MWh in the first quarter alone, whereas the years with the most hours at low prices (2014 and 2023) barely reached 500 in the whole year. Given that most of these prices have occurred during "sun hours", it is causing some fear among developers of new photovoltaic installations, although conversely it is a positive factor in studies of energy storage possibilities, whether in the form of pumping stations or batteries, by increasing the need for them and making them more profitable.

Meanwhile, demand increased by slightly more than 1% compared to the same period of the previous year, which becomes even higher after correcting for temperature and seasonal effects. This growth —the first we have seen in several years— suggests that the destruction of industrial demand may have slowed and that we may be entering a phase of relative equilibrium between the increase in demand due to the electrification of the economy, and greater energy efficiency and the steady increase in self-consumption.

For yet another year, the supply side witnessed new highs in photovoltaic generation, not only because of the increase in installed capacity, but also because the technology has benefited from more favorable weather conditions, which happened to be negative for wind power, which saw a slight decline in production during the period. The increase in solar (+16%) and hydro (+58%) generation reduced the need for other sources, leading to a lower use of not only combined cycle plants (-35%), but also nuclear facilities (-10%).

Trend in electricity prices (€/MWh)

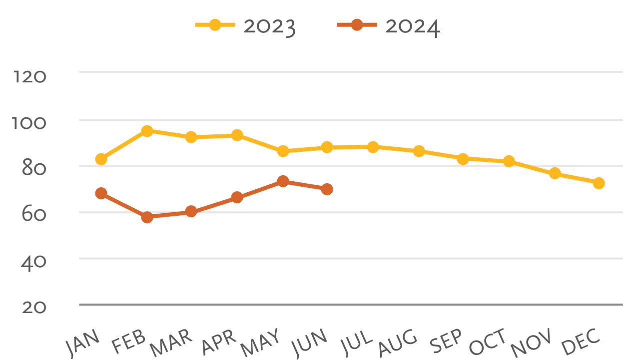


Source: Bloomberg and Repsol Research Unit.

CO_2 emission allowances

The price of CO2 emission allowances fluctuated during the first half of 2024, moving in a range of almost €25/t around an average of €63/t, some €20/t below the levels at which they were trading in the same period of 2023. Despite the entry of the maritime sector into the emission system or the oversupply that occurred at certain times, prices were not affected by fundamentals, but managed to replicate, to near perfection, the trend in gas prices in Europe.

Trend in CO2 prices (€/t)



Source: Bloomberg and Repsol Research Unit.

3. Financial performance and shareholder return

3.1 Results

Results *(€ million)*	**1H 2024**	**1H 2023**	**Δ**
Upstream	869	884	(2)%
Industrial	1,019	1,623	(37)%
Customer	314	322	(3)%
LCG	(5)	46	-
Corporate and other	(71)	(157)	55 %
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Special items	(390)	(667)	42 %
Non-controlling interests	(24)	(126)	81 %
Net income	**1,626**	**1,420**	**15 %**

The results for the first half of 2024 came against a backdrop of recovering crude oil prices, low gas and electricity prices, slowing refining margins and very low margins at the Chemicals business.

As a result, **adjusted income** for the first half of the year stood at €2,126 million, down 22% on the previous year.

Upstream

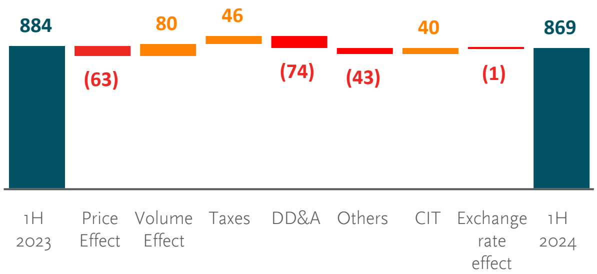
Average **production** for the period (589 Kboe/d) was slightly lower than in 2023, following the sale of assets in Canada, the lower participation at Corridor (Indonesia), and the natural decline of Eagle Ford fields. **Exploratory activity** declined during the period. In the year to date, two exploratory wells have been completed in Colombia (one with a positive result and the other negative).

● *For more information on the activities of the segment, see section 4.1 Upstream.*

Financial performance			
€ million	**1H 2024**	**1H 2023**	**Δ**
Operating income	1,414	1,455	(41)
Income tax	(551)	(591)	40
Investees	6	20	(14)
Adjusted income	**869**	**884**	**(14)**
Special Items	(403)	(343)	(60)
Non-controlling interests	(121)	(105)	(17)
Net income	**345**	**436**	**(91)**
Effective tax rate (%)	(39)	(41)	2
EBITDA	**2,209**	**2,318**	**(109)**
Revenue from ordinary activities [1]	**3,646**	**3,753**	**(107)**
Investments	**1,261**	**1,272**	**(11)**

[1] Reconciliation with the IFRS-EU figure in Annex II of the Financial Statements intermediates 1S24.

Adjusted income for this segment in the first six months of the year amounted to €869 million, down 2% on the same period of 2023, largely due to:



- Fall in gas realization prices (-20%). This had a significant impact on the results obtained in Trinidad and Tobago, Norway, Marcellus and Peru, but was mitigated by the improvement in crude oil prices (9%) in Brazil, Gulf of Mexico, Eagle Ford, Colombia and the United Kingdom;
- Higher sales volume compared to the previous year (excluding sales of assets sold, which is reflected in "Other"). This mainly took place in the United Kingdom, following the acquisition of a 49% stake of Repsol Resources UK Limited (RRUK), and in the United States, following the incorporation of new wells at Marcellus, while sales in Eagle Ford, Indonesia and Brazil were down;
- Lower production taxes and hydrocarbon royalties. Mainly in Brazil, mirroring the decline in volumes;
- Increased depreciation. Due to higher investment in USA and higher production in the UK, Marcellus and Norway;
- Other (production costs, divestments, results of investees etc.). Highlights: (i) higher production costs due to, among other factors, the acquisition of a 49% stake in RRUK and increased activity in Trinidad and Tobago and at Marcellus; and (ii) results no longer reported for the assets sold in Canada;
- Lower corporate income tax (effective rate -39%). Largely due to lower operating results.

Industrial

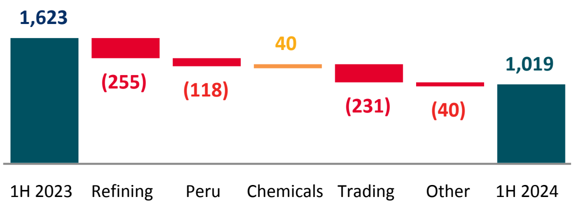
Operating performance	**1H 2024**	**1H 2023**
Refining		
Spain conversion refining use (%)	97	95
Spain distillation refining use (%)	88	82
Spain crude processed (Mtoe)	21.4	19.9
Refining margin indicator – Spain ($/Bbl)	8.9	11.0
Chemicals		
Sales of petrochemical products (kt)	938	1,039
Chemical margin indicator (€/t)	237	242

● *For more information on the activities of this segment, see section 4.2 Industrial.*

Financial performance			
€ million	1H 2024	1H 2023	Δ
Net operating income	1,325	2,168	(843)
Income tax	(306)	(544)	237
Investees	—	(1)	1
Adjusted income	**1,019**	**1,623**	**(604)**
Inventory effect	(73)	(452)	379
Special Items	(72)	392	(464)
Non-controlling interests	(6)	(26)	21
Net income	**868**	**1,537**	**(669)**
Effective tax rate (%)	(23)	(25)	2
EBITDA	**1,342**	**1,951**	**(609)**
Revenue from ordinary activities [1]	**23,613**	**22,422**	**1,191**
Investments	**629**	**430**	**199**

[1] Reconciliation with the IFRS-EU figure in Annex II of the Financial Statements intermediates 1S24.

Adjusted income in the first half of 2024 amounted to €1,019 million, compared to €1,623 million for the same period in 2023, with the change being largely due to:



- The ***Refining*** business in Spain reported lower earnings compared to the same period in 2023. Despite the higher volumes sold, international margins declined throughout the period, due to a weaker performance by gas oils, gasoline and heavy crude, albeit partially offset by lower energy costs.
- At ***Repsol Peru***, earnings were down on 2023, amid lower margins at the refining and sales business, as well as the collection of indemnities for lost profits in 2023.
- At ***Chemicals***, results are improving, although they remain negative due to weak demand and strong international competition. The recovery of margins amid higher styrene prices and cost optimization and tax incentives for investment at Sines (Portugal) was offset by lower sales.
- At ***Trading and Gas Wholesale and Trading***, earnings were down, mainly due to the higher valuation assigned to gas positions in the first half of 2023.

Customer

Operating performance	1H 2024	1H 2023
Sales in Spain of diesel and gasoline (km3)	6,580	7,188
Sales of lubric., asphalts and specialized products (kt)	2,157	2,342
LPG sales (kt)	614	635
Electricity sales (GWh)	2,946	2,016
Electricity and gas customers in Spain (thousands)	2,286	1,496

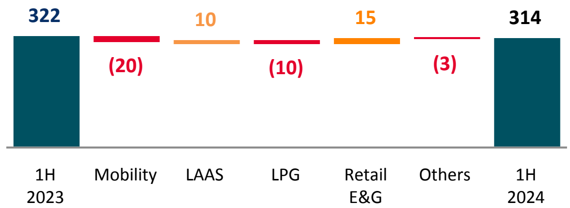
[1] Own marketing sales in Spain are those sold through the controlled and licensed service stations and the Direct Sales business unit.

● *For more information on the activities of this segment, see section 4.3 Customer.*

Financial performance			
€ million	1H 2024	1H 2023	Δ
Operating income	423	429	(5)
Income tax	(109)	(109)	—
Affiliates	—	2	(2)
Adjusted income	**314**	**322**	**(8)**
Inventory effect	(13)	(53)	40
Special Items	(68)	(3)	(66)
Non-controlling interests	(6)	(6)	1
Net income	**227**	**260**	**(33)**
Effective tax rate (%)	(26)	(25)	—
EBITDA	**564**	**539**	**26**
Revenue from ordinary activities [1]	**12,591**	**13,348**	**(757)**
Investments	**198**	**132**	**66**

[1] Reconciliation with the IFRS-EU figure in Annex II of the Financial Statements intermediates 1S24.

Adjusted income in the first half of 2024 amounted to €314 million, compared to €322 million in the first half of 2023, with the change being largely due to:



- Earnings at the ***Mobility*** businesses were down, mainly due to lower margins and volumes at Direct Sales (mainly sales of automotive diesel fuels).
- Earnings improved at ***Lubricants, Aviation, Asphalts and Specialized Products***, on the back of stronger margins in Aviation and Lubricants, partially offset by lower volumes in Specialized Products and Asphalts.
- Lower earnings at ***LPG***, mainly due to a drop in volumes and the trend in international prices in the first half of the year, which affected the unit's margins.
- ***Electricity and Gas sales*** results were up, following an increase in the number of customers (which climbed to 2.4 million, including both Spain and Portugal) and improved electricity margins.

Low Carbon Generation

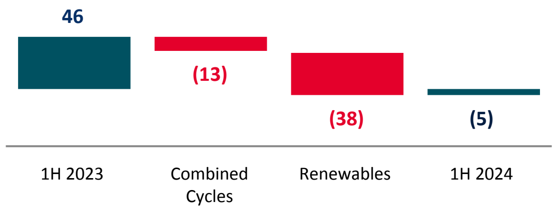
Operating performance	1H 2024	1H 2023
Electric generation (GWh)	**3,666**	**3,951**
Combined cycle	838	2,052
Wind and solar	2,154	1,296
Hydro	674	602

● *For more information on the activities of this segment, see section 4.4 Low Carbon Generation.*

Financial performance			
€ million	**1H 2024**	**1H 2023**	**Δ**
Net operating income	12	77	(65)
Income tax	(5)	(20)	15
Investees	(12)	(11)	(1)
Adjusted income	**(5)**	**46**	**(51)**
Special Items	(51)	8	(59)
Non-controlling interests	15	(19)	34
Net income	**(41)**	**35**	**(76)**
Effective tax rate (%)	(39)	(25)	(14)
EBITDA	**61**	**108**	**(48)**
Revenue from ordinary activities (1)	**358**	**599**	**(241)**
Investments	**1,608**	**1,179**	**429**

(1) Reconciliation with the IFRS-EU figure in Annex II of the Financial Statements intermediates 1S24.

Adjusted income in the first half of 2024 amounted to €-5 million, compared to €46 million in the same period in 2023.



• At ***Renewables***, earnings were down on the first half of 2023, mainly due to lower prices captured and higher costs, which were partially offset by higher production at wind and solar assets (whose operating capacity increased by 33% and 149%, respectively), and also at hydro power assets (more favorable meteorological conditions).

• At ***Combined Cycles***, earnings were down due to lower production (scheduled stoppages and lower thermal gap) and lower prices captured.

Corporate and others

Financial performance			
€ million	**1H 2024**	**1H 2023**	**Δ**
Results – Corporation	(102)	(123)	21
Financial result	(30)	(19)	(10)
Adjustments on consolidation	42	(72)	114
Income tax	22	49	(27)
Investees	(3)	8	(11)
Adjusted income	**(71)**	**(157)**	**86**
Special Items	204	(721)	925
Non-controlling interests	94	30	64
Net income	**227**	**(848)**	**1,075**
Effective tax rate (%)	24	23	2
EBITDA	**(32)**	**(613)**	**581**

Results for the first half of the year at Corporation amounted to €-102 million (compared to €-123 million in 2023). Repsol made further efforts to reduce corporate costs, in line with the strategic objectives, while maintaining its drive for digitalization and technology initiatives.

The pre-tax financial result for the first half of 2024 was €-30 million (€-19 million in 2023). Lower results from foreign exchange and interest rate positions and provision restatements were mitigated by the higher capitalization of project-based interest (intercalary interest) and the improved valuation of treasury stock positions.

Adjustments amounted to €42 million (€-72 million in 2023), due to lower negative intersegment adjustments and transactions carried forward in the period.

Net income

Adjusted income is affected by the following factors:

• The **inventory effect**, which reflects the trend in crude oil and product prices for the period and was significantly better compared to the previous year.

(€ million)	**1H 2024**	**1H 2023**
Inventory effect	**(86)**	**(505)**

• **Special items** for the first half of 2024, which amounted to €-390 million and include the Spanish temporary energy levy, exchange rate impacts on tax positions in foreign currency (Brazil) and provisions for risks in Venezuela.

Special Items *(€ million)*	**1H 2024**	**1H 2023**
Divestments	1	0
Workforce restructuring	(51)	(23)
Impairment (1)	197	354
Provisions and other	(537)	(998)
TOTAL	**(390)**	**(667)**

(1) In 2024 includes reversals at Refining Spain, following the accrual in January 2024 of the extraordinary temporary energy levy (see Note 2.1.1 to the 1H24 interim financial statements), which had been counted in the future cash flows of the 2023 impairment test; also includes impairments of solar generation assets.
(2) Includes in 2024 the accrual of the temporary energy levy on 2023 operations (see Note 2.1.1 to the 1H interim Financial Statements), provisions for risks in Venezuela, legal, tax and environmental litigation.

• **Income attributable to non-controlling interests**, which amounted to €-24 million. Includes results attributed to partners at the E&P and Renewables businesses.

As a result of the above, the Group's ***net income*** in the first half of the year amounted to €1,626 million, compared to €1,420 million in 2023.

Profitability indicators and earnings per share illustrate this improvement in the segment's results:

Profitability indicators	**1H 2024**	**1H 2023**
ROACE – Return on average capital employed (%)	5.4	5.4
Earnings per share (€/share)	1.33	1.08

3.2 Cash generation

Cash flows *(€ million)*	**1H 2024**	**1H 2023**
EBITDA	4,144	4,303
Changes in working capital	(560)	325
Income taxes received/(paid)	(170)	(896)
Other collections/(payments)	(1,133)	(221)
Dividends received	6	11
I. Cash flow from operations	**2,287**	**3,522**
Payments for investments	(4,011)	(3,113)
Proceeds from divestments	383	59
II. Cash flow from investments	**(3,628)**	**(3,054)**
Free cash flow (I + II)	**(1,341)**	**468**
Dividends (1)	(533)	(501)
Transactions with non-controlling interests (2)	49	1,952
Net interest and leases	(139)	(192)
Treasury shares	(598)	(428)
Cash generated	**(2,562**	**1,299**

(1) Includes dividends paid in January 2024 (see section 3.5) as well as coupons on perpetual bonds (other equity instruments).
(2) In 2024, it includes, among other items, the deferred collection from the sale of 25% of the Upstream business and the collection of milestone payments in connection with the sale to Pontegadea of a 49% stake of a portfolio of assets in Spain. In 2023, it included the first payment on the sale of 25% of Upstream.

EBITDA was down during the period (€4,144 million vs. €4,303 million in 2023), due to the worse valuation of gas positions at the trading businesses, lower margins at Refining, and the fall in gas sales prices at Upstream and in electricity prices at LCG.

EBITDA *(€ million)*	**1H 2024**	**1H 2023**
Upstream	2,209	2,318
Industrial	1,342	1,951
Customer	564	539
LCG	61	108
Corporate and others	(32)	(613)
TOTAL	**4,144**	**4,303**

Cash flow from operations (€2,287 million) was lower than in the first half of 2023, due to lower EBITDA, the unfavorable trend in working capital (owing to higher volumes and prices of inventories at the industrial businesses), and the payment of the agreement to settle the arbitration proceedings with Sinopec (€986 million, as recognized under "Other receivables/payments").

Operating cash flow

€ million	**1H 2024**	**1H 2023**
Upstream	1,266	1,383
Industrial	966	1,725
Customer	511	399
LCG	6	118
Corporate and others	(462)	(102)
TOTAL	**2,287**	**3,522**

The increase in investments, mitigated by divestments in non-strategic assets at the Upstream segment, resulted in a lower **cash flow from investing activities** (€-3,628 million).

Free cash flow for the first six months amounted to €-1,341 million, down on the €468 reported in 2023.

After considering cash outflows for debt service, dividend payments to shareholders and share repurchase plans, **cash generated** in the period amounted to €-2,562 million.

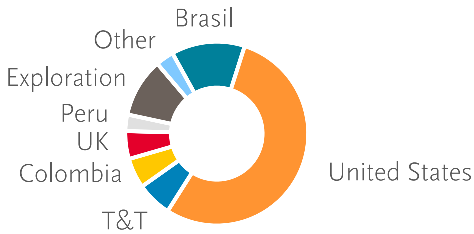
3.3 Investments

Operating **investments** in the first half of the year (€3,726 million) were up 22% on 2023.

	Organic		**Inorganic**		**Total**	
€ million	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
Upstream	1,261	1,143	—	129	1,261	1,272
Industrial	603	430	26	—	629	430
Customer	143	132	55	—	198	132
LCG	868	482	740	697	1,608	1,179
Corporate	28	34	2	—	30	34
TOTAL	**2,903**	**2,221**	**823**	**826**	**3,726**	**3,047**

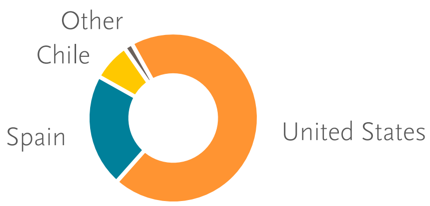
- At Upstream, investments (€1,261 million) were down on 2023 (-1%). They largely relate to assets in production and/or development in the United States (mainly at the Alaska, EF, Marcellus and Leon assets), Brazil (Campos 33) and Trinidad and Tobago.

Upstream investments



- Investment at Industrial amounted to €629 million, up 46% on the same period of 2023. This includes the investment to reach 25.75% of the share capital of Genia Bioenergy, along with the investments made in the Sines projects (linear polyethylene and polypropylene), the advanced biofuels plant at Cartagena and the polyolefins line at Tarragona.
- At Customer, investments amounted to €198 million, up 50% on the same period of 2023. Investments were mainly made to grow the Electricity and Gas sales business in Spain (following significant further efforts to capture customers and acquire a 46% stake in the company OC Electricidad y Gas), acquire a 31% stake in Instalaciones Smart Spain and to grow the international Lubricants businesses, following the purchase of an additional 9% stake in Bardahl de México, S.A. de C.V.
- At LCG, investments in the first half of 2024 amounted to €1,608 million (36% more than in 2023). These funds were mainly used for the acquisition of US renewable energy developer ConnectGen, and also for the development and commissioning of new energy projects in Spain (Delta II wind farm) and the United States (mainly the Outpost and Frye solar power projects).

Investments at LCG



3.4 Balance Sheet

€ million	1H 2024	Dec-2023
Capital employed	**33,300**	**31,166**
Fixed assets and investment in companies	35,635	32,173
Deferred tax assets and liabilities	96	736
Goodwill	3,962	4,435
Provisions	(6,529)	(6,361)
Other assets and liabilities	136	183
Net financial debt [1]	**(4,595)**	**(2,096)**
Financial liabilities	(12,929)	(12,118)
Financial assets	4,437	5,470
Cash and cash equivalents	3,897	4,552
EQUITY	**28,705**	**29,070**

[1] Includes leases amounting to €4,281 million.

Capital employed

Capital employed amounted to €33.300 million at the end of June and was up 7%, largely due to investments in the period and the increase in inventories at the Industrial businesses.

CAPITAL EMPLOYED *(€ million)*	1H 2024	Dec-2023
Upstream	12,327	12,716
Industrial	11,762	10,929
Customer	2,808	2,788
LCG	5,313	3,897
Corporate and others	1,090	836
TOTAL	**33,300**	**31,166**

Financial position

During the first half of 2024, despite lower results overall, Repsol pressed ahead with various initiatives as part of its financial prudence policy, thus ensuring a high degree of liquidity. Liquid assets at the end of the period (in the form of cash and available credit facilities) were enough to cover debt maturities until the third quarter of 2032, without the need for refinancing, thus making it possible to face the scenarios of volatility and uncertainty in the financial markets with assurance.

Liquidity

Group liquidity, including committed and undrawn credit facilities, stood at €9,669 million at June 30, 2024, which is enough to cover its short-term debt maturities by a factor of 3.1. Repsol had undrawn credit facilities amounting to €2,696 million at June 30, 2024 (€2,637 million at December 31, 2023).

Main financing transactions

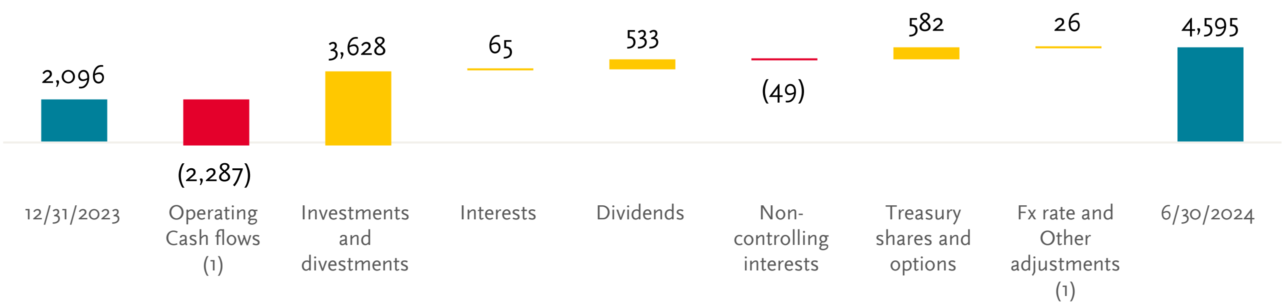
During the first half of 2024, there were issuances, maturities or cancellations of bonds or marketable debt securities.

Repsol Europe Finance, S.à.r.l. (REF) runs a Euro Commercial Paper (ECP) program, secured by Repsol, S.A., for a maximum of €3,000 million. Commercial paper was issued and redeemed under this program during the period, with the outstanding balance at June 30, 2024 being €978 million (€246 million at December 31, 2023). • *For more information, see Note 2.2.3 Financial resources to the 1H24 interim Financial Statements.*

Debt

Net debt (€4,595 million) was up on December 2023, in line with the cash consumption picture described above. The leverage ratio (13.8%) was higher than at December 2023 (6.7%).

Trend in net debt
€ million



(1) Includes the payment of consideration under the Sinopec agreement and the cancellation of the account payable recorded in 2023 (no impact on debt in 2024).

Gross debt amounted to €12,835 million (€12,047 million at December 31, 2023) and its maturity at June 30, 2024 is as follows:

€ million	2024	2025	2026	2027	2028	2028 and beyond	TOTAL
Bonds[(1)]	850	749	499	748	—	2,807	5,653
Leases	355	625	514	443	397	1,960	4,294
Loans and credits [(2)]	476	178	70	48	48	138	958
Commercial paper (ECP)	978	—	—	—	—	—	978
Other [(3)]	33	44	—	—	—	—	77

Note: the amounts shown in the table are the accounting balances recognized in the balance sheet.

(1) The maturity of the subordinated bonds is presented as occurring on the first call date.

(2) Includes financing from the Official Credit Institute and the European Investment Bank for projects to transform our industrial complexes and renewable energy projects.

(3) Includes mainly interest, derivatives and others.

Credit ratings

The credit ratings assigned to Repsol, S.A. by the various ratings agencies are currently as follows:

	Standard & Poor's	Moody's	Fitch
Long-term	BBB +	Baa1	BBB+
Short-term	A-2	P-2	F-1
Outlook	stable	stable	stable
Date of latest modification	11/16/2022	12/20/2022	06/01/2023

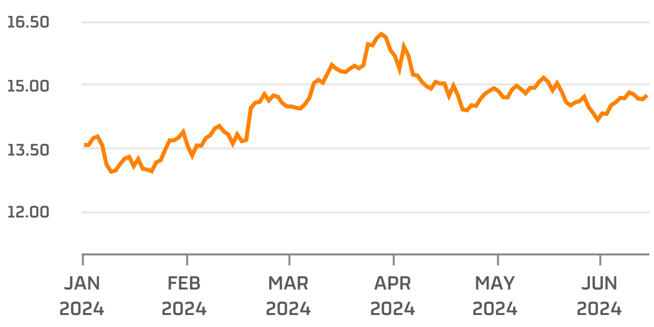
Treasury shares and own equity investments

At June 30, 2024, the balance of treasury shares in equity was 40,927,258 shares, representing 3.36% of the share capital at that date. ● *For more information, see Note 2.2.2 Equity to the 1H24 financial statements.*

During the first half of the year, transactions with derivatives on treasury stock were completed. ● *For more information, see Note 2.2.5 Derivatives to the 1H24 financial statements.*

3.5 Shareholder return

Trend in the share price (€/share)



Main stock market indicators	1H 2024	1H 2023
Shareholder return[(1)] (€/share)	0.400	0.350
Share price at end of period[(2)] (euros)	14.74	13.33
Period average share price (euros)	14.50	14.09
Period high (euros)	16.18	15.53
Period low (euros)	12.93	12.53
No. of shares outstanding at June 30 (million)	1,217	1,277
Stock market capitalization at June 30[(3)] (M euros)	17,938	17,694

(1) See previous section.
(2) Share price at year-end in the continuous market of the Spanish stock exchanges.
(3) Year-end closing market price per share, times the number of shares outstanding .

In the first half of 2024, shareholders received dividends totaling €0.4 gross per share, corresponding to: (i) a dividend of €0.375 gross per share charged to voluntary reserves from retained earnings; and (ii) a dividend of €0.025 gross per share charged to 2023 profits. The amount paid totaled €487[1] million.

In July, a final cash dividend of €0.5 gross per share was paid out of 2023 profits, for a total amount of €588 million. The 2024 General Shareholders' Meeting also approved the distribution of a gross dividend of €0.45 per share, charged to unrestricted reserves. It will be paid out in January 2025, on the date specified by the Board of Directors.

In July, the capital reduction has approved at the 2024 Annual General Meeting was implemented through the cancellation of 40 million treasury shares.

Finally, the Board of Directors, in its meeting held on July 23, 2024, has agreed: (i) a capital reduction through the redemption of 20 million own shares, with a par value of one euro each, which is scheduled to be carried out in 2024 ; and (ii) to implement a buy-back program for a maximum of 20 million own shares.
● *For more information, see Note 2.2.2 Equity to the 1H24 interim Financial Statements.*

Repsol's share price during the first half of the year was up 10% on the beginning of the year, outperforming the company's peer companies in the Oil & Gas sector[2] (+7%). The average share price for the period was 3% higher than in the first half of 2023.

[1] Remuneration paid to outstanding shares of Repsol, S.A. conferring the right to receive the dividend.
[2] Peer companies considered in the Oil & Gas sector: Royal Dutch Shell, Total Energies, British Petroleum (BP), Equinor, ENI, OMV and Galp.

4. Performance of our businesses

4.1 Upstream

January	February	March	April	May	June
Approval of **Sakakemang development** plan in Indonesia	Investment decision at the **Monument development** (US Gulf of Mexico)	**Divestments** at Yucal Placer (Venezuela) and in ancillary assets at Eagle Ford (United States)	**Agreement** to add two new fields to Petroquiriquire in Venezuela	Additional **stake acquired in Monument**	Sales of assets at **South-West Eagle Ford** (UU.EE.)

Strategic Priorities: Yield and upgrade portfolio

1 Unconventionals	2 Conventionals	3 Low-carbon solutions
Reduce break even and gain scale	Produce higher margin / lower carbon barrels	Reduce emissions and build a focused business
• Increase operated production and inventory.	• Deliver safely key projects in value and in time.	• Accelerate the asset decarbonization process.
• Optimize operating model.	• Integrate UK operations.	• Build a strong portfolio of CCS (Carbon Capture and Storage) and geothermal
• Improve capital efficiency.	• Optimize cash generation in assets.	• Consolidate technical capabilities
	• Capture emerging opportunities in the portfolio.	

Our performance in 1H 2024

Million euros	1H 2024	1H 2023	Δ
Operating income	1,414	1,455	(41)
Income tax	(551)	(591)	40
Investees	6	20	(14)
Adjusted income	**869**	**884**	**(14)**
Special Items	(403)	(343)	(60)
Non-controlling interests	(121)	(105)	(17)
Net income	**345**	**436**	**(91)**
Effective tax rate (%)	(39)	(41)	2
EBITDA	**2,209**	**2,318**	**(109)**
Investments	**1,261**	**1,272**	**(11)**

Main operating figures	1H 2024	1H 2023
Net production of liquids (kbbl/d)	208	207
Net production of gas (kboe/d)	381	395
Net hydrocarbon production (kboe/d)	589	602
Crude oil realization price ($/bbl)	77.4	70.9
Gas realization price ($/kscf)	3.2	4.0

Main events in the period

Repsol began to deploy its new strategy, focusing on the need to improve the project portfolio. Highlights in the first half of the year included the activities carried out in the United States (increased participation in the Gulf of Mexico and selective divestments at the Eagle Ford asset) and Venezuela (where the outlook is improving).

Average production

Average production in the first half of the year was 589 Kboe/d, 2% lower than the same period in 2023, mainly due to the sale of Canadian assets, a smaller stake in the Corridor contract (Indonesia), and the natural decline at the Eagle Ford (United States), Sapinhoa (Brazil) and Gudrun (Norway) fields. All of these have been almost completely offset by the connection of new wells at Marcellus (United States), Yme (Norway) and Akacias (Colombia), the 100% integration of RRUK, increased demand for gas at Block 57 (Peru) and Cardón IV (Venezuela), and the incorporation of Tomoporo and La Ceiba at Petroquiriquire (Venezuela).

Exploration campaign

In 2024, drilling of two exploratory wells was completed in Colombia, one of which yielded positive results, while the other was negative. As of June 30, an exploratory well in Norway and one in Colombia were in progress, as was another in Mexico, which was found to be positive in July.

Acreage

During the first half of the year, in the US Gulf of Mexico, the final investment decision (FID) was made at Monument and the stakes in the Monument, Bobcat and Lucille projects were increased. In Venezuela, a special license was obtained under the sanctions program of the U.S. Government, whereby various Group companies may continue to operate in oil and gas projects, Petroquiriquire's scope of operation has been expanded with the acquisition of the Tomoporo and La Ceiba fields, and the stake in the Yucal Placer gas asset was sold. The southwest area of the Eagle Ford site (United States) was sold.

North America

United States: further interests acquired in the Gulf of Mexico and divestments of non-strategic assets at Eagle Ford.

In February, operating company Beacon made the FID for the Monument development at the Walker Ridge area in the Gulf of Mexico. In May, one of the Progress Resources partners relinquished its interest (blocks 271 and 272) in favor of its other partners (with Repsol increasing its stake by 8.57% to reach 28.57%).

In March, an equity interest in a non-operated ancillary asset at Eagle Ford was sold.

In April, Equinor and Shell exited Alaminos Canyon (AC) blocks 340, 341, 342, 343 and 386 of the Bobcat and Lucille projects. The final interest in both projects will remain 50% for Repsol and 50% for its partner and operator Llog, once the corresponding regulatory clearance has been secured.

In June, Repsol sold its interest in the Southwest Eagle Ford area, comprising the Briggs & Weeks, Cooke and STS assets, to Verdun Oil Company.

Mexico: start of drilling at Block 9.

In May, Repsol and Eni began drilling the Yopaat-1 well at Block 9, where a new discovery was made in July. Block 9, located in deep waters in Cuenca Salina, also happens to lie adjacent to the Repsol-operated block 29, where the Chinwol discoveries were made, and near the world class Zama discovery, thus significantly enhancing the potential to unlock synergies in developing the production facilities. Preliminary estimates indicate a potential discovery of around 300–400 Mboe of oil and associated gas in-situ. Repsol holds a 50% stake, with its partner and operator, Eni, holding the other 50%.

Latin America

Bolivia: return of blocks

In January, state-owned YPFB delivered the letter of approval for the return of the Carohuaicho 8D exploratory block. This block was being operated by YPFB Andina S.A., a company in which Repsol holds a 48.33% stake.

In May, Repsol and YPFB signed an agreement to terminate the operating contract for the Monteagudo and Cambeiti blocks. As a result of this agreement, the operations of both blocks were transferred to YPFB.

● *For information on geopolitical risks in Bolivia, please see Note 4.3.1 Geopolitical risks to the 1H24 interim Financial Statements.*

Colombia: discovery at Cosecha

In January, the REX NE N-01 exploratory well in the Cosecha block, operated by SierraCol, in which Repsol holds a 17.5% stake, was completed with positive results.

Trinidad and Tobago: start of drilling at Cypre

In February, Repsol and operating partner BP began drilling the first well at the Cypre gas project, which is part of the country's strategy to maximize production from existing infrastructure by identifying innovative solutions to bring gas to market faster. A subsea development will connect the field to the Juniper platform. It is the first of seven wells to be drilled in total, with gas production expected to begin in 2025.

Venezuela: license to operate, Petroquiriquire expansion, and sale of Yucal Placer.

In March, the stake in Ypergas, S.A. and in the non-associated gas licenses Yucal Placer Norte and Sur was sold to Sucre Gas Iberoamérica, S.L.

In the context of the sanctions imposed by the United States on Venezuela, Repsol received a special US license from the Office of Foreign Assets Control (OFAC) to continue oil and gas projects in Venezuela and expand its business there.

This option to expand has now materialized, following the agreement approved by the Venezuelan National Assembly, whereby the joint venture Petroquiriquire will acquire the Tomoporo and La Ceiba oil fields. Repsol has a 40% interest in Petroquiriquire.

Likewise, OFAC had previously recognized that European companies with operations in Venezuela, including Repsol and Eni (partners at the Cardon IV gas production field, holding 50% each), could recover their outstanding debt and joint venture dividends in Venezuela by acquiring and refining Venezuelan oil (GL-44A license).

● *For more information on geopolitical risks in Venezuela, see Note 4.3.1 Geopolitical risks to the 1H24 interim Financial Statements.*

Europe, Africa and rest of the world

Norway: start of exploratory campaign

In April, the NO 15/3-13 S Brokk exploration well in the Southern Viking Graben basin of the Norwegian North Sea commenced production.

Libya: limited incidents

Operations at the El Sharara oil field in Libya were halted from January 3 to 21. Thereafter, until the end of June, there were no further stoppages due to force majeure events. Repsol holds interests in blocks NC115 (20%) and NC186 (16%). Its partners are Total, Equinor, OMV and the Libyan state-owned NOC.

In January, an agreement was signed with the national company NOC to carry out a preliminary evaluation of oil potential in the Dur Al Qussah area.

● *For information on geopolitical risks in Libya, please see Note 4.3.1 Geopolitical risks to the 1H24 interim Financial Statements.*

Indonesia: approval of the Sakakemang development

In January, the Indonesian Ministry of Energy and Mineral Resources approved the Plan of Development (POD) for the Sakakemang project. The POD envisions a facility for the production of the discovered gas resources and to include a CCS (carbon capture and storage) component to dispose of the CO2 produced.

In June, Repsol awarded a front-end engineering and design (FEED) contract for the gas project in the country that envisages the construction of a central processing facility around the KBD-2X well pad and the drilling of two production wells.

4.2 Industrial

January	February	March	April	May
Launch of a **new range of ultra-clean polyethylene**	Inauguration of a **polypropylene automotive compounding plant** in Morocco	Alliance with **Bunge to acquire 40%** of its industrial facilities in the Iberian Peninsula	Start of **large-scale production of renewable fuels** at the Cartagena facility	Start of the **multi-year shutdown** of La Pampilla refinery

Strategic Priorities: Yield and develop low carbon platforms

Maximize the level of profitable activity

- **Reduce break-even and decarbonize operations.** Implement extensive efficiency and decarb programs supported by: digitalization, electrification, and joint refining & chemicals optimization
- **New role of Trading.** Level up Trading portfolio with structural positions that underpin the value of current and future industrial assets, and hinterland development.
- **Transform current chemicals portfolio.** Reinforce portfolio quality and resilience through: olefins integration (Sines) and growth in differentiated products.

  Lead circular & low carbon transformation in Iberia towards circular and low carbon materials.

Develop renewable fuels hubs

- **Leading renewable fuels platform in Iberia.** Lead renewable fuels business in Iberia, initiating the journey to transform Repsol's sites into Renewable & circular hubs taking advantage on existing assets, and access to feedstocks through strategic partnerships and renewable fuels regulatory incentives.
- **Potential to expand renewable fuels business to United States.** Develop a low carbon platform in the US, building on its attractive regulation and leveraging Repsol's capabilities.

Our performance in 1H 2024

Million euros	1H 2024	1H 2023	Δ
Operating income	1,325	2,168	(843)
Income tax	(306)	(544)	237
Investees	—	(1)	1
Adjusted income	**1,019**	**1,623**	**(604)**
Inventory effect	(73)	(452)	379
Special Items	(72)	392	(464)
Non-controlling interests	(6)	(26)	21
Net income	**868**	**1,537**	**(669)**
Effective tax rate (%)	(23)	(25)	2
EBITDA	**1,342**	**1,951**	**(609)**
Investments	**629**	**430**	**199**

Main operating figures	1H 2024	1H 2023
Refining capacity (kbbl/d)	**1,013**	**1,013**
Europe	896	896
Rest of the world	117	117
Conversion rate in Spain (%)	**1**	**1**
Conversion utilization Spanish Refining (%)	**97**	**95**
Distillation utilization Spanish Refining (%)	**0.9**	**0.8**
Crude oil processed (millions of t)	**21.4**	**19.9**
Europe	19.7	18.1
Rest of the world	1.8	1.8
Refining margin indicator ($/bbl)		
Spain	8.9	11.0
Peru	6.9	8.5
Chemical production capacity (kt)		
Basic petrochemicals	2,656	2,656
Petrochemical derivatives	2,243	2,243
Sales of chemical products (kt)	**938**	**1,039**
Chemical contribution margin indicator (€/t)	**237**	**242**
Gas sales in North America (Tbtu)	**305**	**247**

Main events in the period

Activity at the Industrial business was heavily affected by the high volatility within the commodity and product markets, requiring production, logistics and commercial structures to be adjusted accordingly.

All this has not detracted from the drive towards decarbonization, as evidenced by the progress made toward various projects at the industrial complexes: start of the large-scale production of renewable fuels at the industrial facilities in Cartagena, the agreement to acquire 40% of three industrial facilities from Bunge in the Iberian Peninsula, and the purchase of 40% of biogas plant developer Genia Bionergy.

Refining

Performance: margin volatility

The prevailing volatility was evident in the case of the refining margin indicator in Spain ($8.9/bbl). In the first quarter of 2024, the margin indicator remained high and continued to rise (albeit below the level reported in the first quarter of 2023, which started the year above $20/bbl), although it promptly fell in April by up to 70% as stocks were replenished to suitable levels, revealing a well-supplied European market and moderate levels of demand. Average distillation utilization was 88.4% in Spain compared to 81.6% in the previous year, impacted by fewer shutdowns.

In Peru, the refining margin rate was $6.9/bbl, compared to $8.5/bbl in 2023. Average distillation utilization was 78.6% in Peru compared to 80.3% in the previous year. In May, the multi-year shutdown of the refinery began in order to carry out maintenance work and investments in operational improvements and energy efficiency.

Chemicals

Performance: low demand and rallying margins

The performance of the Chemicals business was affected by the international context of low demand, leading to a slump in activity and adjustments in plant operations, and dragging down margins (margin indicator of 237 €/t, which partially recovered compared to the figure for the first half of 2023: 242 €/t). Sales amounted to 938 kt, 10% lower than in the previous year.

Differentiation of our products

In January, Repsol launched its new range of ultra-clean polyethylene, designed for flexible packaging, with the aim of replacing multi-material structures that today cannot be fully recovered due to the difficulty of separating the various materials they contain.

February witnessed the unveiling of the automotive polypropylene compounding plant that Repsol and its partner Ravago have commissioned in Morocco. The total installed capacity will be 18,500 metric tons per year, with the option to increase this capacity in the future.

In March, Repsol launched its new lubricant containers featuring 60% mechanically recycled plastic. The new Repsol Reciclex® high-density polyethylene (HDPE) compound will be used in all 1-, 4- and 5-liter lubricant containers.

Electrification of complexes

In March, the project to expand the Sines Industrial Complex (Alba Project) continued to advance with the arrival of new equipment, such as the linear polyethylene reactor (PEL) to be installed at the new polyolefin plants. In April, following the energizing of the two new 150/30 kV electrical transformers, the new 150 kV electrical substation came on line and the existing 60 kV substation was disconnected.

Trading

Good results in the first half of 2024 —albeit lower than in the same period of 2023— in the main businesses, both in Crude Oil and Products, as well as in Maritime transport and Bunker, supported by the strength of our value chain and the opportunities arising from the volatile environment.

In the first half of 2024, 755 ships were chartered (690 in the same period of 2023) and 264 fleet voyages were made in Time Charter (192 in 2023).

Gas Wholesale and Trading

Performance: low prices and increased demand

In the first half of 2024, commercial activity took place amid low gas prices and higher demand compared to the same period of 2023, which has been reflected in an increase in sales in the United States ([305] TBtu in the first half of 2024) and for supply and sales in Spain and international (116 TBtu in the first half of 2024).

Two new vessels were added to Repsol's fleet (for a 10-year period), namely the HLS Bilbao and the HLS Cartagena. The former has been sailing since February 15 and the latter since June 27.

Repsol has signed an agreement with Centrica, a supplier of gas to domestic customers in the United Kingdom, that will involve the sale of one million metric tons of LNG between 2025 and 2027. These cargoes will be delivered to the Grain terminal in Kent.

Hydrogen, circular economy and renewable fuels

In January, the Renewable Fuels, Circular Economy and Sustainable Mobility Association (CRECEMOS) was formed with the backing of 19 companies, including Repsol, to champion the circular economy in Spain and the use of renewable fuels as an option that is already available and complementing other alternatives, in a bid to decarbonize all segments of transport.

In February, Repsol and the Department of Sustainable Development signed a collaboration agreement to promote the collection of used cooking oil at some 200 Repsol facilities in Castile-La Mancha, where collection points will be set up.

In February, an agreement was signed to acquire a 40% stake in Genia Bionenergy, an engineering company specialized in the development, design and construction of biomethane plants. The deal envisions the development of 19 plants in Spain and Portugal, with a total biomethane production capacity of 1.5 TWh/year, which will be generated from the use of different types of waste.

In March, Repsol signed an agreement to acquire 40% of Bunge Ibérica, a company that operates three plants dedicated to the production of oils and biofuels in Bilbao, Barcelona and Cartagena, in exchange for $300 million. This agreement contributes to Repsol's goal of producing up to 1.7 MTn of renewable fuels by 2027.

In April, large-scale production of renewable fuels began at the Cartagena facility, making Repsol the only company in Spain and Portugal with a plant entirely devoted to the production of renewable fuels on an industrial scale. The plant produces renewable diesel, which will be sold to reduce emissions in the transportation sector. Repsol has invested €250 million and has the capacity to produce 250,000 t/year of advanced biofuels from waste, allowing it to cut CO2 emissions by 900,000 t per year.

In April, Petronor signed an agreement with the Port of Amsterdam, Dutch gas operator Gaslog and German energy company EnBW to develop a renewable hydrogen market in Europe that will boost the decarbonization of industry and mobility.

In April, a collaboration agreement was signed with SHYNE, Spanish Hydrogen Network, to promote renewable hydrogen projects and maximize value all along the value chain, with a network of partners comprising eight promoter companies and more than 30 collaborators.

4.3 Customer

January		March	April	May	June
Agreements to **promote distributed generation**		**Agreement with Spanish rail operator Adif for the installation of 1,000 electric charging stations**	Renewal of the **commercial agreement** with Nissan and **sponsorship agreement** with the main music	Largest **renewable fuel supply agreement reached** in Spain	First test of **100% renewable fuel for the maritime sector**

Strategic priorities: Profitability and growth in multienergy

Strengthen our core businesses	• Differentiation. • Efficiency and optimization. • Non-oil growth. • Selective network expansion. • Low carbon fuels.
Create a successful multi-energy business	• Growth in electricity and retail gas. • Build multi-energy platforms: ▪ Value propositions. ▪ Digital. ▪ Physical channels.
Scale up new business platforms.	• Electric mobility. • Distributed generation. • International growth in lubricants. • New businesses.

Our performance in 1H 2024

Million euros	1H 2024	1H 2023	Δ
Operating income	423	429	(5)
Income tax	(109)	(109)	—
Investees	—	2	(2)
Adjusted income	**314**	**322**	**(8)**
Inventory effect	(13)	(53)	40
Special items	(68)	(3)	(66)
Non-controlling interests	(6)	(6)	1
Net income	**227**	**260**	**(33)**
Effective tax rate (%)	(26)	(25)	—
EBITDA	**564**	**539**	**26**
Investments	**198**	**132**	**66**

Main operating figures	1H 2024	1H 2023
Own marketing sales – Spain diesel and gasoline (km³)(1)	**6,580**	**7,188**
Number of service stations	**4,507**	**4,621**
Europe	3,797	3,799
Rest of the world	710	822
Sales of Lubricants, Aviation, Asphalts and Specialties (kt)	**2,157**	**2,342**
Europe	1,650	1,448
Rest of the world	507	893
LPG sales (kt)	**614**	**635**
Europe	607	1
Rest of the world	7	—
Electricity and gas commercialization (Spain)		
Electricity sold (GWh)	2,946	2,016
Electricity and gas customers in Spain (thousands)(2)	2,286	1,496

(1) Own marketing sales in Spain are those marketed through the controlled and licensed subsidiaries and the Direct Sales business unit.

(2) The customer portfolio in Portugal amounts to 72 thousand customers.

Main events in the period

Customers stand to benefit from Repsol's multi-energy profile by having just one supplier for all their energy needs in mobility and the home (automotive fuels, heating fuel, electricity, solar self-consumption, electric mobility, etc.) through a commercial proposition known as Planes Energías.

Mobility

Performance: reduction in sales

At service stations in Spain, fuel sales fell 4% in the first half of the year compared with the same period of 2023, as did Direct Sales of gasoline + automotive diesel, which dropped by 18%, due to fiercer levels of competition following an increase in imports compared to 2023.

100% renewable fuel, new partnership agreements and circular economy

At the end of the period, Repsol had 342 service stations supplying 100% renewable diesel (310 in Spain and 32 in Portugal), as well as three service stations in Madrid that sell 100% renewable gasoline. The aim is to exceed 600 service stations with 100% renewable fuel by the end of 2024 across the Iberian Peninsula.

In January, Repsol and the regional government of Castilla y León joined forces to promote renewable fuels on seven routes of the public road transport service in Palencia.

In April, Repsol reached an agreement valid until 2026 whereby both Petronor and Repsol will be the official suppliers of top-flight soccer club Athletic Club de Bilbao for its electricity and renewable fuels needs, which includes the installation of photovoltaic panels, electric charging stations at the club's stadium, and the supply of renewable fuels for the team's frequent traveling.

In May, Repsol and Sesé reached the largest renewable fuel supply agreement in Spain, whereby Repsol will supply eight million liters over the next two years. Sesé has already traveled more than 4.5 million kilometers with this eco-friendly technology and 15% of its own fleet of road freight transport in Spain already operates with renewable fuel.

In June, the first 100% renewable fuel test for the maritime sector was carried out along the Ibiza-Formentera route. Trasmapi is the first Spanish shipping company to test this diesel.

Since the launch of the used cooking oil collection project in April 2023, almost 40,000 liters have been collected at the 454 participating service stations.

Lubricants, Aviation, Asphalts and Specialized Products

Performance: reduction in sales

Sales of Lubricants, Asphalts and Specialized Products were down (-8%) on 2023, largely due to lower sales at Specialized Products and Asphalts amid lower demand.

Decarbonization of the airline industry

In the first half of 2024, the agreements signed in 2023 with Gestair and Iberojet for the supply of sustainable aviation fuel (SAF) were extended, and new agreements were forged with IAG.

LPG

Performance: reduction in retail sales

During the first half of the year, sales in the retail channel declined, mainly in bottled products, due to a smaller market, and bulk products.

Decarbonization of factories

In the first half of 2024, four self-consumption photovoltaic plants continued to power the Puertollano, Montornés, Pinto, Huelva and Algeciras factories (657.56 MWh; avoiding the emission of 263 metric tons of CO_2). Following the incorporation of Alcúdia and Tarragona in the second half of the year, which are currently being assembled, these values are expected to double by the end of the year.

Electricity and gas sales

Performance: profitable growth

Repsol's performance in the first half of 2024 was affected by lower margins in electricity.

Volumes traded at the end of June amounted to 2,946 GWh of electricity (2,016 GWh in 2023) and 1,128 GWh of gas (897 GWh in 2023), impacted by an increase in customers following the acquisition of a 50.01% stake in CHC Energía and the takeover of Gana Energía in the second half of 2023.

At the end of June, Repsol had a customer base of 2.4 million customers, including 72 thousand from Portugal.

New businesses

Distributed generation

In January, Solar360 teamed up with Turbo Energy to apply Artificial Intelligence (AI) to solar self-consumption. Sunbox, a device capable of managing and storing photovoltaic energy via a digital platform featuring an AI algorithm that maximizes energy savings and performance for users, is already on the market. Partnership agreements were also signed with various organizations (Portico Sport, Cetursa Sierra Nevada, Observatorio de los Servicios Funerarios, Asociación de Hostelería y Turismo de León) to promote sustainable energy models, energy transition and decarbonization, while addressing solutions to promote photovoltaic self-consumption, Solmatch solar communities, renewable electricity consumption and energy efficiency.

Electric mobility

In March, an agreement was reached with Adif whereby Repsol will install and operate 1,000 charging points at its service stations for a term of two years, with an initial investment of €18 million. In May, the commercial agreement with Nissan was renewed under which the carmaker's new customers will obtain exclusive advantages by charging the vehicles via Waylet.

Repsol currently has one of the largest electric vehicle charging networks in the Iberian Peninsula, with more than 2,385 public access charging stations installed in Spain and Portugal, of which 1,680 are operational.

Promotion of multi-energy renewable solutions

In April, Repsol signed a sponsorship agreement with the six biggest music promoters in the country (Advanced Music, Bring the Noise, Centris, elrow, The Music Republic and Sharemusic!) to jointly promote, initially at 77 musical events, the use of various multi-energy solutions. As a result, major music festivals that attract more than one million people each year will be powered by 100% renewable fuels, among other solutions, to reduce their CO_2 emissions.

4.4 Low Carbon Generation

January	March	April	May	June
Start of production at **Sigma** (204 MW) in Spain	**Successful acquisition of ConnectGen**, with a project portfolio of 20 GW in the United States	Completion of construction of the **Frye project** (637 MW)	Start of production at **Rochas II** (35 MW) and **San Isidro** (48 MW) in Spain	Start of production at **Rochas I (45 MW)** in Spain

Strategic Priority: Grow a successful platform

Develop and optimize the portfolio on the Iberian Peninsula	Create and grow international platforms	Maximize the benefits of combined cycle gas and monetize the Group's gas
• Develop and optimize the portfolio on the Iberian Peninsula: 2–3 GW in 2024-27. • Make further progress at Aguayo II, in response to regulatory developments. • Develop advantages for integration in renewable hydrogen. • Leverage the flexibility of hydro and gas positions. • Offshore wind: explore opportunities.	• Growth in the U.S. ◦ Develop 2-3 GW of additional capacity between 24-27. ◦ Consolidate the ConnectGen project portfolio with a greater share of wind power. ◦ Deploy a new operating model for the US platform. • Global control and integration of Ibereólica (JV) in Chile. • Scale up Repsol's presence in Italy.	• Maximize energy management and optimization (exposures to different maturities).

Our performance in 1H 2024

Million euros	1H 2024	1H 2023	Δ
Operating income	12	77	(65)
Income tax	(5)	(20)	15
Investees	(12)	(11)	(1)
Adjusted income	**(5)**	**46**	**(51)**
Special items	(51)	8	(59)
Non-controlling interests	15	(19)	34
Net income	**(41)**	**35**	**(76)**
Effective tax rate (%)	(39)	(25)	(14)
EBITDA	**61**	**108**	**(48)**
Investments	**1,608**	**1,179**	**429**

Main operating figures

	1H 2024	1H 2023
Installed capacity in operation (MW)	**5,266**	**4,241**
Combined cycle	1,625	1,625
Solar photovoltaic	1,439	579
Wind	986	744
Hydro	693	693
Cogeneration	523	600
Renewable capacity (MW)	**6,108**	**5,080**
In operation	3,118	2,016
Under construction	2,870	1,235
Insured projects [(1)]	120	1,829
Electricity generation (GWh)	**3,666**	**3,951**
Combined cycle	838	2,052
Wind ans Solar	2,154	1,296
Hydro	674	602

[(1)] Projects for which a final investment decision has been made but construction has not yet started.

Main events in the period

Performance: lower production and prices

In the first half of 2024, electricity production amounted to 3,666 GWh compared to 3,951 GWh in the same period of 2023 (excluding cogeneration plant production). The change is due to lower output at combined cycle plants, partially offset by the start-up of new renewable energy projects.

Selling prices of energy generated in Spain were significantly lower than those reported in 2023. ● *For more information, see section 2.2 — Energy landscape.* This impact is partially mitigated by the long-term energy sales strategy.

Acquisition of ConnectGen

Repsol continues to grow, with a business model of entering into projects at the early stage and building asset value by bringing in partners, thus allowing for higher returns.

In March, the renewable energy company ConnectGen, with a 20 GW project portfolio and further development capabilities, was acquired in exchange for $796 million. With this agreement, Repsol has added an onshore wind energy platform in the United States, thus complementing Hecate's solar and storage assets and strengthening our position as a global player in this energy sector, while also building the Group's international presence and helping to achieve the goal of reaching 9–10 GW of installed capacity by 2027.

● *For more information, please see Note 2.3.1 Intangible assets to the 1H24 interim Financial Statements.*

Commissioning of projects in Spain and the United States

Production got underway in the first half of 2024 at the Las Majas, San Isidro I, La Rochas I and La Rochas II wind farms, within the larger Delta II project (Aragón), thus adding to the 277 MW already in operation and bringing the total installed capacity to 416 MW. The Delta II project will have a total installed capacity of 860 MW once development is complete.

In April, construction was completed on the Frye project in the United States, Repsol's largest photovoltaic plant to date, with almost one million solar panels and a total installed operating capacity of 632 MW.

5. Outlook

5.1 Outlook for the sector

Macroeconomic outlook

According to the latest IMF projections (World Economic Outlook (WEO) – April 2024), in its baseline scenario it expects global growth to remain at 3.2% in both 2024 and 2025, the same figure as for the whole of 2023.

By region, the IMF expects an acceleration in advanced economies —from 1.6% in 2023 to 1.7% in 2024 and 1.8% in 2025—, which would be offset by a slight slowdown in emerging economies, from 4.3% in 2023 to 4.2% in 2024 and 2025. Within the advanced block, there has been a significant divergence between the United States and the Eurozone. Notably, the IMF upgraded its US growth forecast for 2024 to 2.7% and to 1.9% in 2025, while the forecast for the Eurozone for 2024 was lowered to 0.8%, although some recovery is expected to 1.5% in 2025.

IMF macroeconomic forecast

	Growth in real GDP (%)		Average inflation (%)	
	2024	**2023**	**2024**	**2023**
Global economy	3.2	3.3	5.9	6.7
Advanced countries	1.7	1.7	2.7	4.6
Spain	2.4	2.5	2.7	3.4
Emerging countries	4.3	4.4	8.2	8.3

Source: IMF (WEO – July 2024) and Repsol Research Unit.

Despite a more balanced overall risk outlook around the baseline scenario, significant concerns and substantial uncertainty remain.

Indeed, heightened geopolitical tensions, particularly in the Middle East, could disrupt energy and financial markets, causing inflation to rise and growth to stagnate.

Alternatively, the "last mile" of inflation may prove to be slower and more arduous than hoped if cost pressures and spreads remain high, which would force central banks to keep policy rates higher for longer than expected and could expose financial vulnerabilities.

Meanwhile, persistently weak demand in China and the adjustment of its real estate sector have become risk factors, and have also fuelled fears that Chinese companies with overcapacity, such as in electric vehicles, will seek to flood the international markets.

Energy sector outlook

According to the July estimate of the International Energy Agency (IEA), global demand is likely to rise 0.97 Mbbl/d in 2024, to bring the average level of demand this year to 103.1 Mbbl/d. Consumption in non-OECD countries would increase by 1.06 Mbbl/d, while in OECD countries it would contract by 0.09 Mbbl/d. The IEA expects non-OPEC to increase its production by 1.05 Mbbl/d in 2024, concentrated by more than 70% in the United States. Meanwhile, the IEA expects OPEC's crude needs to decrease by 140 kbbl/d this year, although the market will be closely watching whether or not the group ultimately returns part of the barrels it cut last year to the system from October 2024, which, according to the agreement reached in early June, will depend on market conditions if the barrels are to be taken without impacting prices. Another factor that will play a major role in what remains of the year is how the currently active geopolitical conflicts pan out, including the conflict in the Middle East between Israel and Hamas and Russia's invasion of Ukraine.

Regarding the US gas market, dry gas production is expected to reach 102 Bcf/d in the second half of 2024, slightly below estimates previously made as a result of low natural gas prices. On the price front, dry gas production is expected to recover by the end of the year and increase throughout 2025, while prices climb in response to rising levels of demand: seasonal demand (cooling in summer and heating in winter) and gas demand to power LNG facilities (launch of new projects and further lines added to existing LNG facilities). How the summer unfolds, the extent of production cuts and the shift from gas to coal for power generation will determine how prices recover throughout 2024.

Looking at the electricity market in Spain, the latter half of the year is expected to be very different to the first six months, which were somewhat atypical in that we witnessed a large volume of renewable power amid low demand caused by the appearance of negative prices for the first time in history.

Hydro power will likely contribute more than in previous years, following an increase in reserves at reservoirs, although it would do so at higher prices. Meanwhile, the seasonal increase in demand, which could be even greater if expectations are met and a warmer-than-normal summer is recorded, would also push up prices.

As a result, and while solar energy would help to contain prices, especially towards the middle of the day, broadly speaking prices are expected to increase substantially in the second half of the year compared to the first six months.

5.2 Outlook for our businesses

The Group's business plans for the second half of 2024 respond to the recently published Strategic Update for the 2024-2027 period. The new capital allocation framework prioritizes investment (at a slightly higher level than the average in recent years) and shareholder return, with an unwavering commitment to preserve the Group's financial strength.

The LCG business remains a central pillar in the Group's ongoing energy transition. In the second half of 2024, Repsol will continue to organically grow the project portfolio (solar and wind) and optimize it in Spain, the United States and Chile to achieve the expected level of renewable capacity. Excellent project performance, coupled with further efforts to optimize the financial structure and the systematic rotation of the asset portfolio, will maximize the profitability of new projects.

The Customer area will continue to carve out a position for Repsol as a multi-energy leader, through growth in electricity and gas sales, the use of multi-energy channels, and by building scale in new businesses (electric and hydrogen mobility, distributed generation), while also optimizing the core business by transforming supply points and boosting the distribution of renewable fuels in order to accompany customers in their energy transition.

The Industrial businesses will continue to drive transformation and the circular economy, through the advanced biofuels plant in Cartagena and the electrolyzer in Bilbao for the production of renewable hydrogen, both of which are currently in operation. At the same time, further progress will be made in developing other initiatives to increase the capacity of low-carbon fuels and materials, to expand the Sines petrochemical complex in Portugal, and to decarbonize industrial processes, such as electrification and energy efficiency; all while fostering a culture of safety.

E&P will focus on project execution and on the continuous improvement of operational efficiency and safety, while continuing to optimize its asset portfolio and implement its Geological Low Carbon Solutions and greenhouse gas capture strategy.

Meanwhile, at the corporate areas, the Group will make further efforts throughout the second half of 2024 to add value to the business by exercising governance and control, increasing efficiency, automating processes and flexibly managing corporate services. The deployment of the "Second Digital Wave" will continue as we work to ramp up the digital transformation, and the Technology area will seek out the best alliances and partners in innovative disciplines, thus supporting the businesses by making them more competitive, agile and efficient.

With the aim of accelerating the Company's transformation, investment in 2024 —discounting the impact of asset portfolio turnover and divestment at the LCG business— is expected to be around €5 billion, provided that the macroeconomic and business environment is conducive to this level of investment.

Moreover, an attractive return will be offered to shareholders in 2024, equivalent to 30–35% of cash flow from operations. This payout took the form of a dividend of €0.90 per share, an increase approximately 30% on 2023, and a reduction of capital stock.

5.3 Highlights in the second half of the year

On July 5, the sale of the distributed generation business in France to Altarea for 140 million euros was completed. These renewable energy generation assets, specialized in the development of small and medium-sized rooftop photovoltaic projects, were part of the Asterion Energies group (acquired by Repsol in February 2023).

5.4 Risks

The main risks to which the Group is exposed are those described in the sections 6.3 and Appendix IV of the 2023 Management Report. This information on risks is updated and complemented by the information included in Note 4 to the consolidated interim Financial Statements for the first half of 2024 and in sections 2 and 5 of this report.

6. Sustainability and Governance

In February 2024, the eighth edition of the Global Sustainability Plan (GSP) was approved. The 2024 GSP sets 76 mid-term objectives, all built around the Sustainability Model. Moreover, 18 local plans were published in the first half of 2024 in 12 countries and at 6 industrial centers, as part of the process of deploying the GSP[1].

The 2023 GSP reached 88% compliance, while the local plans achieved more than 86% compliance.

As a sign of Repsol's commitment to the 2030 Agenda, the fifth edition of the report titled *Repsol's contribution to the 17 Sustainable Development Goals* (SDGs) has now been published, focusing on those goals that Repsol contributes the most to due to its activities: SDGs 7, 8 and 13 and 6, 9, 12 and 17. The report shows more than 30 indicators and contribution projects.

Repsol has a work plan in place involving the Company's different areas and businesses, with the aim of meeting the requirements imposed by the new Corporate Sustainability Reporting Directive (CSRD), applicable to the 2024 annual reporting.

Environmental information

Climate change

At Repsol's last General Shareholders' Meeting, held on May 10, 2024, the company's energy transition strategy was submitted to the advisory vote of its shareholders, after presenting the latest version of its Strategic Plan on February 22, 2024. The strategy was approved with a 70% vote in favor among shareholders.

As every year, Repsol carried out annual verifications of its greenhouse gas (GHG) inventories, according to the ISO 14064 standard. These verifications were carried out at the E&P operated assets, as well as at the La Pampilla refinery, the combined cycle plants of the Low Carbon Generation business and the Group's headquarters in Madrid. The verification of the Refining and Chemical centers is also expected in the second half of 2024.

In addition, the Carbon Intensity Indicator (CII), which measures progress towards the goal of net zero emissions by 2050 within the framework of sustainability bonds issued in 2021, has been verified for the third year. The report is available on (www.repsol.com).

Repsol continues to make progress toward its decarbonization roadmap. During the first half of 2024, improvement actions were implemented in the facilities that managed to avoid the emission of 97 thousand tons of CO2e.

Technology and digitalization for decarbonization

In the first half of 2024, the Company invested in technologies that contribute to decarbonization and circular economy, including Ingelia, a startup that has an HTC (hydrothermal carbonization) industrial process technology capable of treating biomass and valorizing it into a high value-added product with applications such as biofuel, biomaterial or fertilizer. Meanwhile, SC *Net Zero Ventures*, a venture capital investment fund that drives the energy transition and is managed by Suma Capital, in strategic alliance with Repsol as anchor investor, completed its first closing by raising €125 million.

At Repsol *Technology Lab*, the BIOS1 Pilot Plant has been commissioned to serve industrial units such as the C43 in Cartagena and process unconventional feeds,. It also completed the adaptation of the circular economy space for the characterization of raw materials. The new capabilities provide the Company with facilities where it can study, characterize and conduct in-depth studies of different energy processes focused on reducing the carbon footprint.

The All4Zero industrial technological innovation hub, promoted by Repsol and founded alongside ArcelorMittal, Holcim and Iberia, has attracted 186 projects following the launch of its first technological challenges.

In relation to Repsol's Digital Program, an analysis was carried out to identify the best way of implementing the new methodology for evaluating the contribution of digital initiatives to Repsol's decarbonization objectives. All the digital initiatives launched during the year will be evaluated in the second half of 2024.

Environment

In 2024, Repsol joined the list of TNFD Early Adopters, presented at the Davos Forum in January, with the aim of aligning the reporting of environmental issues in the Management Report with the recommendations of the TNFD[2]. This initiative seeks to pave the way for business organizations to prioritize nature as a central and strategic risk management issue, alongside climate change.

Repsol has pledged to help prevent the emission of plastic particles into the environment, and to this end its industrial facilities have passed external audits that have allowed them to obtain OCS (Operation Clean Sweep) certification, based on the scheme developed by Plastic Europe. OCS is a voluntary program that promotes responsible management and the application of good practices for cleaning and controlling plastic particles in order to prevent them from reaching the environment.

Social information

Safety

On February 12, two people from a service company died while dismantling a scaffolding at the Sines Industrial Complex in Portugal. The accident is still under investigation, en which Repsol is fully cooperating with the authorities. These events reinforce the need to depend on the Safety Excellence Program, which was launched in the second half of 2022. During the first half of 2024, further progress was made in collaboration and alignment with contractor companies to improve safety performance.

The corporate safety scorecard has undergone certain changes to include new indicators aimed at preventing serious accidents (Serious Incidents and Fatalities) and promoting learning through a more demanding assessment of potential consequences (High Potential Incidents). The monitoring of

[1] For more information on the Global Sustainability Plan and the local Sustainability Plans, see www.repsol.com.
[2] Taskforce on Nature-related Financial Disclosures.

these indicators is accompanied by the deployment of specific actions for their improvement, including the new Company Lessons Learned platform or the new procedure for evaluating the potential of incidents, with the consequent improvement in terms of learning and preventive action.

In the realm of cybersecurity, Repsol has invested in CardinalOps, a startup that offers a technology that automates and makes cybersecurity operations more efficient, most notably by including the attacker's vision in detection coverage optimizations, as well as the use of machine learning.

Human rights and community relations

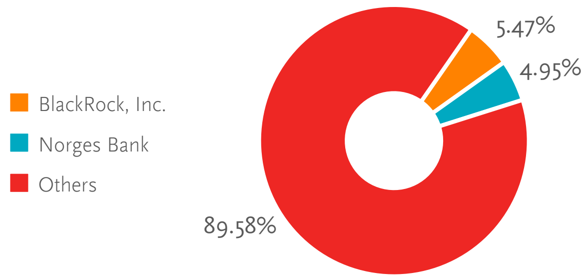
Repsol has updated its *Human rights and Repsol report*, which shows the processes and good practices of the Company as a guarantor of human rights in its operations and with its employees, communities and value chain. This document reinforces the company's commitment to transparency and accountability in this regard. The report incorporates the changes made to the latest version of the Human Rights and Community Relations Policy, and includes a specific section on the social remediation of the spill at the La Pampilla refinery.

Further progress has been made during the remediation and development phases of the La Pampilla Social Action Plan[3]. I During the first half of 2024, the 2nd phase of the ImpulsaRed Programme began, following the implementation of its pilot in 2023. Phase two targets fishing, nutrition and welfare, environment and circular economy, sustainable tourism and training in specific trades. The scope of this phase of the program covers all the affected districts and the main aim is to achieve a socioeconomic reactivation through more than 40 enterprises that the beneficiaries will start up. As was also the case during the pilot, the project has a clear gender focus and the majority of beneficiaries are women.

Governance information

Repsol's commitment to sustainability is widely recognized in the market, as evidenced by the fact that, as of the reporting date, 40% of the Company's institutional investors are socially and environmentally responsible investors.

Shareholder composition (latest information available)



Responsible tax policy

In the first half of 2024, Repsol paid €5,802 million in taxes and similar public charges; of this figure €3,895 million was paid in Spain.

Own taxes accrued account for 52% of our net income. In particular, and in relation to corporate income tax, the Repsol Group's effective tax rate was 35%, well above the nominal rate applicable in Spain and the average rate for OECD countries.

Repsol remains committed to fostering cooperative and transparent relations with the tax authorities and has voluntarily prepared its 2023 Tax Transparency Report for the Spanish tax authorities.

In June, the EU Tax Observatory awarded Repsol the highest score (100 out of 100) for tax transparency, making it the only Spanish company to achieve this score.[4]

Taxes paid in the first half of 2024[(1)]

	Total taxes paid[(2)]		Own taxes			Third-party taxes			
Million euros	**1H 2024**	1H 2023	**Total**	Income tax	Other taxes on profit	**Total**	VAT	TH[(3)]	Other
Europe	**4,394**	5,709	**72**	(374)	446	**4,322**	1,488	2,497	337
Latam and Caribbean	**922**	1,073	**369**	192	177	**553**	336	191	26
Asia and Oceania	**48**	79	**47**	47	—	**1**	(1)	—	2
North America	**123**	175	**93**	16	77	**30**	5	—	25
Africa	**315**	306	**313**	287	26	**2**	—	—	2
TOTAL 1H 2024	**5,802**		**894**	**168**	**726**	**4,908**	**1,828**	**2,688**	**392**
TOTAL 1H 2023		**7,343**	**1,802**	**891**	**911**	**5,850**	**2,536**	**2,986**	**328**

(1) Information prepared in accordance with the Group's reporting model described in "Information" (page 2 of this document).
(2) The amount includes refunds from previous years totaling €585 million in 2024 and €307 million in 2023.
(3) Tax on hydrocarbons. Includes what is paid through logistics operators when the Company is ultimately responsible for payment.

[3] For more information, see Note 4.3.2 — Peru spill to the 1H24 interim Financial Statements.
[4] The analysis focuses on country-by-country corporate tax reports published up to financial year 2021. The assessment has been carried out taking into account the degree of geographical disaggregation and the completeness of the information shown on certain variables among a broad universe of multinational companies from multiple sectors and geographical areas. The results are available at www.taxplorer.eu.

Appendix I: Table of conversions and abbreviations

			Oil			Gas			Electricity
			Liters	**Barrels**	**Cubic meters**	**toe**	**Cubic meters**	**Cubic feet**	**kWh**
Oil	1 barrel(1)	bbl	158.99	1.00	0.16	0.14	162.60	5,615.00	1.7x103
	1 cubic meter(1)	m^3	1,000.00	6.29	1.00	0.86	1,033.00	36,481.00	10,691.50
	1 ton of oil equivalent(1)	toe	1,160.49	7.30	1.16	1.00	1,187.00	41,911.00	12,407.40
Gas	1 cubic meter	m^3	0.98	0.01	0.001	0.001	1.00	35.32	10.35
	1,000 cubic feet=$1.04x10^6$ Btu	f^3	27.64	0.18	0.03	0.02	28.30	1,000.00	293.10
Electricity	1 megawatt hour	MWh	93.53	0.59	0.10	0.08	96.62	3,412.14	1,000.00

(1)Benchmark mean: 32.35 °API and relative density 0.8636.

			Meter	Inch	Foot	Yard
Length	Meter	m	1	39,37	3,281	1,093
	Inch	in	0.025	1	0.083	0.028
	Foot	ft	0.305	12	1	0.333
	Yard	yd	0.914	36	3	1

			Kilogram	Pound	Ton
Mass	Kilogram	kg	1	2.2046	0.001
	Pound	lb	0.45	1	0.00045
	Ton	t	1,000	22.046	1

			Cubic foot	Barrel	Liter	Cubic meter
Volume	Cubic foot	ft3	1	0.1781	28.32	0.0283
	Barrel	bbl	5,615	1	158.984	0.1590
	Liter	l	0.0353	0.0063	1	0.001
	Cubic meter	m3	35.3147	6.2898	1,000	1

Term	Description	Term	Description	Term	Description
bbl/bbl/d	Barrel/ Barrel per day	**kbbl**	Thousand barrels of oil	**Mm3/d**	Million cubic meters per day
bcf	Billion cubic feet	**kbbl/d**	Thousand barrels of oil per day	**Mscf/d**	Million standard cubic feet per day
bcm	Billion cubic meter	**kboe**	Thousand barrels of oil equivalent	**kscf/d**	Thousand standard cubic feet per day
boe	Barrel of oil equivalent	**kboe/d**	Thousand barrels of oil equivalent per day	**MW**	Megawatt (million watt)
Btu/MBtu	British thermal unit/ Btu/million Btu	**km2**	Square kilometer	**MWh**	Megawatts per hour
LPG	Liquefied petroleum gas	**Kt/Mt**	Thousand metric tons/ Million of metric tons	**Tcf**	Trillion cubic feet
LNG	Liquefied natural gas	**Mbbl**	Million barrels	**toe**	Ton of oil equivalent
Gwh	Gigawatts per hour	**Mboe**	Million barrels of oil equivalent	**USD/Dollar/$**	US dollar

Appendix II. Consolidated Financial Statements – Repsol reporting model

Prepared in accordance with the Group's reporting policies (see Appendix III).

(Unaudited figures in millions of euros)

Balance Sheet

	06/30/2024	12/31/2023
NON-CURRENT ASSETS		
Intangible assets	3,331	2,599
Property, plant and equipment	31,843	29,060
Investments accounted for using the equity method	461	514
Non-current financial assets	653	905
Deferred tax assets	3,975	4,700
Other non-current assets	1,255	1,081
CURRENT ASSETS		
Non-current assets held for sale	148	3
Inventories	7,196	6,767
Trade and other receivables	8,746	8,783
Other current assets	419	269
Other current financial assets	3,660	4,410
Cash and cash equivalents	3,897	4,552
TOTAL ASSETS	**65,584**	**63,643**
TOTAL EQUITY		
Shareholders' equity	25,988	26,150
Other cumulative comprehensive income	104	47
Non-controlling interests	2,613	2,873
NON-CURRENT LIABILITIES		
Non-current provisions	4,805	4,798
Non-current financial liabilities	9,717	8,808
Deferred tax liabilities and other tax items	3,879	3,964
Other non-current liabilities	1,056	746
CURRENT LIABILITIES		
Liabilities associated with non-current assets held for sale	87	—
Current provisions	1,724	1,563
Current financial liabilities	3,212	3,310
Trade and other payables	12,399	11,384
TOTAL LIABILITIES	**65,584**	**63,643**

Income statement

	06/30/2024	06/30/2023
Revenue from ordinary activities	30,822	29,778
Operating income	**3,114**	**3,934**
Financial result	(30)	(19)
Net income from investments accounted for using the equity method	(9)	18
Net income before tax	**3,075**	**3,933**
Income tax	(949)	(1,215)
Net Income / loss after taxes	**2,126**	**2,718**
ADJUSTED INCOME	**2,126**	**2,718**
Inventory effect	(86)	(505)
Special items	(390)	(667)
Non-controlling interests	(24)	(126)
NET INCOME [(1)]	**1,626**	**1,420**

(1) Corresponds to net income attributable to the parent

Statement of cash flows

	06/30/2024	06/30/2023
I. CASH FLOWS FROM OPERATING ACTIVITIES		
EBITDA	4,144	4,303
Changes in working capital	(560)	325
Dividends received	6	11
Income tax refunded/(paid)	(170)	(896)
Other proceeds from/ (payments for) operating activities	(1,133)	(221)
TOTAL CASH FLOWS FROM OPERATING ACTIVITIES	**2,287**	**3,522**
II. CASH FLOWS USED IN INVESTMENT ACTIVITIES		
Payments for investments:	(4,011)	(3,113)
Organic investments	(3,114)	(2,296)
Inorganic investments	(897)	(817)
Proceeds from divestments:	383	59
TOTAL CASH FLOWS FROM INVESTMENT ACTIVITIES	**(3,628)**	**(3,054)**
FREE CASH FLOW (I+II)	**(1,341)**	**468**
Transactions with non-controlling interests	49	1,952
Payments for dividends and payments on other equity instruments	(533)	(501)
Net interest and leases	(139)	(192)
Treasury shares	(598)	(428)
CASH GENERATED IN THE PERIOD	**(2,562)**	**1,299**
Financing activities and others	1,907	(2,657)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	**(655)**	**(1,358)**
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	**4,552**	**6,945**
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	**3,897**	**5,587**

Appendix III. Alternative performance measurements

Repsol's financial information contains indicators and measures prepared in accordance with applicable financial reporting standards and regulations, as well as other measures prepared in accordance with the Group's Reporting Model, defined as Alternative Performance Measures (APMs). APMs are measures that are "adjusted" compared to those presented in accordance with IFRS-EU or with Supplementary Information on Oil and Gas Upstream Activities, and the reader should therefore consider them in addition to, but not instead of, the latter.

Repsol presents its segment performance measures including joint ventures or other companies which are jointly managed in accordance with the Group's investment percentage, considering its operational and economic indicators within the same perspective and degree of detail as those for companies consolidated under the full consolidation method[1]. Thus, the Group considers that the nature of its businesses and the way in which results are analyzed for decision-making purposes is adequately reflected and that its disclosures allow for comparisons to be drawn with other companies operating within the sector.

● *For more information, see Note 1.3 — Repsol ´s bussiness segment of the 1H24 interim Financial Statements.*

APMs are useful for users of financial information as they are the measures employed by Repsol's Management to evaluate its financial performance, cash flows or financial position when making operational or strategic decisions for the Group.

● *For historical quarterly APM information, see www.repsol.com.*

1. Financial performance measures

Adjusted income

Adjusted income is the key financial performance measure that Management (the Executive Committee) consults when making decisions.

Adjusted income is calculated as ***income from operations at current cost of supply*** (or CCS), net of taxes and excluding certain income and expenses ***(Special items)***, the ***Inventory effect*** and results attributable to ***non-controlling interests***. ***Financial income*** is allocated to the adjusted income of the "Corporate and others" segment.

Adjusted income is a useful APM for investors in evaluating the performance of operating segments while enabling increased comparability with Oil & Gas sector companies that use different inventory measurement methods (see the following section).

Inventory effect

For current cost of supply (CCS) earnings, the cost of volumes sold is calculated on the basis of procurement and production costs[2] incurred during the period in question and not based on weighted average cost (WAC), which is the accepted methodology under European accounting law and regulations. The difference between CCS earnings and WAC earnings[3] is included in the so-called ***Inventory effect***, which also includes other adjustments to the valuation of inventories (write-offs, economic hedges, etc.) and is presented net of taxes and excluding results attributable to non-controlling interests. This Inventory effect largely affects the Industrial segment.

Special items

Significant items for which separate presentation is considered desirable to facilitate the task of monitoring the ordinary management of business operations and for comparison between periods and companies in the sector. This heading includes capital gains/losses due to divestments (capital gains and losses due to transfers or disposals of assets), restructuring costs (compensation costs...), impairments (provisions and reversals resulting from the impairment test on fixed assets, recoverability of tax credits, etc.), provisions for risks and expenses (provisions and reversals of provisions for tax, legal, environmental, geopolitical risks, etc.) and other major income or expense items outside the ordinary management of the businesses (provisions for dismantling and remediation; exchange rate impacts on fiscal positions in foreign currency; costs and compensation due to claims; sanctions and fines; valuation of financial instruments resulting from accounting asymmetries, etc.). Special items are presented net of taxes and non-controlling interests.

Non-controlling interests

Shows results attributable to non-controlling interests in relation to operating income, the Inventory effect and Special items, which are presented separately before Net income.

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[1] Except in the case of the renewable electricity generation businesses (LCG segment) where, due to the way in which the results of these projects are analyzed and management decisions are made, the economic aggregates of the Chilean joint venture are integrated using the equity method.

[2] To calculate the cost of supply, international quotations on the benchmark markets in which the Company operates are used. The relevant average monthly price is applied to each quality of distilled crude. Quotations are obtained from daily crude oil publications according to Platts, plus freight costs estimated by Worldscale (an association that publishes world reference prices for freight costs between specific ports). All other production costs (fixed and variable costs) are valued at the cost recognized in the accounts.

[3] WAC is a generally accepted European accounting method for measuring inventories. It factors in purchase prices and historic production costs, valuing inventory at the lower between this cost and its market value.

Special Items	First half		Second Quarter	
€ million	**2024**	**2023**	**2024**	**2023**
Divestments	1	—	(3)	(16)
Indemnities and workforce restructuring	(51)	(23)	(17)	(11)
Impairment	197	354	(62)	(7)
Provisions and others	(537)	(998)	(73)	(191)
Total	**(390)**	**(667)**	**(155)**	**(225)**

The following is a reconciliation of the Adjusted income under the Group's reporting model with the income prepared according to IFRS-EU:

Results	Second quarter													
			Adjustments											
	Adjusted income		Reclassifications of joint ventures		Special items		Inventory effect(2)		Non-controlling interests		Total adjustments		IFRS-EU income	
€ million	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
Operating income	1,360 (1)	1,132 (1)	(192)	(139)	22	(222)	(114)	(314)	—	—	(284)	(675)	1,076	457
Financial result	(12)	(19)	40	58	(82)	25	—	—	—	—	(42)	83	(54)	64
Net income of companies accounted for using the equity method - net of tax	(1)	17	78	78	(50)	(6)	—	—	—	—	28	72	27	89
Net income before tax	**1,347**	**1,130**	**(74)**	**(3)**	**(110)**	**(203)**	**(114)**	**(314)**	—	—	**(298)**	**(520)**	**1,049**	**610**
Income tax	(488)	(303)	74	3	(45)	(22)	29	80	—	—	58	61	(430)	(242)
Net income	**859**	**827**	—	—	**(155)**	**(225)**	**(85)**	**(234)**	—	—	**(240)**	**(459)**	**619**	**368**
Net income attributable to non-controlling interests									38	(60)	38	(60)	38	(60)
Net income attributable to the parent company									**38**	**(60)**	**(202)**	**(519)**	**657**	**308**

(1) Net income from operations at current cost of supply (CCS).
(2) The inventory effect represents an adjustment to "*Procurement*" and "*Changes in inventories of finished goods and work in progress*" on the IFRS-EU income statement.

Results	First half													
			Adjustments											
	Adjusted income		Reclassifications of joint ventures		Special items		Inventory effect(2)		Non-controlling interests		Total adjustments		IFRS-EU income	
€ million	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
Operating income	3,114 (1)	3,934 (1)	(304)	(260)	(288)	(686)	(115)	(679)	—	—	(707)	(1,625)	2,407	2,309
Financial result	(30)	(19)	66	91	(61)	—	—	—	—	—	5	91	(25)	72
Net income of companies accounted for using the equity method - net of tax	(9)	18	210	44	(50)	(6)	—	—	—	—	160	38	151	56
Net income before tax	**3,075**	**3,933**	**(28)**	**(125)**	**(399)**	**(692)**	**(115)**	**(679)**	—	—	**(542)**	**(1,496)**	**2,533**	**2,437**
Income tax	(949)	(1,215)	28	125	9	25	29	174	—	—	66	324	(883)	(891)
Net income	**2,126**	**2,718**	—	—	**(390)**	**(667)**	**(86)**	**(505)**	—	—	**(476)**	**(1,172)**	**1,650**	**1,546**
Net income attributable to non-controlling interests									(24)	(126)	(24)	(126)	(24)	(126)
Net income attributable to the parent company									**(24)**	**(126)**	**(500)**	**(1,298)**	**1,626**	**1,420**

(1) Net income from operations at current cost of supply (CCS).
(2) The inventory effect represents an adjustment to "*Procurement*" and "*Changes in inventories of finished goods and work in progress*" on the IFRS-EU income statement.

EBITDA

EBITDA, or Earnings Before Interest, Taxes, Depreciation and Amortization, is a financial indicator showing the operating margin of a company before deducting interest, taxes, impairment, depreciation and amortization.

Since it does not include financial and tax indicators or accounting expenses not involving cash outflow, it is used by Management to evaluate the company's results over time, for a more straightforward exercise in making comparisons with peers within the Oil & Gas sector.

EBITDA is calculated as operating income + depreciation and amortization + impairment, as well as other items that do not represent cash inflows or outflows from transactions (restructuring, capital gains/losses from divestment, provisions, etc.). Operating income corresponds to the result from operations at weighted average cost (WAC). Where net income from **operations at current cost of supply** (CCS) is used, it is known as **CCS EBITDA**.

EBITDA	Second quarter					
	Group Reporting Model		Reclassifications of joint ventures		IFRS-EU[1]	
€ million	2024	2023	2024	2023	2024	2023
Net income before tax	**1,124**	**614**	**(75)**	**(4)**	**1,049**	**610**
(-) Financial result	95	(5)	(41)	(59)	54	(64)
(-) Net Income from investments accounted for using the equity method	49	(12)	(76)	(77)	(27)	(89)
Operating income	**1,268**	**597**	**(192)**	**(140)**	**1,076**	**457**
Depreciation and amortization of non-current assets	**803**	**738**	**(101)**	**(141)**	**702**	**597**
Operating provisions	**(94)**	**249**	**21**	**(48)**	**(73)**	**201**
(Allowance)/Reversal of impairment	(158)	82	79	(32)	(79)	50
(Allowance)/Reversal of provisions for risks	64	167	(58)	(16)	6	151
Other items	**24**	**23**	**(100)**	**1**	**(76)**	**24**
EBITDA	**2,001**	**1,607**	**(372)**	**(328)**	**1,629**	**1,279**

[1] Relates to "*Income before tax*" and "*Adjustments to profit*" on the consolidated statement of cash flows under IFRS-EU.

EBITDA	First half					
	Group Reporting Model		Reclassifications of joint ventures		IFRS-EU(1)	
€ million	2024	2023	2024	2023	2024	2023
Net income before tax	**2,562**	**2,562**	**(29)**	**(125)**	**2,533**	**2,437**
(-) Financial result	91	20	(66)	(92)	25	(72)
(-) Net income from investments accounted for using the equity method	57	(13)	(208)	(43)	(151)	(56)
Operating income	**2,710**	**2,569**	**(303)**	**(260)**	**2,407**	**2,309**
Depreciation and amortization of non-current assets	**1,575**	**1,449**	**(197)**	**(275)**	**1,378**	**1,174**
Operating provisions	**(161)**	**264**	**(70)**	**(182)**	**(231)**	**82**
(Allowance)/Reversal of impairment	(369)	(182)	(13)	(140)	(382)	(322)
(Allowance)/Reversal of provisions for risks	208	446	(57)	(42)	151	404
Other items	**20**	**21**	**(100)**	**(1)**	**(80)**	**20**
EBITDA	**4,144**	**4,303**	**(670)**	**(718)**	**3,474**	**3,585**

[1] Relates to "*Income before tax*" and "*Adjustments to profit*" on the consolidated statement of cash flows under IFRS-EU.

EBITDA	Second quarter					
	Group Reporting Model		Reclassifications of joint ventures		IFRS-EU[2]	
€ million	2024	2023	2024	2023	2024	2023
Upstream	1,184	1,007	(364)	(320)	820	687
Industrial	465	388	(5)	(1)	460	387
Customer	300	251	(12)	(9)	288	242
LCG	37	44	—	—	37	44
Corporate and others	15	(83)	10	2	25	(81)
EBITDA	**2,001**	**1,607**	**(371)**	**(328)**	**1,630**	**1,279**
Upstream	—	—	—	—	—	—
Industrial	103	271	1	(3)	104	268
Customer	11	43	—	—	11	43
LCG	—	—	—	—	—	—
Corporate and others	—	—	—	—	—	—
Inventory effect[1]	**114**	**314**	**1**	**(3)**	**115**	**311**
CCS EBITDA	**2,115**	**1,921**	**(370)**	**(331)**	**1,745**	**1,590**

[1] Before taxes.

[2] Relates to "*Income before tax*" and "*Adjustments to profit*" on the consolidated statement of cash flows under IFRS-EU.

EBITDA	First half					
	Group Reporting Model		Reclassifications of joint ventures		IFRS-EU[2]	
€ million	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
Upstream	2,209	2,318	(637)	(731)	1,572	1,587
Industrial	1,342	1,951	(11)	(2)	1,331	1,949
Customer	564	539	(24)	(16)	540	523
LCG	61	108	—	—	61	108
Corporate and others	(32)	(613)	2	31	(30)	(582)
EBITDA	**4,144**	**4,303**	**(670)**	**(718)**	**3,474**	**3,585**
Upstream	—	—	—	—	—	—
Industrial	97	605	1	(11)	98	594
Customer	18	74	—	—	18	74
LCG	—	—	—	—	—	—
Corporate and others	—	—	—	—	—	—
Inventory effect[1]	**115**	**679**	**1**	**(11)**	**116**	**668**
CCS EBITDA	**4,259**	**4,982**	**(669)**	**(729)**	**3,590**	**4,253**

[1] Before taxes.

[2] Relates to *"Income before tax"* and *"Adjustments to profit"* on the consolidated statement of cash flows under IFRS-EU.

ROACE:

This APM is used by Repsol Management to evaluate the capacity of its operating assets to generate profit, and therefore measures the efficiency of Capital employed (equity and debt).

ROACE ("*Return on average capital employed*") is calculated as: (Adjusted income, excluding financial income, + Inventory effect + Special items) / (Average ***capital employed*** for the period in continuing operations, which measures own and external capital employed by the Company, and comprises Total equity + ***Net debt***). The figure includes joint ventures or other companies managed operationally as joint ventures. If the Inventory effect is not used in the calculation process, it is known as ***CCS ROACE***.

NUMERATOR *(Million euros)*	**1H 2024**	**1H 2023**
Operating income (IFRS-EU)	**2,407**	**2,309**
Reclassification of joint ventures	304	260
Income tax[1]	(903)	(1,035)
Net income of companies accounted for using the equity method - net of tax	(59)	12
I. ROACE result at weighted average cost	**1,749**	**1,546**

DENOMINATOR *(Million euros)*	**1H 2024**	**1H 2023**
Total equity	28,705	28,098
Net debt	4,595	797
Capital employed at period-end	**33,300**	**28,895**
II. Average capital employed[2]	**32,233**	**28,561**
I/II ROACE (%)[3]	**5.4 %**	**5.4 %**

[1] Does not include income tax corresponding to financial results.
[2] Corresponds to the average balance of capital employed at the beginning and end of the period.
[3] CCS ROACE (without taking into account the Inventory Effect) amounts to 5.7%.

2. Cash flow measurements

Operating cash flow

Operating cash flow measures the generation of cash flow corresponding to operations and is calculated as: EBITDA +/- Changes in working capital + Dividends received + Income tax received / - paid + Other proceeds / - payments relating to operating activities. Due to its usefulness and to show how cash flow changes between periods by isolating changes in working capital, operating cash flow can be presented excluding working Capital (Operating cash flow "ex working capital" or "OCF exWC").

Free cash flow

Free cash flow measures cash flow generation from operating and investment activities, and is useful for evaluating the funds available for paying shareholder dividends and servicing debt.

Cash flow generation

Cash generation is ***free cash flow*** less dividend payments, payment of remuneration for other equity instruments (coupons on perpetual bonds), transactions with non-controlling interests (dilutions, capital contributions, dividends, etc.), net interest payments, and payments for leases and treasury shares. This APM measures the funds generated by the Company before financial transactions (mainly debt issuance and repayments).

The following is a reconciliation of the ***Free cash flow*** and ***Cash generation*** under the Group's reporting model with the consolidated statement of cash flows under IFRS-EU:

Cash flow measurements	Second quarter					
	Cash flow		Reclassification of joint ventures and others		Statement of cash flows IFRS-EU	
Million euros	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
I. Cash flows from/(used in) operating activities (operating cash flow)	925	1,695	(107)	(49)	818	1,646
II. Cash flows from/(used in) investing activities	(1,499)	(1,303)	1,067	(66)	(432)	(1,369)
Free cash flow (I+II)	**(574)**	**392**	**960**	**(115)**	**386**	**277**
Cash generated	**(1,121)**	**133**	**937**	**(88)**	**(184)**	**45**
III. Cash flows from/(used in) financing activities and others [(1)]	614	(595)	(902)	79	(288)	(516)
Net increase / (decrease) in cash and cash equivalents (I+II+III)	**40**	**(203)**	**58**	**(36)**	**98**	**(239)**
Cash and cash equivalents at the beginning of the period	3,857	5,790	(387)	(300)	3,470	5,490
Cash and cash equivalents at the end of the period	3,897	5,587	(329)	(336)	3,568	5,251

(1) Includes payments for dividends and returns on other equity instruments, interest payments, other proceeds from/ (payments for) financing activities, proceeds from / (payments for) the issue / (return) of equity instruments, proceeds from / (payments for) financial liabilities, transactions (proceeds/payments) with minority interests and the effect of exchange rate fluctuations.

Cash flow measurements	First half					
	Cash flow		Reclassification of joint ventures and others		Statement of cash flows IFRS-EU	
Million euros	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
I. Cash flows from/(used in) operating activities (operating cash flow)	2,287	3,522	(229)	(268)	2,058	3,254
II. Cash flows from/(used in) investing activities	(3,628)	(3,054)	1,239	(395)	(2,389)	(3,449)
Free cash flow (I+II)	**(1,341)**	**468**	**1,010**	**(663)**	**(331)**	**(195)**
Cash generated	**(2,562)**	**1,299**	**969**	**(642)**	**(1,593)**	**657**
III. Cash flows from/(used in) financing activities and others [(1)]	686	(1,826)	(916)	760	(230)	(1,066)
Net increase / (decrease) in cash and cash equivalents (I+II+III)	**(655)**	**(1,358)**	**94**	**97**	**(561)**	**(1,261)**
Cash and cash equivalents at the beginning of the period	4,552	6,945	(423)	(433)	4,129	6,512
Cash and cash equivalents at the end of the period	3,897	5,587	(329)	(336)	3,568	5,251

(1) Includes payments for dividends and returns on other equity instruments, interest payments, other proceeds from/ (payments for) financing activities, proceeds from / (payments for) the issue / (return) of equity instruments, proceeds from / (payments for) financial liabilities, transactions (proceeds/payments) with minority interests and the effect of exchange rate fluctuations.

Liquidity

The Group measures ***liquidity*** as the sum of "Cash and cash equivalents" in the form of immediately available cash deposits arranged with financial institutions, and undrawn short- and long-term credit facilities loans at the end of the period relating to credit granted by financial institutions and that the Company may draw on for the amounts and subject to the timeframes and other terms agreed upon in the contract.

Liquidity	First half					
	Group Reporting Model		Reclassification of joint ventures and others		IFRS-EU	
Million euros	Jun 2024	Dec 2023	Jun 2024	Dec 2023	Jun 2024	Dec 2023
Cash and banks	2,968	3,151	(314)	(408)	2,653	2,744
Other cash equivalents	929	1,401	(15)	(16)	915	1,385
Cash and cash equivalents	3,897	4,552	(329)	(423)	3,568	4,129
Deposits with immediate availability [(1)]	3,076	3,878	—	—	3,076	3,878
Undrawn credit lines	2,696	2,637	(20)	(18)	2,676	2,619
Liquidity	**9,669**	**11,067**	**(349)**	**(441)**	**9,320**	**10,626**

[(1)] Repsol arranges time deposits but with immediate availability, as recognized under "*Other current financial assets*", and which do not meet the accounting criteria for classification as cash and cash equivalents.

Operating investments (investments):

Group Management uses this APM to measure each period's investment effort and allocation by business segment, reflecting operating investments by the various Group business units (including accrued and unpaid investments). The figure includes joint ventures or other companies managed operationally as joint ventures.

Investments may be presented as organic (funds invested in the development or maintenance of the Group's projects and assets) or inorganic (acquisition of projects, assets or companies for the expansion of the Group's activities). This distinction is useful in understanding how the Group's Management allocates its resources and allows for a more reliable comparison of investment between periods.

Investments	Second quarter									
	Operating investments						Reclassification of joint ventures and others		IFRS-EU[(1)]	
	2024			2023			2024	2023	2024	2023
Million euros	Organic	Inorganic	Total	Organic	Inorganic	Total				
Upstream	642	—	642	531	—	531	(50)	(120)	592	411
Industrial	362	—	362	273	—	273	(3)	(5)	359	268
Customer	79	54	133	78	—	78	(38)	(13)	95	65
LCG	437	14	451	330	88	418	27	(50)	478	368
Corporate and others	19	—	19	21	—	21	—	(1)	19	20
Total	**1,539**	**68**	**1,607**	**1,233**	**88**	**1,321**	**(64)**	**(189)**	**1,543**	**1,132**

[(1)] Relates to "*Payments on investments*" on the consolidated statement of cash flows prepared under IFRS-EU, and does not include items corresponding to "*Other financial assets*".

Investments	First half									
	Operating investments						Reclassification of joint ventures and others		IFRS-EU[(1)]	
	2024			2023			2024	2023	2024	2023
Million euros	Organic	Inorganic	Total	Organic	Inorganic	Total				
Upstream	1,261	—	1,261	1,143	129	1,272	(195)	(239)	1,066	1,033
Industrial	603	26	629	430	—	430	(11)	(9)	618	421
Customer	143	55	198	132	—	132	(59)	(29)	139	103
LCG	868	740	1,608	482	697	1,179	55	(61)	1,663	1,118
Corporate and other	28	2	30	34	—	34	—	—	30	34
Total	**2,903**	**823**	**3,726**	**2,221**	**826**	**3,047**	**(210)**	**(338)**	**3,516**	**2,709**

[(1)] Relates to "*Payments on investments*" on the consolidated statement of cash flows prepared under IFRS-EU, and does not include items corresponding to "*Other financial assets*".

3. Financial position measures

Debt and financial position ratios:

Net debt is the main APMs used by Management to measure the Company's level of debt. The figure is made up of financial liabilities less financial assets, cash and cash equivalents, and the effect arising from the mark-to-market of financial derivatives. It also includes the net debt of joint ventures and other companies operationally managed as such.

Net Debt	Net debt	Reclassifications of joint ventures	IFRS-EU balance sheet
Million euros	**Jun-2024**	**Jun-2024**	**Jun-2024**
Non-current assets			
Non-current financial instruments [1][2]	777	448	1,225
Current assets			
Other current financial assets [2]	3,660	76	3,736
Cash and cash equivalents	3,897	(329)	3,568
Non-current liabilities			
Non-current financial liabilities [2]	(9,717)	467	(9,250)
Current liabilities			
Current financial liabilities [2]	(3,212)	(5)	(3,217)
NET DEBT [3]	**(4,595)**	**657**	**(3,938)**

[1] Amounts included under "*Non-current financial assets*" in the consolidated balance sheet.
[2] Includes net non-current and current leases amounting to €-3,582 and €-699 million, respectively, according to the Reporting model and € -3,068 and €-572 million, respectively, according to the IFRS-EU balance sheet.
[3] The reconciliations in the previous period are available at www.repsol.com.

Gross debt is the measure used to analyze the Group's solvency and includes financial liabilities and the net mark-to-market value of derivatives. It also includes the debt of joint ventures and other companies operationally managed as such.

Gross Debt	Gross debt	Reclassifications of joint ventures	IFRS-EU balance sheet
Million euros	**Jun-2024**	**Jun-2024**	**Jun-2024**
Current financial liabilities (ex derivatives)	(3,104)	3	(3,107)
Net mark to market valuation of current financial derivatives	(21)	—	(21)
Current gross debt	**(3,125)**	**3**	**(3,128)**
Non-current financial liabilities (ex derivatives)	(9,710)	468	(9,242)
Net mark to market valuation of non-current financial derivatives	—	—	—
Non-current gross debt	**(9,710)**	**468**	**(9,242)**
GROSS DEBT [1]	**(12,835)**	**465**	**(12,370)**

[1] The reconciliations in previous periods for this figure are available at www.repsol.com.

The following ratios are used by Group Management to evaluate leverage ratios and Group Solvency.

- The ***Leverage ratio*** is ***Net debt*** divided by ***Capital employed*** at the end of the period. This ratio can be used to examine financial structure and degree of indebtedness in relation to capital contributed by shareholders and financing entities. Leverage is the chief measure used to evaluate and compare the Company's financial position with respect to its peers in the Oil & Gas industry.
- The ***Solvency ratio*** is calculated as ***Liquidity*** (section 2 of this Appendix) divided by ***current Gross debt*** and is used to determine the number of times the Group may service its current debt using its existing liquidity.

Leverage	First half					
	Group Reporting Model		**Reclassifications of joint ventures**		**IFRS-EU balance sheet**	
Million euros	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
Net debt	4,595	797	(657)	480	3,938	1,277
Capital employed	33,300	28,895	(657)	480	32,643	29,375
Leverage (%)	**13.8 %**	**2.8 %**			**12.1 %**	**4.3 %**

Solvency	First half					
	Group Reporting Model		**Reclassifications of joint ventures**		**IFRS-EU balance sheet**	
Million euros	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
Liquidity	9,669	11,441	(349)	(349)	9,320	11,092
Current gross debt	3,125	1,985	3	97	3,128	2,082
Solvency	**3.1**	**576.4 %**			**3.0**	**5.3**