REPSOL Group

2020

Integrated
Management Report

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

REPSOL

The Management Report

Repsol[1], as a further show of its commitment to transparency, has drawn up a Management Report that integrates both financial and non-financial information, specifically information on sustainability. This report is intended as the cornerstone of the Group's annual public reporting.

This **Management Report** faithfully presents the Repsol Group's business, results and financial position, together with a description of the main risks and uncertainties it faces, and the approach set out in the Strategic Plan. It also provides information on Sustainability, including the Environmental, Social and Governance (ESG) areas.

The report not only complies with applicable legal requirements2 but is aligned with best practice and, in particular, with the recommendations of the "International Integrated Reporting Framework" of the International Integrated Reporting Council (IIRC), the "Guía para la Elaboración del Informe de Gestión de las Entidades Cotizadas" of the CNMV, Spain's securities market regulator, and the European Commission Guidelines on non-financial reporting (methodology for reporting non-financial information) (2017/C 215/01).

Preparation of information

The **financial information** included in this document, unless expressly indicated otherwise, has been prepared in accordance with the Group's reporting model described in Note 4 "Business information"3 of the 2020 consolidated financial statements. Some of the financial indicators and ratios are considered Alternative Performance Measures (APMs) in accordance with the European Securities Markets Authority (ESMA) Guidelines4.

The report must be read together with the 2020 Consolidated Financial Statements, which have been filed along with this Report with the CNMV (www.cnmv.es) and are also available at www.repsol.com.

The **information** relating to the **Sustainability indicators** is presented in accordance with the Global Reporting Initiative (GRI)[5] using the "comprehensive" option. Appendix IV "GRI Index" contains a list of the Sustainability indicators included throughout the report, in other public reports released by the Company, or reported in Appendix III "Additional Sustainability Information." These indicators, together with the additional information required by Law 11/2018, comprise the Statement of Non-Financial Information, the content of which is set out in Appendix V "Statement of Non-Financial Information". Sustainability figures and indicators have been calculated according to corporate rules that specify the criteria and common methodology to be applied to labor, environment, human rights and social issues that is described in detail in each of its sections. This information is verified by an external auditor (PwC), according to ISAE 3000 (Verification report available at **www.repsol.com**). Additionally, in 2020 the Report voluntarily includes indicators according to the SASB "Sustainability Accounting Standards Board" (Appendix VI). Lastly, the 10 Principles of the United Nations Global Compact have been taken into account in drawing up this information.

The **forward-looking information** contained in this document reflects the plans, forecasts or estimates of the Group's management at the date of their authorization for issue. Such forward-looking information is based on assumptions that are considered reasonable, and cannot be considered as a guarantee of the entity's future performance, in the sense that such plans, forecasts or estimates are subject to risks and uncertainties, meaning that the future performance of the Group will not necessarily coincide with what was initially planned.

Mission, vision and principles of action:

Repsol's **mission** (its reason for being) is to provide energy to society efficiently and sustainably.

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, Foresight and Value Creation*"– and a set of **Company behaviors** –"*Results-Oriented, Accountability, Cooperation, Entrepreneurial Attitude and Inspiring Leadership*"– to make our mission a reality and our vision an attainable challenge.

Further information available at www.repsol.com

1. Henceforth, the names "Repsol," "Repsol Group" or "the Company" are used interchangeably to refer to the company group consisting of Repsol, S.A. and its subsidiaries, associates and joint arrangements.
2. Among others, the Spanish Commercial Code, the Consolidated Text of the Spanish Companies Act and Law 11/2018 of 28 December, which amends the Commercial Code, the Consolidated Text of the Companies Act and the Auditing Act as regards non-financial information and diversity, and transposes into Spanish law Directive 2014/95/EU as regards disclosure of non-financial and diversity information by certain large undertakings and groups.
3. In 2020, Repsol redrew the scope of its business segments, which are now three: *Exploration and Production* (Upstream), *Industrial* and *Commercial and Renewables*. For more information, *see section 4.1*.
4. Appendix I, "*Alternative Performance Measures*", includes the reconciliation between the adjusted figures and those corresponding to IFRS-EU financial information.
5. All GRI standards are followed in their 2016 version, with the exception of the Water (2018), Occupational Health and Safety (2018) and Tax (2019) standards.

Message from the Chairman

Dear shareholders,

In a matter of months, the COVID-19 virus has triggered a global health and economic crisis which in Spain has caused an 11% dip in GDP, according to initial estimates released by the National Statistics Institute, well above the EU average. It has also given rise to a significant increase in unemployment. Given the sense of despondency that seems to have taken hold in society, I would like to convey a message of cautious optimism and assure you that our country has the resources and assets needed to embark on the recovery and build a more resilient economy.

Spain must base its recovery on the main strengths of its economy, which include industry. This is one of the country's most valuable strategic assets, as shown during the lockdown, when companies such as Repsol guaranteed the supply of basic energy products and services for mobility and households. I would like to thank all the employees at our industrial complexes, LPG plants, and service stations, who, like so many others, continued to work on-site during these testing months and helped the company fulfil an essential public service.

The hard work carried out during this period has shown once again that industry is part of the backbone of the Spanish economy and is one of its main driving forces. In our country, 80% of private research and innovation is related to industry, which dedicates 2.1% of its Gross Value

> Spain needs a broad national pact to promote its industry, which will allow us to strengthen the sector and make it compete at the cutting edge of technology

Added to R&D+I, four times more than the services sector. Industry also generates quality employment, with 95% of contracts being full-time, 81% permanent and salaries between 20% and 25% higher than in the services sector. The refining business alone generates 40 billion euros a year in turnover, while generating 200,000 direct and indirect jobs in Spain.

Yet despite these figures, the reality is that both Europe and Spain have been losing industrial capacity for some time. Spanish industrial GDP is 16% and the European average is 19%, compared to 20% and 21% respectively in 1996. As a society, the decline of industry has undoubtedly made us more vulnerable, as seen at the beginning of the pandemic when European countries encountered serious difficulties in supplying health equipment.

Therefore, one of the conclusions we can draw from what has happened so far during this pandemic is that we need to increase the weight of the industrial sector within the wider economy by promoting sectors with more technology and higher added value, as indeed the European Union has been urging its Member States to do for years. This will allow us to create a more resilient economy, as we follow the likes of Germany, Finland, or Norway, where industry accounts for over 20% of GDP and where citizens enjoy high levels of welfare and have coped better with recent crises.

To move closer to these countries, Spain needs a broad national pact to promote its industry, involving public administrations, companies, and social agents alike. This will ultimately allow us to strengthen the sector and allow it to compete with the most advanced economies when it comes to state-of-the-art technology and innovation. We need to provide the country with a long-term strategy, one that lays the foundations for a more industrialized economy, with concrete measures to boost investment in R&D from the current level of 1.25% to over 2% of GDP–the EU average–and to strengthen vocational training by focusing on the skills most needed in this new era.

I am convinced that the Next Generation program of the European Union will be a unique opportunity to champion the reindustrialization of our country. The 72 billion euros that Spain will receive over the coming three years must be used to strengthen the productive fabric and modernize the economy by investing in those sectors that can contribute the most to improving our competitiveness, such as the ecological transition, digitalization and, evidently, industry. It is also essential that these investments are undertaken through close cooperation between public administrations and private companies, to ensure that the resources are used efficiently and that the country gets the most out of them.

Public-private partnerships will not only be needed to manage these funds. Spanish industry needs the government's support to continue generating wealth, with fiscal policies that recognize and reward the efforts of companies that invest in creating jobs and innovation; environmental policies that do not undermine our industrial competitiveness vis-à-vis industries in countries that are less demanding in this area; and suitable regulatory frameworks to eliminate the uncertainty that serves only to hinder investment decisions by companies.

We must therefore get on the same page and work together to strengthen our industry. If we succeed, this sector will become one of the main drivers of the economic recovery and job creation, while continuing to play a prominent role in the energy transition, another of the great challenges we face as a society.

Industry, a key element in the energy transition

The industrial sector, to which Repsol belongs, has much to say in the energy transition, which is a global challenge involving all governments, companies, and citizens. Thanks to its ability to promote research and innovation, industry will be key to developing the technologies needed to meet the European Union's emissions reduction target, which a few months ago was raised from 40% to 55% by 2030.

For years, the refining sector has been leading European industry's efforts to make its activities more sustainable by plotting out various technological routes to reduce its CO_2 emissions across processes and products. I would like to emphasize the contribution made by Repsol here. Through efficiency measures, it has reduced the energy consumption of its refineries by 20% in 10 years and, as a company, it has succeeded in reducing its CO_2 emissions by 5.5 million metric tons per year between 2006 and 2020.

Right now, the refining sector is undergoing a technological revolution in the truest sense. We have embarked upon a transformation process that will allow us to turn our refineries into multi-energy hubs that in the short run will be able to process alternative raw materials to generate fuels and materials with a low carbon footprints. To give an example, technology will allow us to produce advanced biofuels from urban, agricultural, forestry, or agri-food industry waste. Moreover, the renewable hydrogen and CO_2 captured at the refineries themselves can be used to make synthetic biofuels. Both these low-carbon products will play a key role in our mobility in the future.

> We need an adequate regulatory framework, one that contemplates and champions the development of all existing decarbonization technologies and energies

This industrial transformation is one of the pillars of our 2021-2025 Strategic Plan, with which we will make progress towards achieving net-zero emissions by 2050. Our most outstanding projects in this area include the construction in Cartagena of Spain's first advanced biofuels plant and the construction of both a synthetic fuels plant and a biogas plant in Bilbao. Also in Bilbao, we plan to build Europe's first 100 megawatt (MW) alkaline electrolysis plant, signaling a big technological leap forward when it comes to the production of renewable hydrogen. The company will rely on these cutting-edge industrial initiatives to help develop a strong and sustainable industry that will boost the reactivation of the economy and create job opportunities in key sectors for the future, such as digitalization and technology.

All these projects are further proof of Repsol's commitment to leading the decarbonization of the economy, even amid the current crisis. Apart from the industrial transformation, another of the main levers of our strategy is to improve the energy efficiency of our traditional businesses, notably refining. I would also like to highlight the progress made in this direction by our hydrocarbon exploration and production (Upstream) business. In recent decades it has been fundamental in making Repsol a truly global operator and a benchmark within the sector, thanks to our technological capacities.

This activity will remain a strategic concern for Repsol over the coming years. Despite the foreseeable changes in the energy model, oil will remain a useful and necessary energy source in a decarbonized world where it will be put to uses that do not emit CO_2, such as the production of fiber, insulating materials, fertilizer, rubber, and even tires and plastics for car interiors. The same holds true for natural gas which is needed to replace coal in power generation and is key to boosting the development of renewable energy, as it can take over when their production dips.

The challenge will be to continue producing the oil and gas that society needs in an increasingly sustainable way. At Repsol we are prepared to face this challenge thanks to our sound portfolio management, efficiency, and technological prowess. All this will allow us to cut the CO_2 emissions of this business by 75% during the period 2021-2025, while also ensuring its profitability which will help us to continue advancing along the path to decarbonization.

Aside from improving the efficiency of these traditional businesses, we have added a number of low-carbon businesses to our portfolio, with six renewable projects now under development in Spain (three wind and three photovoltaic) and a joint venture in Chile. We have also built a new customer-centric business from which we will prioritize the supply of low-emission energy to consumers in the Iberian Peninsula and the development of products and digital tools to facilitate energy management and make homes more energy efficient.

Committed to a hybrid energy model

At Repsol we are committed to using all available technological options to achieve our decarbonization objectives. We advocate a hybrid energy model that combines electrification with the use of low-carbon fuels, such as advanced biofuels, synthetic fuels, and renewable hydrogen. All of them will be crucial over the coming years in decarbonizing sectors that are difficult to electrify in the mid-term with today's technology, such as long-distance road transport and the maritime and aviation industries.

Looking at the situation in these sectors, it is plain to see that electricity cannot be the solution for everything. Therefore, mature technologies that are already managing to reduce their carbon footprint, such as increasingly efficient internal combustion engines, can and indeed should coexist with new electric and renewable technologies. I am convinced that the combination of different technologies and forms of energy is the best formula for accomplishing our objective of decarbonizing society in the shortest possible time and, above all, at the lowest cost to citizens.

There is, therefore, no single solution to reduce CO_2 emissions. It is essential that our authorities always apply the principle of technology neutrality when legislating and making decisions, as envisioned in the European Green Deal and the future European Climate Law. I firmly believe that it is essential to allow the different technologies and types of energy available to us to compete freely as we go about decarbonizing the economy, with no bans or exclusions, since right now we are unable to predict which of them will be the most efficient in the mid to long term.

Repsol has concrete plans in place to accelerate the decarbonization of its processes, produce fuels and materials with a low carbon footprint, and incorporate new low-emissions businesses, all with the support of technology and innovation. To succeed, we need an adequate regulatory framework – one that contemplates and champions the development of all existing decarbonization technologies and types of energy. This is the only way to make effective progress toward the energy transition and successfully complete the transformation of our sector which has several industrial projects in progress that can drive the economic recovery and, let us not forget, supply society with energy products that are essential for its well-being.

I am convinced that our sector will emerge stronger from this crisis and will be able to continue supporting the growth of the Spanish economy.

Thank you all for your trust.

Antonio Brufau Niubó
Chairman

Message from the Chief Executive Officer

Dear shareholders,

I would like to begin this letter with a message of support for those who have felt the consequences of the global pandemic in one way or another, especially those who have lost a loved one. It has been a tremendously difficult year for everyone. COVID-19 has taken the lives of thousands of people and brought economic activity to a screeching halt, with negative growth figures not seen since last century.

In our sector, the pandemic triggered a dramatic decline in oil and gas prices and a collapse of demand. In 2020, the average Brent crude oil price fell by around 34% to average 41.8 $/bbl. Meanwhile, Henry Hub gas saw its average price fall by some 19%, averaging 2.1 $/MBtu over the period. To compound matters further, we witnessed an inevitable decline in fuel sales due to the mobility restrictions put in place to combat the virus. At our service stations in Spain, we experienced an average decline of 23% for the full year, though peaking at an 85% reduction during the strictest lockdown periods.

In this extremely difficult environment, at Repsol we have once again demonstrated the strength of our business. Firstly, we have continued to fulfill an essential public service, proving once again that we are a company with immense social value and worth. Our priority at all times was to keep our facilities operational. Repsol employees continued to work even at the height of the pandemic, with appropriate safety

> Amid this hostile environment, we have continued to fulfill an essential public service, proving once again that we are a company with immense social value and worth

measures in place, whether to extract oil and gas at our fields, to produce fuels or raw materials for the manufacture of medical equipment at our industrial complexes, to meet the needs of all the transporters, health workers, and security forces who frequent our service stations, or to deliver butane cylinders to thousands of homes.

All this with the invaluable aid of the employees who work at our corporate center and who for months have been supporting their friends and co-workers by working from home. To achieve this feat, we have relied on digitalization and the new ways of working that we have been promoting for years. They have proven their worth during this crisis and kept the company operating daily. I would like to thank every one of you once again for your efforts.

In a year when the pandemic has accentuated inequalities around the world, I am proud that our company has been able to ensure the supply of energy products and services to society as a whole, while protecting jobs and continuing to look after the communities in which we operate. I think this is the finest example of our unwavering commitment to ensuring respect for human rights and of how we are integrating into our business the Principles of the United Nations Global Compact that we adhered to in 2002 in a bid to promote sustainable development.

A Resilience Plan to strengthen our balance sheet

The hostile global landscape arisen from the pandemic prompted us to take steps to ensure the company's sustainability. We reviewed our assumptions of future oil and gas prices as a show of financial prudence, thus lowering the value of our Upstream assets. Meanwhile, in March we launched a Resilience Plan across all of our businesses, with specific measures to improve cash generation and strengthen our balance sheet.

By December 31, we had accomplished greater savings than expected in operating expenses and cuts in investment. This has allowed us to reduce our net debt by 1.178 billion euros compared with the previous year, bringing it to 3.042 billion euros, even though the scenario has been worse than considered in March 2020 when we launched the Resilience Plan.

The effectiveness of the measures rolled out under this plan can also be seen in our accounts. In 2020, we were able to deliver positive operating cash flow of 3.197 billion euros, and an adjusted net income –which measures the performance of our businesses – of 600 million euros. This, once again, shows our strength even in this complex scenario of depressed commodity prices and unusually low demand.

At Repsol we are not only showing resilience in coping with this unprecedented scenario. We are also laying the foundations for the company's future. In this decade, we want to consolidate our position as a sustainable multi-energy company with a global presence; a company that will ultimately help achieve a more decarbonized world by relying on all available technologies, as all forms of energy will be necessary for a just and efficient energy transition, at the lowest possible cost for citizens.

The backbone of this transformation process is our 2021-2025 Strategic Plan which we approved in November last year. It aims to accelerate the company's energy transition and signals a clear commitment to the decarbonization of our asset portfolio. This plan plots out a realistic and profitable roadmap for the coming years that will allow us to continue to grow, ensure profitability, and generate maximum value for our shareholders.

One of the objectives of this Strategic Plan is to maintain one of the most attractive remuneration policies in the industry and among all Ibex 35 companies, combining cash payments with share buybacks. Thus, our dividend will be €0.60/share (scrip dividend plus cash dividend) in 2021. This will be steadily increased over the course of duration of the plan to reach €0.75/share. By 2025, the shareholder remuneration will exceed €1/share, including cash payment and share buybacks to be carried out from 2022 onwards.

Ambitious emissions reduction targets

The main purpose of the new Strategic Plan is to help us become a net-zero emissions company by 2050, in line with the targets envisioned in the Paris Agreement on climate change. The recent decision of the United States to rejoin the agreement is a major boost that will hopefully make international relations and the global economic situation more stable, as both these factors heavily impact the activities of a global company like Repsol.

To achieve zero net emissions by 2050, our company has outlined a demanding roadmap, including new and more ambitious emissions reduction targets, with a reduction in carbon intensity of 12% by 2025, 25% by 2030 and 50% by 2040. In energy efficiency alone, for instance, we will invest 400 million euros over the next five years to reduce 800,000 metric tons of CO_2 per year. These figures confirm Repsol's status as an energy company committed to a more sustainable world. Not only does it seek to reduce its carbon footprint, it also applies mechanisms to protect the environment when planning and undertaking all of its projects and operations.

To achieve our emissions reduction targets we will champion an energy model that integrates various technological options, combining electrification with the use of products that have a low, neutral, or even negative carbon footprint. We will also continue to focus on reducing energy consumption, as well as digitalizing our operations through artificial intelligence, automation, and cloud-based solutions.

One of the core features of the Strategic Plan is the implementation of a new operating model which will enhance the strengths of our

> To cope with the current environment, we rely not only on the strength of our industrial assets and our financial health, but above all on the immense talent of our human team

Exploration and Production as well as Industrial assets to continue generating cash flow. It will also promote the development and growth of new zero-emission businesses centered on the customer and renewable power generation, two of the main pillars of the company's growth in the coming years.

In our new Low-Emissions Generation business, the aim is to continue growing our portfolio of projects in operation in Spain –currently standing at 3.3 gigawatts (GW)– and to develop new assets in international markets on the path to becoming a global operator, with a generation capacity of 7.5 GW by 2025 and 15 GW by 2030.

At the same time, our new Customer Unit will be tasked with meeting the energy and mobility needs of our 24 million customers. We want to harness our competitive advantages to lead the multi-energy supply to consumers in the Iberian Peninsula, by offering them a differential global service that features a steadily growing weight of low-emissions energy and digital products and tools.

The circular economy is another pillar of our new strategy and a key lever for the delivery on our commitment to achieve zero net emissions by 2050. It will enable us to transform our industrial complexes into multi-energy hubs, capable of using all types of waste as raw materials to generate products with a low, zero, or even negative carbon footprint. Thanks to this transformation, Repsol will become a benchmark in sustainable biofuels, with a production capacity of 1.3 million metric tons by 2025, as well as in the production of renewable hydrogen, with a capacity equivalent to 400 MW by 2025.

Last year, we already took the first steps in this direction, with the launch of several state-of-the-art industrial projects. These include Spain's first advanced biofuels plant, which we will build in Cartagena, and two major decarbonization initiatives we plan to carry out in Bilbao: one of the world's largest net-zero emission synthetic fuel production plants and a facility capable of generating gas from municipal waste.

Last but not least, our upstream business will focus on the development of short-cycle projects that can be managed flexibly and with limited capex intensity, thus increasing their contribution to the company's results and generating positive cash flow. The aim is to bring average production to 650,000 barrels of oil equivalent per day and to reduce our global presence to 14 countries, with a more efficient and focused exploration activity.

We will invest a total of 18.3 billion euros over the whole period of the plan. We intend to invest 42% –some 7.7 billion euros– in Spain as a clear illustration of our commitment to making Spanish industry more competitive, helping its decarbonization and promoting industrial employment.

A strong project for the future

Repsol is a strong and resilient company. In previous downcycles, it has amply demonstrated its ability to emerge stronger from adverse circumstances, such as the one we have unfortunately all been witnessing in recent months. To cope with the current situation, we rely not only on the strength of our industrial assets and our financial health, but, above all, on the immense talent of our diverse human team, made up of people of 79 nationalities and with extensive experience in the efficient management of energy resources and technological innovation. I am convinced that we have the best possible team to step up the essential decarbonization process at our company and to undertake the progressive incorporation of new low-emission businesses.

And, of course, to help us get through the economic slowdown, we have our 2021-2025 Strategic Plan, a solid foundation on which to build a company of the future and to continue advancing toward our goal of achieving zero net emissions by 2050. At Repsol we view decarbonization as an opportunity to develop more profitable businesses and to continue growing and to become, in this decade, the multi-energy company that society is calling for to cover all of its needs in a sustainable way.

I thank you all for the trust you have placed in our project, particularly in these very difficult times. Let us now continue our journey together.

Thank you.

Josu Jon Imaz San Miguel
Chief Executive Officer

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- Targets achieved ahead of schedule

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- New operating model acting as a catalyst of value and decarbonization
- Shareholder remuneration higher than our peers

In this extremely challenging environment, Repsol has focused on its role as a supplier of essential products and services to society.

The COVID-19 crisis and the 2020 Resilience Plan

The world was hit by an unprecedented global economic crisis in 2020 as a result of the COVID-19 pandemic. This severe crisis shaped an extraordinarily complex and demanding **landscape** for Repsol's businesses, affected by the drop in general economic activity and, especially, by lockdown restrictions introduced to fight the pandemic.

Against this difficult backdrop, and even at the most critical junctures, Repsol was able to keep it businesses running, most of which are considered essential or strategic activities, thus guaranteeing the supply of energy products and services that are essential for society and safeguarding the health and safety of its employees, customers and suppliers.

The crisis significantly reduced the demand for oil, gas and derivative products and sparked a dramatic fall in their prices, with a heavy impact on the profitability of our businesses. However, the 2020 Resilience Plan draw up by the Company to protect cash flow generation and ensure a strong balance sheet amid the crisis –through ambitious targets in terms of cost efficiencies and investment– enabled the generation of positive free cash flow, cut net debt and maintained our investment grade credit rating throughout 2020.

In any case, it should be noted that in the latter part of the year, given fresh optimism of an exit from the crisis, we saw a recovery in demand and prices for our products, which has certainly pushed up the profitability of our businesses, especially at E&P, Chemicals and Commercial.

For more information, see Sections 2. COVID-19: Impacts and Resilience Plan and 5. Environment.

Flexibility of the businesses in generating cash during the crisis.

2021-2025 Strategic Plan

In November, Repsol unveiled its Strategic Plan for the period 2021-2025 (the Plan), which will shape the company's transformation in the coming years and speed up the energy transition. Repsol shall prioritize profitable growth and maximize shareholder value with a strong increase in cash flow generation and financial discipline.

The Plan sets a roadmap for reducing emissions that is more ambitious than the December 2019 commitment, so as to continue successfully advancing towards the goal of zero net emissions by 2050 through decarbonization of the asset portfolio and a new operating model.

Repsol will evolve its organization by deploying four business areas (Upstream, Industrial, Customer-Centric and Low Carbon Generation), with planned investments in low carbon initiatives totaling 5.5 billion euros (30% of the total) over the period.

Shareholder remuneration will combine cash payments with share buybacks. The dividend will rise from 0.60 euros per share to 0.75 euros per share over the period of the Plan (including share buybacks, it may exceed 1 euro per share by 2025). Even in tough price scenarios, cash will be generated to cover investments, shareholder remunerations and finish the Plan with a debt level similar to that of 2020.

For further information, see Section 3. New Strategic Plan.

Flexibility of businesses to adapt to the environment

- Successful exploration campaign with lower investment
- Adaptation of production and logistics schemes without losing focus on innovation and digitalization
- Optimization of costs and investments

Decarbonization and energy transition

- Innovative industrial, circular economy and decarbonization projects.
- Increase in renewable generation capacity
- International expansion of renewable generation in Chile

Business activities and sustainability

At ***Upstream***, against a backdrop of low crude oil and gas prices, Repsol has prioritized value generation over production volume, in the form of cost reduction plans and by redefining asset operation plans in a bid to improve the cash break-even. Temporary production halts took place at certain assets in Canada, the United States and Colombia. Profitable growth was pursued, one highlight being the successful exploration campaign, with discoveries in Alaska, the Gulf of Mexico and Colombia, as well as the start of production of new development wells at Marcellus, Norway, Eagle Ford and Trinidad and Tobago. *For more information, see Section 7.1. Upstream.*

In the ***Industrial*** segment, against the background of a deep and sharp reduction in demand, production, logistics and commercial patterns adjusted to keep utilization levels above international averages. Repsol continued to focus on innovation and digitalization. New projects have been launched in line with the Group's strategy of decarbonization and the circular economy, to minimize energy efficiency, operational reliability and to minimize environmental impact.

For more information, see Section 7.2. Industrial.

At ***Commercial and Renewables***, the mobility restrictions had a negative impact on demand for oil products and, in particular, fuels, despite which Repsol kept its service stations up and running even at the most critical junctures. In 2020, our customer-centric multienergy offering model continued through development of the Electricity and Gas businesses (1.13 million customers), the launch of a new 100% renewable self-consumption service ("Solmatch") and forward steps in renewable projects (Delta and WindFloat came online, start of construction of Kappa in Ciudad Real and Valdesolar in Badajoz, Delta 2 acquisition in Aragon, and international expansion in Chile).

For more information, see Section 7.3. Commercial and Renewables.

Repsol is committed to the United Nations Sustainable Development Goals (SDGs) and has continued to make progress with its own **Sustainability Plans** both globally and locally in more than 20 countries and industrial complexes. In the context of an energy transition to a low-emission future that mitigates the effects of **climate change**, commitments were fulfilled to reduce the Carbon Intensity Index by 3% by 2020 compared to 2016 and to implement improvements at facilities, preventing CO_2 emissions of 444 thousand metric tons.

For Repsol, **employee safety and job security** have always been a key priority during the COVID-19 crisis. In this context, a set of measures have been put in place to protect their **health and safety**, though without this affecting operations or the level of service offered, and the Total Recordable Injury Rate (TRIR) for **accidents** has fallen.

Repsol has not been immune to the impact that the health and social crisis caused by COVID-19 has had on the communities in which it operates. To help mitigate its effects, various actions and initiatives have been carried out, such as selfless collaboration with public services, donations of sanitary materials, support for contractors, or the deliberate cutting off of vulnerable indigenous communities.

For further information, see Section 8. Sustainability.

Commitment to industrial employment and safety.

Performance and financial position

The financial performance of our businesses has been impacted by the current **global economic recession**, the decline in oil and gas prices, the dramatic slump in demand for products and the cost overruns associated with operating safely amid the pandemic, albeit mitigated in part by the initiatives rolled out under the Resilience Plan.

Driving forward a multi-energy offering.

Sustainability

- More ambitious decarbonization commitments in 21-25 SP.
- Reduction of emissions: 444 kt CO_2e
- Improved occupational safety
- Leader in ESG rankings in the Oil & Gas sector

Financial strength

- Strong operating cash flow generation
- Reduction in debt
- High levels of liquidity

Negative net income due to the COVID-19 crisis.

Results for the period

(Million euros)	2020	2019	Δ
Upstream	195	1,050	(81%)
Industrial	297	913	(67%)
Commercial and Renewables	485	541	(10%)
Corporate and others	(377)	(462)	18%
Adjusted net income	**600**	**2,042**	**(71%)**
Inventory effect	(978)	(35)	-
Special items	(2,911)	(5,823)	50%
Net income	**(3,289)**	**(3,816)**	**14%**

Upstream results (195 million euros) were affected by the dramatic decline in hydrocarbon prices, which has led to decreased production from some assets, and by the interruption of operations in Lybia due to security concerns through to the last quarter of the year. Results at the ***Industrial*** segment (297 million euros) were impacted by quieter levels of activity and by the decline in Refining margins due to falling levels of demand. Results at the ***Commercial and Renewables*** businesses (485 million euros) remained relatively stable thanks to cost and margin management, despite the reduction in sales -especially at Service Stations and in Aviation- due to the mobility restrictions put in place to combat COVID-19. At ***Corporate and others***, finance expenses and corporate overheads were down, in line with the objectives set out in the Resilience Plan.

As a result, **adjusted net income**, which shows ordinary results obtained from managing the businesses, amounted to 600 million euros, 71% down on the same period in the previous year. The Company's integrated business model, together with its flexibility and the resilience of its assets, was vital in enabling its businesses to achieve this positive result in such an adverse environment.

Meanwhile, the volatility and sharp decline in international prices for crude oil and other products had an extraordinary adverse impact on the value of inventories, generating an **inventory effect** of -978 million euros.

Meanwhile, **special items** (-2,911 million euros) reflect the write-downs made to certain assets at the Upstream segment as a result of the updated assumptions regarding future oil and gas prices amid the COVID-19 crisis and expectations of an accelerated energy transition.

On balance, the Group's **net income** in the period came to -3,289 million euros (-3,816 million euros in 2019). *For more information, see Section 6.1 Results.*

Although the ongoing crisis has led to a significant reduction in EBITDA, **cash flows from operations** were positive across all businesses, amounting to 3,197 million euros, with **free cash flow** of 1,979 million euros. *For more information, see Section 6.2 Cash flows.*

The measures rolled out under the Resilience Plan to protect the balance sheet have enabled the Company to reduce **net debt** to 3,042 million euros, with a leverage ratio of 12.8%. The group has strengthened its **financial position** by issuing senior Eurobonds in the period (2,350 million euros) and perpetual subordinated bonds (1.5 billion euros), while also arranging a total of 1,605 million euros in committed and undrawn credit facilities. **Liquidity** at the end of the period totalled 9,195 million euros (including committed and undrawn credit facilities), enough to cover short-term maturities by a factor of 3.2.

In 2020, rating agencies Standard & Poor's, Moody's and Fitch all confirmed Repsol's **investment grade**. *For further information, see Section 6.3 Financial position.*

Shareholder remuneration in 2020 was equivalent to 0.916 euros per share[1] under the "Repsol Flexible Dividend" program. With the aim of improving the shareholder remuneration, Repsol reduced capital in 2020 in order to offset the dilutive effect of the scrip dividends carried out in 2019 under the "Repsol Flexible Dividend" program. *For further information, see Section 6.4 Shareholder remuneration.*

Net Debt reduction.

1. As per Repsol's commitment to purchase from shareholders their right to receive free shares under the scrip issue (*see Section 6.4*).

Key figures and indicators

Financial indicators[1][2]	2020	2019
Results		
EBITDA	2,730	7,161
Operating income	1,135	3,661
Adjusted net income	600	2,042
Net income	(3,289)	(3,816)
Earnings per share (€/share)	(2.13)	(2.33)
ROACE (%)	(11.9)	(11.0)
ROACE with leases (%)	(10.3)	(9.7)
Investments	2,308	3,861
Cash and liquidity		
Cash flows from operations	3,197	5,837
Free cash flow	1,979	2,060
Cash generated	811	(687)
Liquidity	9,195	7,667
Debt and available capital		
Net debt (ND)	3,042	4,220
Net debt (ND) (with leases)	6,778	8,083
Capital employed (CE)	23,765	29,556
Capital employed (CE) (with leases)	27,317	33,292
ND / CE (%)	12.8	14.3
ND / CE (with leases) (%)	24.8	24.3
Shareholder remuneration		
Shareholder remuneration (€/share)	0.916	0.916

Sustainability indicators[3]	2020	2019
People		
No. of employees	24,125	25,228
New employees	1,733	3,800
Total turnover rate (%)	18	21
Investment in training (€ million)	7.5	14.3
Safety		
Process Safety Indicator (PSIR)	0.62	0.55
Total Recordable Injury Rate (TRIR)	1.11	1.24
Environment		
Direct CO_2e emissions (Mt)	22.0	24.7
Annual CO_2e emissions reduction (Mt)	0.444	0.171
No. of hydrocarbons spills > 1 bbl to have reached the environment	23	25
Taxes paid (€ million)	9,180	13,052

Our business performance[1]	2020	2019
Upstream		
Proven reserves[4] (Mboe)	1,852	2,139
Proven reserves replacement ratio (%)	(21)	23
Liquids production (kbbl/d)	217	254
Gas production (kboe/d)	432	455
Hydrocarbon production (kboe/d)	648	709
Crude oil realization price ($/bbl)	37.7	57.3
Gas realization price ($/kscf)	2.3	2.9
EBITDA	2,090	4,255
Adjusted net income	195	1,050
Cash flows from operations	1,736	3,140
Investments	948	2,429
Industrial		
Refining capacity (kbbl/d)	1,013	1,013
Crude oil processed (Mt)	35,9	44,0
Conversion utilization Spanish refinery (%)	86	103
Distillation utilization Spanish refinery (%)	74	88
Refining margin indicator in Spain ($/Bbl)	2.2	5.0
EBITDA	(161)	1,997
Adjusted net income	297	913
Cash flows from operations	783	1,776
Investments	565	885
Commercial and Renewables		
Service stations (No.)[5]	4,966	4,944
Marketing own network sales (kt)	19,039	24,544
LPG sales (kt)	1,162	1,253
Electricity generation (GWh)	5,940	6,308
Electricity generation capacity (MW)	3,295	2,952
EBITDA	970	1,059
Adjusted net income	485	541
Cash flows from operations	703	1,001
Investments	739	491

Macroeconomic environment	2020	2019
Brent ($/bbl) average	41.8	64.2
WTI ($/bbl) average	39.3	57.0
Henry Hub ($/MBtu) average	2.1	2.6
Electricity Pool - OMIE[6] (€/MWh)	34.0	47.7
Exchange rate ($/€) average	1.14	1.12
CO_2 (€/Tn)	24.8	24.9

Stock market indicators	2020	2019
Share price at year-end (€/share)	8.25	13.93
Average share price (€/share)	8.44	14.43
Market capitalization at year-end (million €)	12,601	21,277

(1) In millions of euros, where applicable.
(2) More information in *Section 6 and in Appendix I – Alternative Performance Measures*.
(3) Figures and indicators calculated in accordance with the Group's management policies and guidelines. For more information, see *Section 8 of the 2020 Integrated Management Report*.
(4) To estimate proved and unproved reserves and oil and gas resources, Repsol uses the criteria established by the "*SPE/WPC/AAPG/SPEE/SEG/SPWLA/EAGE Petroleum Resources Management System*", commonly referred to by its acronym SPE-PRMS (SPE standing for Society of Petroleum Engineers).
(5) The number of service stations includes those controlled and licensed.
(6) Iberian Energy Market Operator.

2. COVID-19: impacts and Resilience Plan

COVID-19: main impacts

On March 11, 2020, the World Health Organization upgraded the public health crisis posed by the SARS-CoV-2 virus (widely known as coronavirus or COVID-19) to international pandemic status. COVID-19 spread swiftly to many countries and is currently active. An unprecedented health, social and economic crisis arose on a truly global scale.

COVID-19 impacted the prices of hydrocarbons and by-products (*see section 5.2 Energy environment* and *9.1 Outlook for the energy sector*) and demand for our products decreased amid the slump in economic activity, especially the lockdown measures to fight the spread of the pandemic.

Even in these tough circumstances, Repsol managed to maintain the safe operation of its businesses, most of which are classified as "essential" or "strategic" activities in the countries where it is present. However, the overall decline in business volume and the deterioration of economic conditions amid the pandemic have affected the activities and performance of the Company's businesses:

Upstream

As a result of the weak demand and price environment for oil and gas, Upstream performance and activities were significantly affected (*see section 7.1. Upstream*). To mitigate adverse impacts, activity was reduced by limiting investment and adjusting activity according to criteria of profitability and asset value preservation:

- Investment adjustment in the period resulted in (i) a slowdown in development work at *Akacías* in Colombia, (ii) a delay in the start-up of YME in Norway until 2021 and (iii) minimization of drilling at unconventional assets in North America.
- Production was cut by slightly more than 15 kboe/d as a result of: (i) a decline in gas demand (Algeria, Venezuela, Bolivia, Peru and Indonesia), (ii) temporary cease of production due to low prices, to preserve the value of certain assets (Colombia, Canada and the US Gulf of Mexico) and (iii) production cuts in some countries (Algeria and Norway).

Industrial businesses

At **Refining**, the drop in global demand prompted a temporary shutdown of refineries across the world, including Europe. Repsol's refining system had to reduce utilization but nonetheless managed to maintain reasonable levels of activity by balancing production, sales and storage capacity.

This price environment has also had a negative impact on inventory valuation, manifested in the form of the *"inventory effect"*.

In **Chemicals**, the impact of the pandemic has been uneven across the different sectors in which products are sold. In global terms, demand has remained at reasonable levels, which has allowed to maintain plant occupancy rates.

Commercial businesses

Decrease in demand for fuels as a result of lockdown measures and the overall decline in economic activity was severe, especially with regard to the network of service stations and aviation supplies.

In Spain, when the lockdown was at its strictest, the decline in fuel demand at service stations reached 85%. It later recovered to end the year 23% below the 2019 level. The demand for aviation kerosene collapsed due to lower domestic consumption and the lack of an international market for this product. Elsewhere, at the LPG business, the mobility restrictions have led to a decline in demand in the catering, hospitality, services and automotive segments, partially offset by increased demand for LPG for domestic use.

It is hard to predict to what extent and for how long the pandemic will affect Repsol's businesses in future. The reduced global demand for crude oil, gas and oil products in response to the slump in economic activity, especially the mobility restrictions in place, may adversely affect prices and the level of production and sales of our businesses. Meanwhile, the deterioration in global financial conditions may also affect the cost of financing, available liquidity or the solvency of our clients and partners under joint ventures, among other possible impacts. The course of the pandemic, vaccine development and administration plans, the containment measures

Drop in prices and falling demand

Lower operating expenses and investment

used by the health authorities and the policies put in place to mitigate the social and economic impact of the crisis will all shape the scope and duration of both the crisis and the subsequent recovery.

2020 Resilience Plan

On March 25, Repsol's Board of Directors appraised the state of the economy and likely future developments, focusing particularly on the global impact of COVID-19 and the price slump in the world oil and natural gas market, including its impact on the Company's activities and businesses. This prompted the Company to make the following decisions:

- Guaranteeing the health and safety of employees, customers and suppliers alike in their relations with the Company, while continuing with its operations in order to supply energy products and services that are crutial for society and to maintain essential services at the present time.
- Maintain our shareholder remuneration commitment in 2020 (paid out of 2019 results).
- Reaffirm our pledge to lead the energy transition, in line with the objectives of the Paris Summit and the UN Sustainable Development Goals, maintaining its objective of reducing the Carbon Intensity Score by 3% in 2020 compared to 2016, while significantly increasing renewable generation capacity and reducing CO_2 emissions across all businesses.
- Adopt a 2020 Resilience Plan, where the financial objective has been to preserve the strength of our balance sheet and maintain an investment grade credit rating. Even in this scenario, therefore, there will be no increase in net debt in 2020 when compared to year-end 2019.
- The Resilience Plan envisaged a number of initiatives to further cut operating expenses by over 350 million euros and investment by over 1 billion euros, while also improving working capital approximately 800 million euros with respect to the metrics initially budgeted.

The objectives of the Resilience Plan were achieved and even surpassed in some cases:

- Repsol assured the supply of our products and services and kept our operations safe and secure. For instance, in Spain, even at the time of the strictest lockdown, the networks of service stations, direct fuel sales and LPG distribution remained operational. Production continued in our refining and chemical industrial complexes.
- Our commitment to remunerate stockholders in 2020 was delivered through the payment in January and July of EUR 0.424 and EUR 0.492 per share under the scrip dividend scheme to replace the dividend paid out of 2019 results. A capital reduction was excuted through redemption of the Company's treasury shares to offset the dilutive effect of the scrip dividend formula.
- The Carbon Intensity Index was cut by 5% compared to 2016, while progress was achieved in increasing renewable generation capacity and reducing CO_2 emissions across all businesses.
- The main rating agencies confirmed Repsol's investment grade, which bolstered its balance sheet by strengthening equity (issue of 1.5 billion euros of perpetual subordinated bonds), reducing net debt and increasing liquidity.
- Higher than expected operating cost savings and investment reductions were achieved, enabling us to reduce net debt compared to 2019 despite the worse scenario than the one considered in March 2020, when the Resilience Plan was launched.

3. New Strategic Plan

2021-2025 Strategic Plan

In December 2019, Repsol was the first energy firm to announce its commitment to become a net zero emissions company by 2050, thus starting a strategic change of course.

A new strategic plan was scheduled to be published in May. However, given the exceptional volatility and uncertainty of the economic landscape (which involved approving a Resilience Plan for this year), the 2021-2025 Strategic Plan (21-25 SP or the Plan) was finally unveiled on November 26, 2020.

21-25 PS will shape the transformation of the Company in coming years, involving an **accelerated energy transition** by a profitable and realistic pathway that ensures profitability, secures the future and creates maximum value for stockholders.

The Plan is a demanding roadmap with ambitious intermediate emission reduction targets to continue successfully moving forward to the goal of zero net emissions by 2050. Repsol will decarbonize its asset portfolio and develop a new operating model.

Hence, by 2030 Repsol will be a multi-energy company that is more sustainable and focused on creating value.

The Plan comprises two periods: the first (2021-2022) will focus on ensuring financial robustness and will thus prioritize efficiency, investment reduction and capital optimization, while developing projects to lead the energy transition; the second (2023-2025), once the impact of the COVID-19 crisis is behind us, will focus on accelerating transformation and growth.

The Plan envisages investments totaling 18.3 billion euros. Investments in low-carbon initiatives will come to 5.5 billion euros from 2021 and 2025, or 30% of the total.

The Plan will be self-financing in a scenario of $50/bbl Brent crude and $2.5/Mbtu Henry Hub prices, where the Company also maintains wide financial flexibility and a level of debt by 2025 similar to that of 2020.

To implement the Plan, the organization will evolve by deploying four business areas (*Upstream*, *Industrial*, *Customer* and *Low Emission Generation Businesses*), supported by a more flexible and efficient Corporate division, thus enhancing performance and value creation.

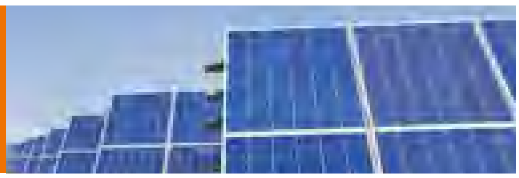
Transformation to accelerate the energy transition

2021-2022 Ensuring excellent performance and financial strength

In an uncertain economic and commodities environment

Capital efficiency and discipline.
CAPEX reduction.
Prudent financial policy and commitment to the current credit rating.

2023-2025 Accelerating the transformation and generating growth



Portfolio transformation and new business platforms.
Growth of metrics and high CAPEX intensity.
ROACE and debt level.

50 $/barrel
2.5 $/MBtu HH

Self-financing plan

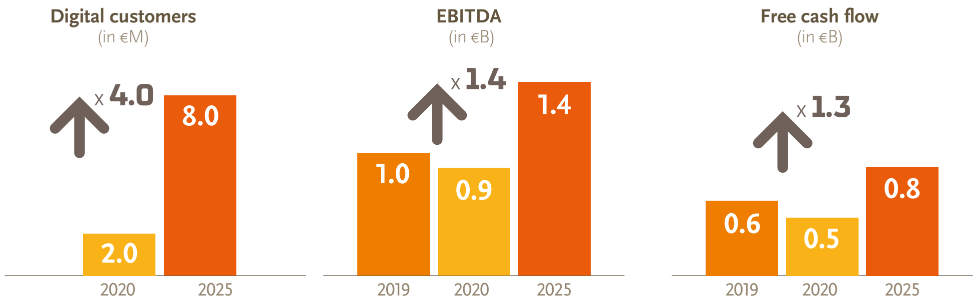
Ensuring maximum shareholder value

Organizational evolution toward four growth vectors

Customer

The division will bring together the current Mobility, LPG, Lubricants, and Electricity and gas marketing areas and other energy solutions, and will meet any energy and mobility needs of its customers (more than 24 million). The Plan sets the goal of raising EBITDA at this division by 1.4 times to 1.4 billion euros by 2025. It also envisages an increase in the number of Electricity and Gas consumers (focusing on the Iberian Peninsula) to two million. The new horizontal loyalty program will grow from 2 million digital customers today to eight million by 2025.

Customer business



1.1M → 2M

Objective: two million customers of Electricty and Gas, and Electric Mobility

X **1.15** Mobility contribution margin (€M)

X **1.25** Non-oil contribution margin (€M)

Low-emissions electricity production

It will enlarge its asset portfolio continue its international expansion with the goal of being a global operator, with a generation capacity that will reach 7.5 gigawatts (GW) by 2025 (through development of a portfolio of projects in operation at a rate of approximately 500 MW per year, and acquisition of international projects) and 15 GW by 2030.

The Plan envisions the entry of owners or investors in the low emissions generation business, or even a stock market launch. This will give a major boost to our ability to meet targets and ensure a higher return on our operations.

Competitive player in renewable energy with an international presence

Estimated low carbon operating capacity (GW)1[1]

Phase I
2019
3 GW

Organic growth - develop early-stage, ready-to-build assets.
Develop renewable project capabilities and portfolio.

Phase II
2020-2025
7.5 GW

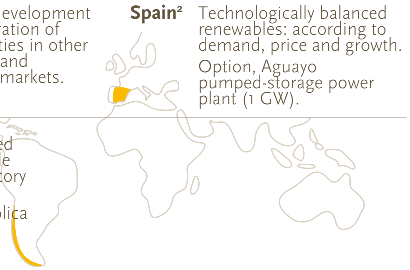
Build and commission a portfolio of projects, with more than 500 megawatts per year in early-stage assets.
Create international platforms.

Phase III
2026-2030
15 GW

Accelerate organic development above 1 gigawatt per year.
Optimize the portfolio by taking advantage of opportunities.

International Portfolio development and exploration of opportunities in other European and American markets.

Spain[2] Technologically balanced renewables: according to demand, price and growth.
Option, Aguayo pumped-storage power plant (1 GW).



Chile Highly sophisticated market with a stable and mature regulatory framework
50% JV with Ibereólica

International

	Solar	Wind
2025	**0.7 GW**	**1.3 GW**
2030	**3.1 GW**	**3.6 GW**

Spain

	Solar	Wind	Hydraulic
2025	**1.0 GW**	**1.4 GW**	**0.7 GW**
2030	**2.0 GW**	**2.3 GW**	**1.7 GW**

1. Renewables considering 100% in Spain and internationally (excl. Chile) and 50% interest in JV in Chile.
2. Does not include other conventional generation such as cogeneration (622 MW) and combined cycle (1,648 MW).

Industrial

This division will bring together Refining, Chemicals, Trading and Gas Wholesaling. This will enhance profitability, build new leading platforms for carbon-neutral businesses and reduce emissions[1] by more than 2 Mt of CO_2 by 2025 compared to 2020.

Industrial complexes (in Spain, Portugal and Peru) will become multi-energy hubs capable of generating low carbon footprint products and driving new business models based on digitalization and technology. To undertake this transformation process, the Company will rely on:

- Energy efficiency, in which the company will invest more than 400 million euros over the duration of the Plan to cut 800,000 metric tons of CO_2 and lay the foundations to transform industrial centers into net zero emission facilities.
- Circular economy industrial complexes are already adapting to use waste from various sources as raw material and convert it into carbon-neutral products (fuels and materials), reaching an advanced biofuel production capacity of 1.3 Mt by 2025 and more than 2 Mt by 2030.
- Renewable hydrogen for use in refineries and to produce synthetic fuels. Repsol's ambition is to reach a production equivalent to 400 MW by 2025, topping 1.2 GW by 2030.
- Carbon capture and utilization will also be present in the transformation process through the synthetic fuel project at Petronor, the only refinery on the Iberian Peninsula and one of only a few in Europe equipped for this process.

Industrial complexes capable of generating low-carbon footprint products

New decarbonization technologies: highlight projects

C-43: Advanced biofuels plant	Investment	Capacity	**Cartagena**
HVO plant - **Reduction of 900,000 t/year in CO_2 emissions**	€188 M	250,000 t/y 300,000 t/y	Advanced biofuels From waste per year
Circular Economy in Chemicals			**Puertollano**
• Project Zero: chemical recycling of used plastics • Project Reciclex: mechanical recycling of polyolefin	€70 M	74,000 t/y	Circular polyolefins[1]
Plant for the generation of biogas from urban waste			**Petronor**
Biogas will replace traditional fuel consumption	€20 M	10,000 t/y	Urban waste
Net zero emissions fuel plant			**Petronor**
Production of eco-fuels from renewable hydrogen and CO_2	€60 M	10 MW	Electrolyzer

1. Recycle the equivalent of 20% of our polyolefin production by 2030, a target to which other technologies will also contribute (e.g. gasification).

Upstream

We shall focus on key geographic areas, prioritizing value over volume and cutting emissions across the asset portfolio, which will continue to be actively managed. The division will play to its strengths –flexibility, efficiency and high technology– to increase its contribution to the Group and generate positive cash flow despite reducing investment intensity.

We shall focus on short cycle projects that can be managed flexibly and with limited capital intensity. Production will be close to 650 k/boed by 2025 and the global presence will encompass fourteen countries, with more efficient and focused exploration.

1. Scope 1+2 emissions.

Upstream:

strong portfolio of short-cycle projects with attractive remuneration

The area will generate 4.5 billion free cash flow from 2021 to 2025, lower its cash breakeven by 20% to below $40/bbl, and cut CO_2 emissions by 75%.

Main projects at Upstream

1. Akacias <40
2. BPTT
3. Buckskin FFD <40
4. Eagle Ford ~35
5. Lapa SW ~40
6. Marcellus <2
7. United Kingdom <30
8. Shenzi N <40
9. Yme <30
10. BM-C-33 ~40 Condensate/Gas
11. Leon Moccasin ~40 Oil
12. México ~40 Oil
13. Pikka <40 Oil
14. Sakakemang Gas at fixed price

Nimbler and more efficient corporate and service areas

Digitalization will play a key role in the new organization through artificial intelligence, automation of operations and cloud solutions.

We expect the positive impact of projects to exceed 800 million euros per year as soon as 2022 (with respect to the start of the Digitalization Program in 2018).

Strategic talent management

Reskilling and upskilling to cope with digitalization, new business and decarbonization

Promoting **data culture**

Offering a new and adapted **professional development** framework.

Diversity and **inclusion**

Agile organization

Agile & Lean. New ways of working throughout the value chain

Simplifying the corporate structure and accelerating the **global service** model

Promoting **flexibility**, **productivity** and **work-life balance**

More **inspirational** and **entrepreneurial leadership**

2025 objectives

-20% of the executive structure

35% female leadership

-20% corporate expenses

1st leadership quartile[2]

-20% management levels[1]

70% Repsol culture index

1. Only in corporate and core business areas.
2. Repsol historically carries out Leadership and Culture indices based on a methodology conducted by external consultancy.

Profitable pathway to decarbonization: target of zero net emissions by 2050

Repsol believes that decarbonization, in addition to mitigating the effects of climate change, is an opportunity to create value at the businesses. The 2021-2025 Plan sets new and more ambitious emission reduction targets, envisioning a reduction in carbon intensity of 12% by 2025, 25% by 2030 and 50% by 2040, compared to 10%, 20% and 40%, respectively, set previously.

Hence, Repsol is committed to a model that integrates several technological options, combines electrification with low carbon footprint products, and offers solutions to all community needs. A combination of different sources of energy will allow for efficiently achieving the goal of zero net emissions, quickly and at the lowest possible cost to the public.

For further information on the decarbonization and climate change strategy, see *section 8.1 Climate change*. For further information on decarbonization, *see section 8.3 Technology and digitalization.*

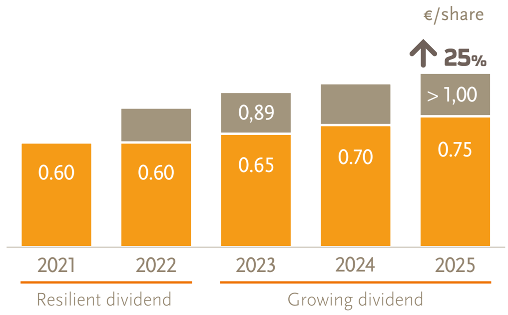
Shareholder remuneration

The Company will continue to offer one of the most attractive shareholder remunerations in the industry and among Ibex listed companies. In 2021, the dividend will be around 0.60 euros per share (cash dividend in July following the scrip dividend paid out in January. For more information, see *section 6.4 Shareholder remuneration*). This amount will increase gradually throughout the Plan until it reaches 0.75 euros per share. In 2025, the shareholder remuneration will be at least 1 euro per share, including the cash payment share buybacks to be made from 2022 onwards.

New, more ambitious emissions reduction targets

Shareholder remuneration

Resilient and growing returns with organic surplus cash in the Plan's pricing scenario



Financial discipline

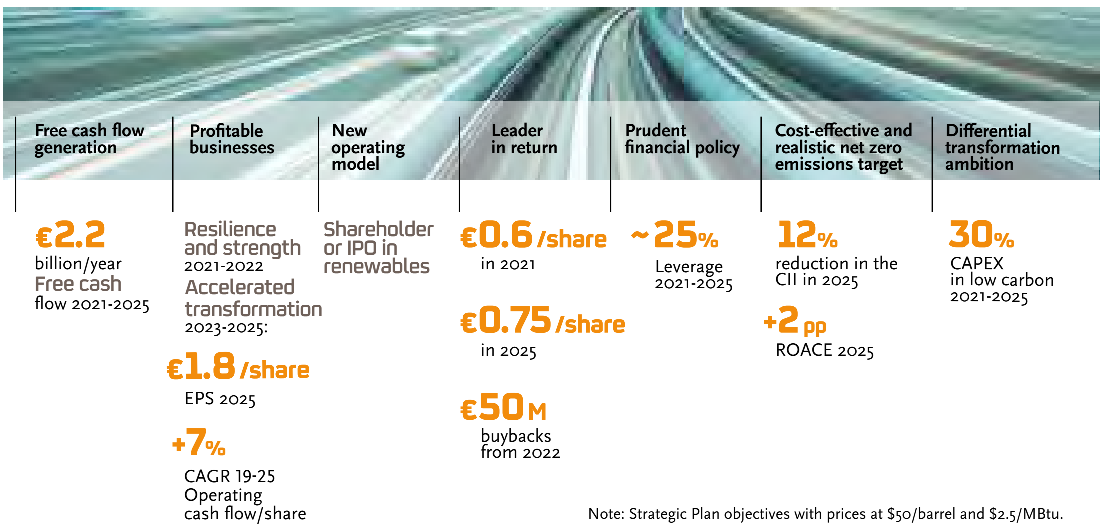
Reduction in average return 2021-2025 < 15% vs. previous proposal

● Repurchase ● Dividend

2021	2022-2025
€0.6/share dividend paid in cash (except January 2021)	Increase in cash dividend
Committed at $40/barrel Brent	Annually from 2023 to €0.75/share in 2025
	Additional repurchases (50 M shares/year)[1] reaching > €1/share in 2025
	€1.4-€2.0B for repurchases in 22/25

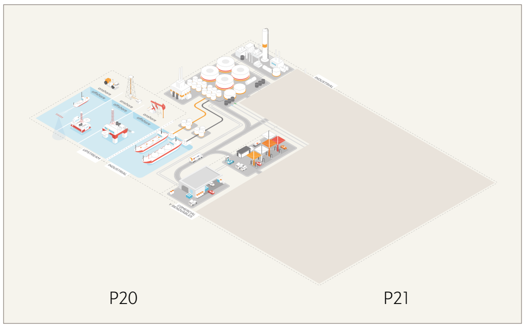
(1) 200 million shares over the period of the Strategic Plan.

2021-2025 Strategic Plan



Note: Strategic Plan objectives with prices at $50/barrel and $2.5/MBtu.

Attractive shareholder remuneration



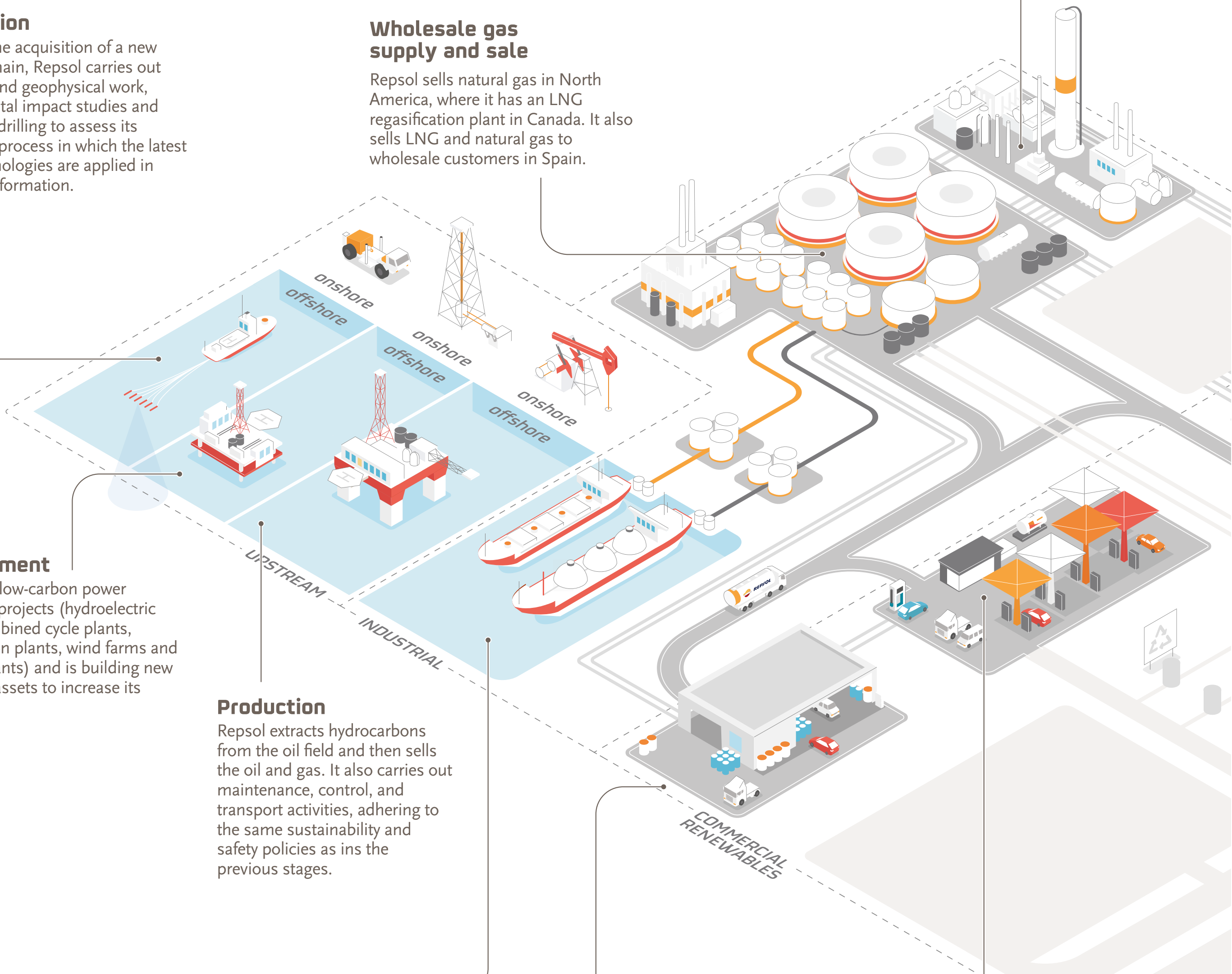
4. Our company

4.1. Value chain and business segments

Refining
Repsol transforms crude oil and various alternative raw materials (urban, forestry, agricultural and agri-food industry waste) into value-added products, such as fuels, sustainable biofuels (hydrogenated vegetable oil, biogas, biojet, etc.) and carbon-neutral materials.

Exploration
Following the acquisition of a new mining domain, Repsol carries out geological and geophysical work, environmental impact studies and exploratory drilling to assess its potential, a process in which the latest digital technologies are applied in analysing information.

Wholesale gas supply and sale
Repsol sells natural gas in North America, where it has an LNG regasification plant in Canada. It also sells LNG and natural gas to wholesale customers in Spain.



Development
Repsol has low-carbon power generation projects (hydroelectric plants, combined cycle plants, cogeneration plants, wind farms and solar PV plants) and is building new renewable assets to increase its capacity.

Production
Repsol extracts hydrocarbons from the oil field and then sells the oil and gas. It also carries out maintenance, control, and transport activities, adhering to the same sustainability and safety policies as ins the previous stages.

Trading
The hydrocarbons produced are transported to supply raw materials to Repsol's refineries or are sold on international markets.

Lubricants, Asphalts and Specialized Products
Repsol develops, produces and markets lubricants, oil-based specialized products, and bitumen for asphalts and operates in over 90 countries.

Mobility
To promote more sustainable mobility, Repsol leads the development of more efficient fuels, the supply of alternative solutions, such as AutoGas or Natural Gas Vehicular, and the commitment to electric charging and shared mobility through Wible, all while seeking to provide unrivalled levels of customer attention and support through the Waylet app.

Value chain and business segments

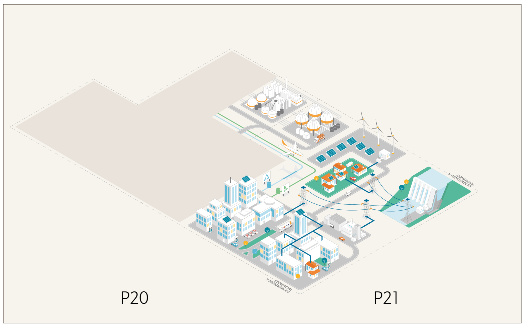
Repsol has revised the definition of its operating segments in 2020 to bring it into line with the renewed strategic vision of the businesses and with our commitment to be CO2 neutral by 2050. In particular, the company will boost its commercial businesses with a new multi-energy offering, a customer-focused strategy and the development of new low-emission electricity generation businesses. Therefore, a new segment has been defined under the name "Commercial and Renewables".

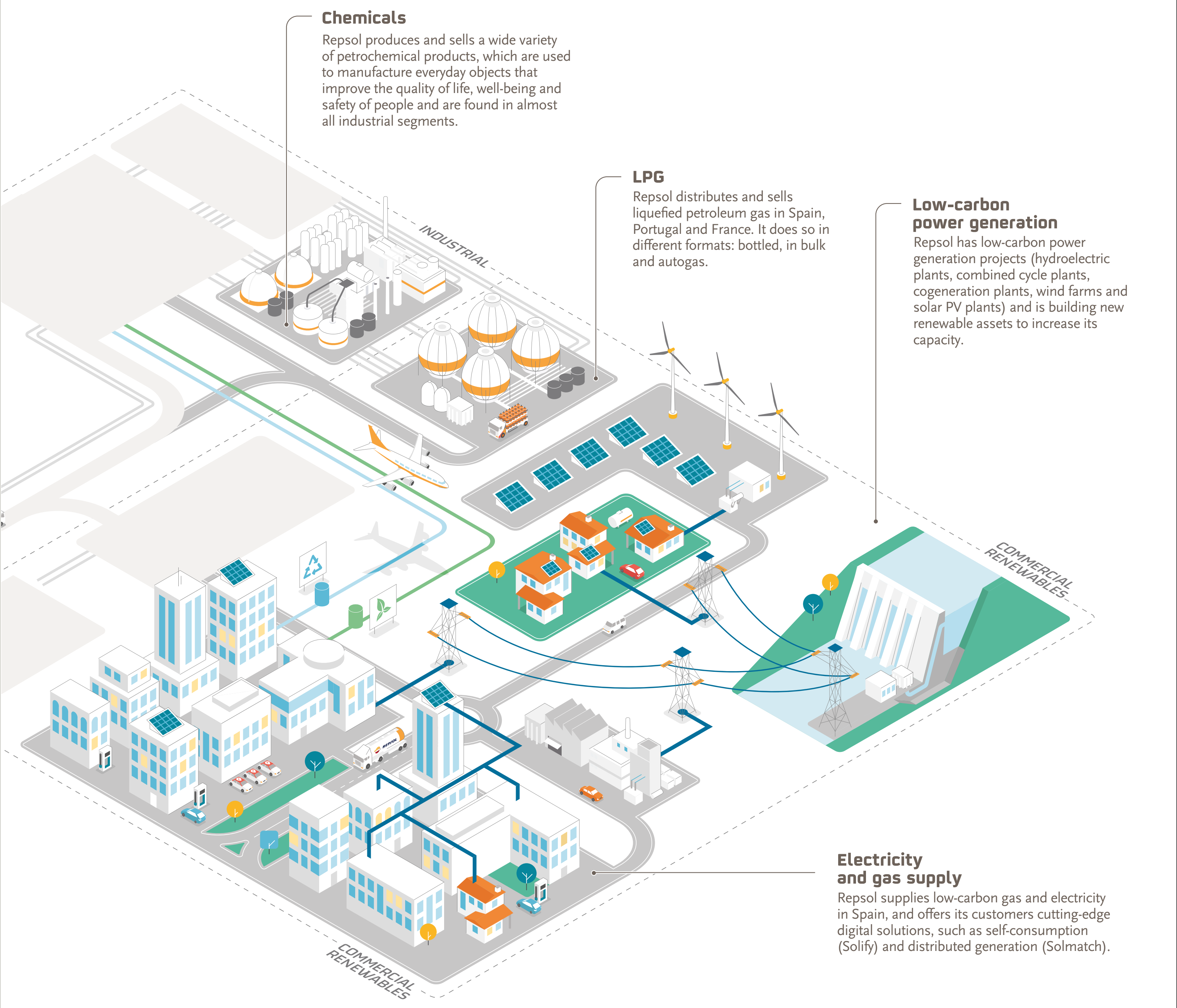
Repsol's reporting segments are:

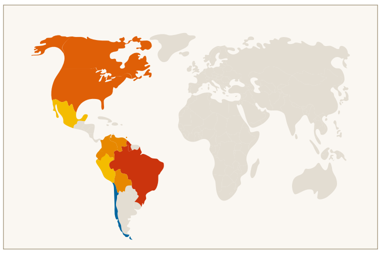
- *Exploration and Production:* activities for the exploration, development and production of crude oil and natural gas reserves;
- *Industrial:* mainly corresponds to (i) refining activities, (ii) petrochemicals, (iii) trading and transportation of crude oil and oil products, and (iv) sale, transportation and regasification of natural gas and liquefied natural gas (LNG);
- *Commercial and Renewables:* mainly integrates the businesses of (i) low-carbon power generation and renewable sources, (ii) sale of electricity and gas, (iii) mobility and sale of oil products, and (iv) liquefied petroleum gas (LPG).

For more information on the business segments, see section 7. Our businesses in 2020.

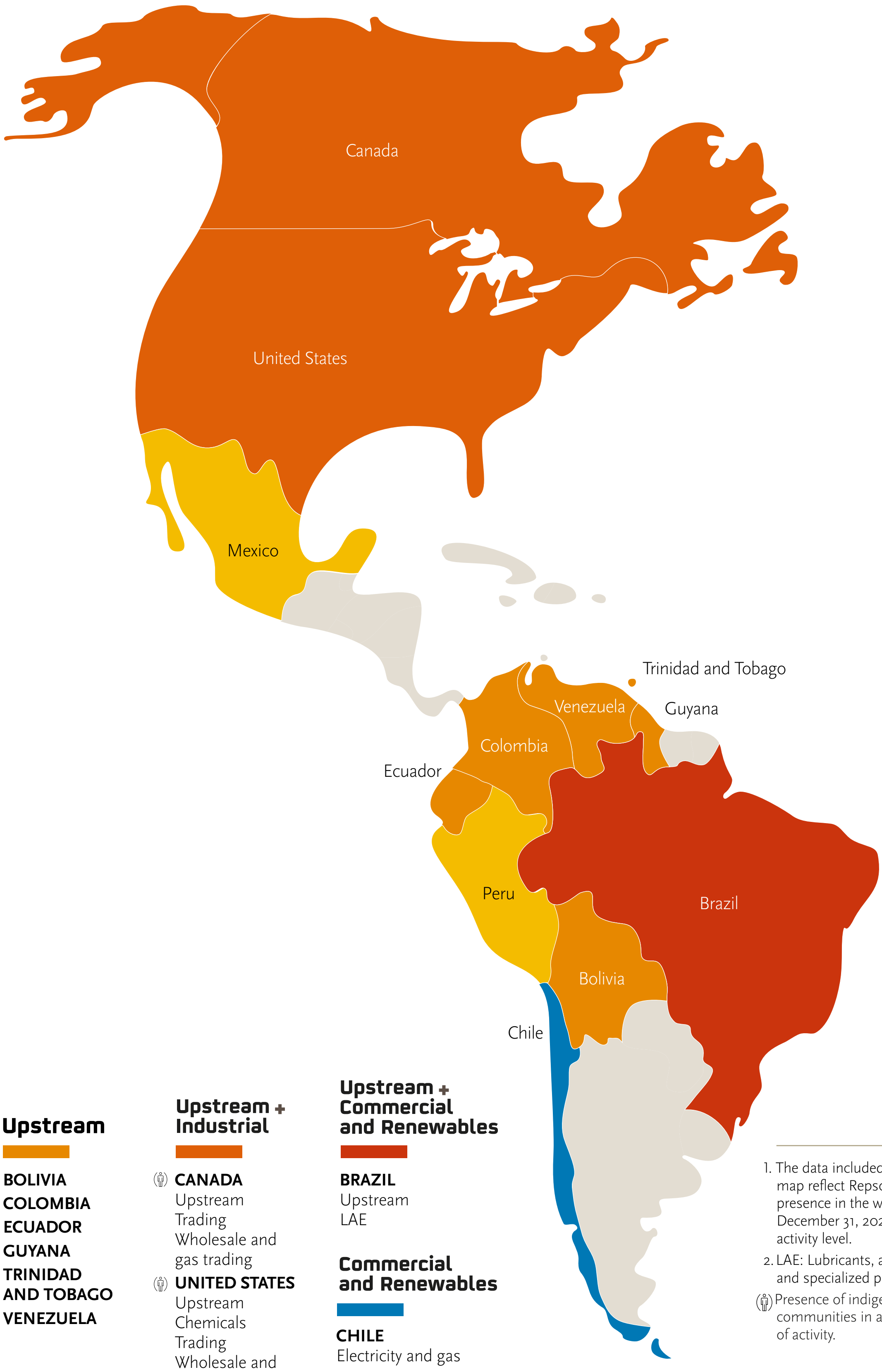
To meet the challenges of the new 2021-2025 Strategic Plan, Repsol will evolve its organization around four business segments, which are described in *Section 3. New Strategic Plan*







4.2. Repsol around the world[1]



All

MEXICO
Upstream
Chemicals
LAE[2]
Mobility

PERU
Upstream
Refining
Trading
LAE
Mobility

Upstream

BOLIVIA
COLOMBIA
ECUADOR
GUYANA
TRINIDAD AND TOBAGO
VENEZUELA

Upstream + Industrial

CANADA
Upstream
Trading
Wholesale and gas trading

UNITED STATES
Upstream
Chemicals
Trading
Wholesale and gas trading

Upstream + Commercial and Renewables

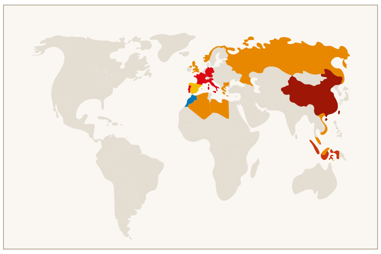
BRAZIL
Upstream
LAE

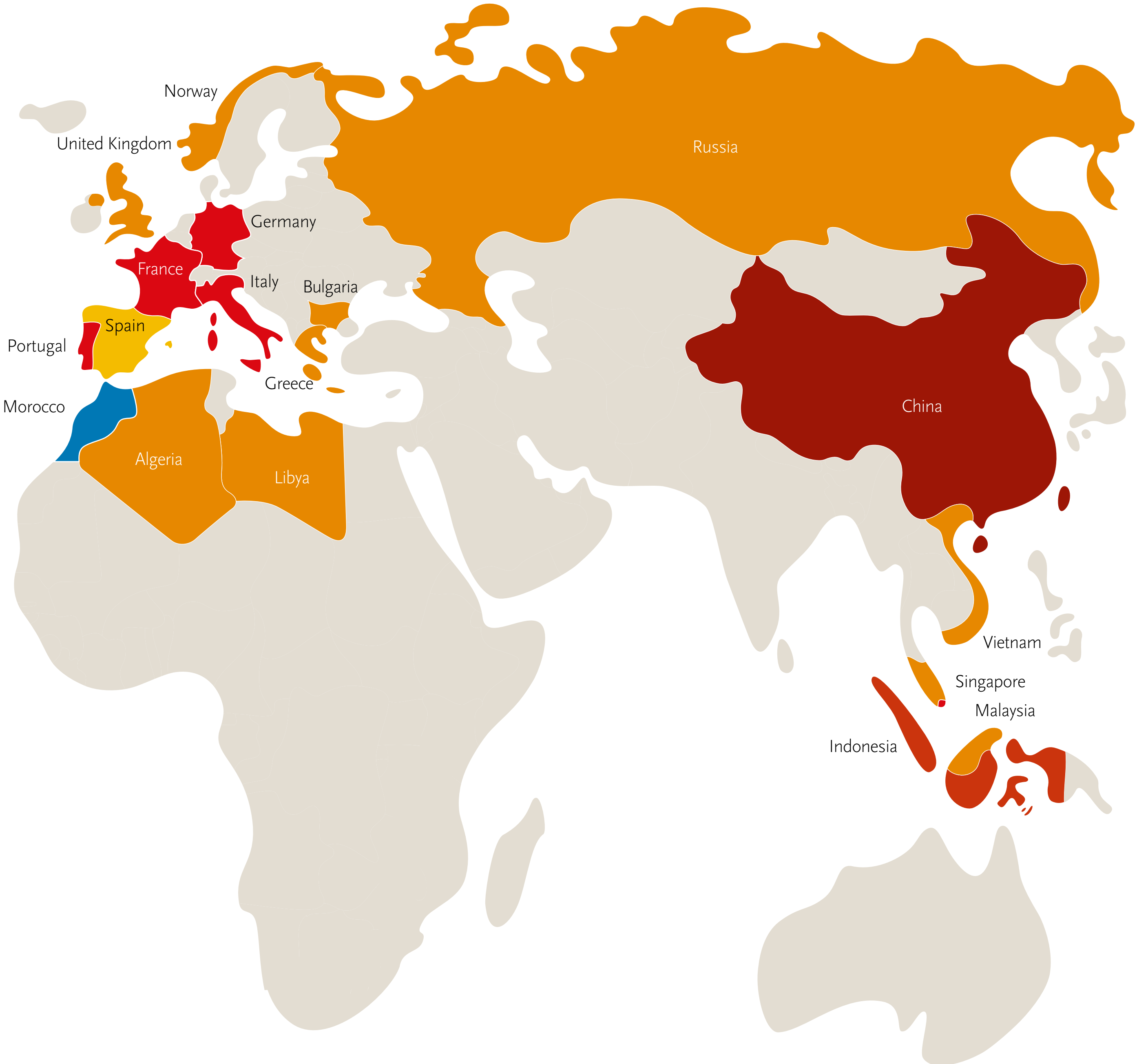
Commercial and Renewables

CHILE
Electricity and gas

1. The data included in this map reflect Repsol's presence in the world as of December 31, 2020 at the activity level.
2. LAE: Lubricants, asphalts and specialized products.

Presence of indigenous communities in areas of activity.





1. The data included in this map reflect Repsol's presence in the world as of December 31, 2020 at the activity level.
2. LAE: Lubricants, asphalts and specialized products.
3. In the process of exiting pending official ratification.

(indigenous-communities icon) Presence of indigenous communities in areas of activity.

All

SPAIN
Upstream
Chemicals
LAE[2]
Refining
Trading
Wholesale and gas trading
Electricity and gas
Mobility
LPG

Upstream

ALGERIA (indigenous-communities icon)
AUSTRALIA[3]
BULGARIA
IRAQ[3]
IRELAND[3]
GREECE
LIBYA (indigenous-communities icon)
NORWAY
UNITED KINGDOM
RUSSIA
MALAYSIA
VIETNAM

Upstream + Commercial and Renewables

INDONESIA (indigenous-communities icon)
Upstream
LAE

Commercial and Renewables

MOROCCO
Upstream[3]
LAE

Industrial

CHINA
Chemicals

Industrial + Commercial and Renewables

GERMANY
Chemicals
LAE

FRANCE
Chemicals
LAE
LPG

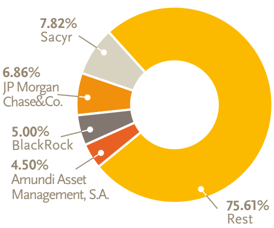
ITALY
Chemicals
LAE
Mobility

PORTUGAL
Chemicals
LAE
Mobility
Electricity and gas
LPG

SINGAPORE
LAE
Trading

4.3. Corporate governance

Shareholder structure[1]



1. % of voting rights at the date of this report, based on latest available information. For more information, see *Note 6.1 of the consolidated Financial Statements* and *Section 2.1. of the Annual Corporate Governance Report*.

Repsol's system of corporate governance, which was established in accordance with best national and international practices and standards, guides the structure, organization, and operation of corporate bodies in the interests of the Company and of its shareholders, and is based on the principles of transparency, independence and responsibility.

The **governance structure** adequately differentiates governance and management functions from oversight, control, and strategic definition functions.

Shareholder Annual Meeting

Board of Directors[1]

C
Antonio Brufau Niubó
Chairman - Non-Executive Director

Josu Jon Imaz San Miguel
Chief Executive Officer - Executive Director

Luis Suárez De Lezo Mantilla
Non-Executive Director - Secretary of the Board of Directors

José Manuel Loureda Mantiñán
Proprietary Director(Sacyr S.A.)

Manuel Manrique Cecilia
Deputy Chairman - Proprietary Director (Sacyr S.A.)

Ignacio Martín San Vicente
Independent Director

Maite Ballester Fornés
Independent Director

Henri Philippe Reichstul
Non-Executive Director

Arantza Estefanía Larrañaga
Independent Director

C
Mariano Marzo Carpio
Independent Director

Rene Dahan
Independent Director

J. Robinson West
Independent Director

C C
Carmina Ganyet i Cirera
Independent Director

C
Isabel Torremocha Ferrezuelo
Independent Director

Teresa García-Milá Lloveras
Independent Director

Independient 60%

Proprietary 13.33%

Executive 6.67%

Other non-executive 20%

Audit and Control Committee

Audit, Control and Risks Division

Remuneration Committee

Delegate Committee

Sustainability Committee

Appointments Committee

Executive Committee[3]

Additional information on the Shareholder Annual Meeting and the composition, competencies and functioning of the Board and its Committees. *See Sections B.2 and B.3 of the Annual Corporate Governance Report*, respectively.

1. Composition at the date of preparation of this document. For further information, *see Section A.3 of the Annual Corporate Governance Report*.
2. C: Chairman of the Committee.
3. In December 2020, a new organizational structure was approved to develop the new Strategic Plan, which has led to changes in the composition of the Executive Committee. *For more information, see section B.5 of the Annual Corporate Governance Report.*

Corporate structure adapted to the new strategy

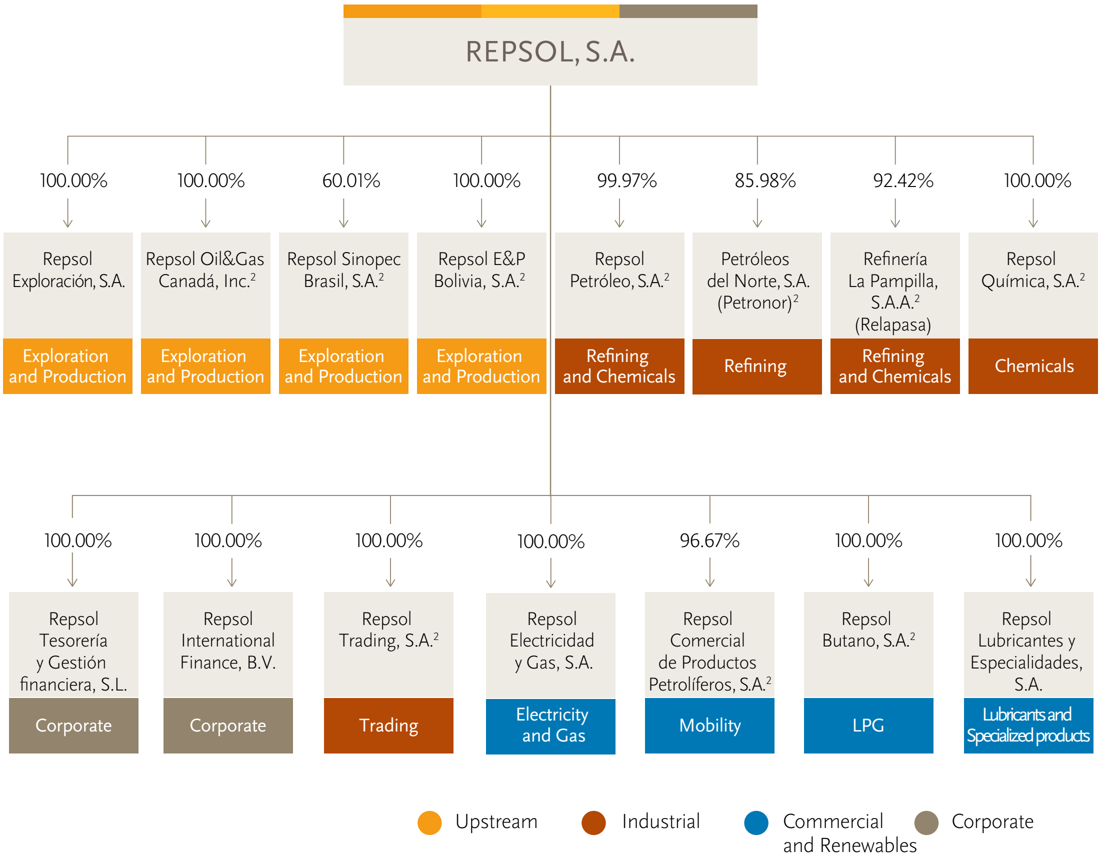
Board Remuneration

Directors receive fixed remuneration for fulfilling their supervisory and decision-making duties. Aside from the remuneration payable to the Chairman of the Board of Directors, remuneration is calculated by assigning points for seats held on the Board or its various committees, or for holding specific positions on those bodies. Each point has a remuneration equivalence, meaning there is no difference in remuneration by gender. Detailed information regarding the application of the Remuneration Policy for Directors is set out in Repsol's Annual Report on Directors' Remuneration available at **www.repsol.com**.

For further information on the remuneration of the Board and Senior Management, see Note 28 to the 2020 Consolidated Financial Statements.

4.4. Corporate structure

The Repsol Group, whose parent company is Repsol, S.A., is made up of more than 300 companies incorporated in more than 40 countries[1]. The **corporate structure** of the Repsol Group is shown below, in the form of the main companies making up the Group:



1. For more information, *see Appendix I of the consolidated Financial Statements and section 8.7.*
2. Indirect shareholdings.

Adjustments to the corporate structure

In 2020, Repsol's corporate structure was adjusted to bring it in line with the new scope and objectives of the business segments envisioned in the Strategic Plan 2021-2025. The Group's subsidiaries operating in each of the businesses were grouped together under parent entities (Customer, Industrial Transformation and Circular Economy, Low-Carbon Generation and Upstream) to enable more nimble and differentiated management and financing and support the growth and transformation of the businesses in accordance with the objectives of the Strategic Plan in a context of energy transition.

-3.5%

Forecast global growth in 2020

5. Environment

5.1. Macroeconomic environment

Recent economic trends

In 2020 the **global economy** experienced an unprecedented shock due to the spread of the coronavirus and the containment measures taken to alleviate the health crisis.

The sheer scale and speed of the collapse in global economic activity seen between mid-March and the end of April 2020 was unprecedented. In April, when activity bottomed out in many countries, it is estimated that the global economy was contracting by 20% year-on-year. In May and June, as many economies relaxed restrictions after the "*big lockdown*", activity began to recover.

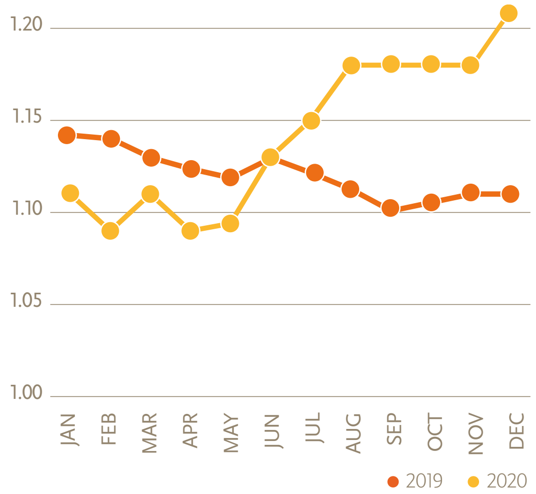
Recent macroeconomic developments have been shaped by two factors: i) a faster than expected recovery when restrictions have been lifted, partly because of strong support in the form of economic policies. This resulted in a particularly positive third quarter of 2020 for economic activity, revealing a still partial though vigorous recovery; ii) the new waves of the pandemic and threats of new strains, which have forced a further tightening of restrictions, especially in Europe. Despite everything, the new restrictions put in place have not been as widespread and harsh as those seen in the spring. Therefore, the impact has been somewhat less harsh and also varies by sector. While certain services are suffering, manufacturing remains buoyant thanks to the order backlog and by a still vigorous external demand.

According to the latest estimated released by the International Monetary Fund (IMF, World Economic Outlook – January 2021) after the world economy grew by 2.8% in 2019, it looks to have dipped 3.5% in 2020, equivalent to a cut of 6.8 points in comparison with pre-COVID estimates.

For developed economies, GDP change in 2020 is forecast at -4.9%. The contraction is estimated to be less in the United States (-3.4%) than in the Euro Zone (-7.2%), while Spain was one of the most affected economies (-11.0%). For the emerging economies as a whole a fall in activity of -2.4% is projected for 2020, but this hides the differential behavior of China, which is expected to grow by +2.3%. Some Latin American countries and India may experience significant contractions.

After the onset of the pandemic, at an early stage of increased uncertainty, the **dollar** became a safe haven. This led to a further appreciation of the dollar, which reached 1.08USD/EUR during part of February and March. Yet once central bank measures alleviated the shortage of dollar funding and financial stresses eased, the dollar began to depreciate and climbed past 1.20USD/EUR by year-end 2020, where it has since stabilized. The dollar weakened because the interest rate differential between the United States and the Euro Zone narrowed (to stimulate the economy, the Fed again reduced rates to zero, the minimum level, while the ECB already had rates at the minimum level, so was unable to make further decreases).

EUR/USD exchange evolution (monthly average)



Source: *Repsol´s Division of Business Studies & Analysis*

5.2. Energy landscape

Crude oil – Brent

Brent crude averaged 41.8 $/bbl in 2020. Brent crude began the year at around $68/bbl, before dropping to below $20/bbl in April and then recovering to above $50/bbl late in the year.

Crude oil prices have been heavily affected by the pandemic. The COVID-19 crisis triggered an unprecedented contraction in oil consumption. The drastic measures rolled out by governments to control the spread of the virus by limiting social interaction, imposing significant mobility restrictions and closing borders and non-essential sectors, directly impacted the consumption of oil products. During the most critical lockdown period in the second quarter, the contraction in global oil consumption was -16.4 million bbl/d, bringing demand levels down to those of the 2004-2005 period.

41.8 $/bbl

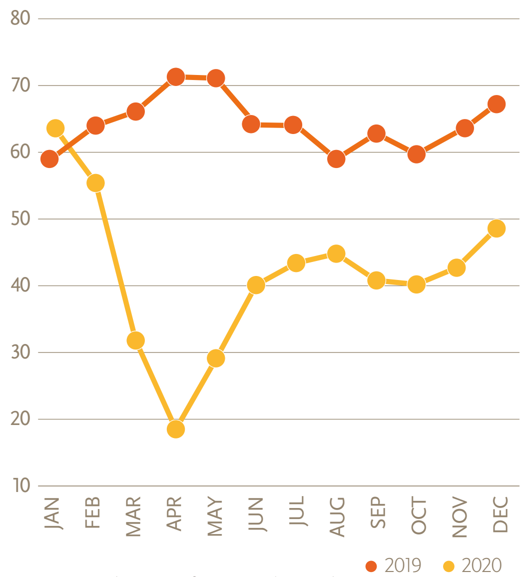
Brent crude average – 2020

On the supply side, the reaction of both OPEC and non-OPEC lent some support to prices. In April, OPEC+ agreed on the largest and longest staggered production cut in its history, while in the rest of the countries we witnessed the natural dynamic whereby falling prices triggered a decline in investment and consequently a fall in production; the main difference being that in the current climate this dynamic was a more rapid affair than on previous occasions.

Despite these adjustments, it was not until November that crude oil prices rebounded steadily to over 45 $/bbl in response to announcements by pharmaceutical companies about effective vaccines at their final stages of clinical research. This gave the market a more realistic expectation of recovery, especially by 2021. However, the context remained complex, with demand still sluggish due to the impact of COVID-19 and supply facing the return of Libyan production and weaknesses in the enforcement of cuts by some OPEC+ members.

As a result, in the first half of 2020 there was an oversupply position, with an unprecedented build-up of inventories. But, as of the second half of the year, there was a gradual decline in inventories, which, however, has left 2020 with an average build-up of about 2.5 million bbl/d.

Brent crude price evolution
(USD/bbl)



Source: *Repsol´s Division of Business Studies & Analysis*

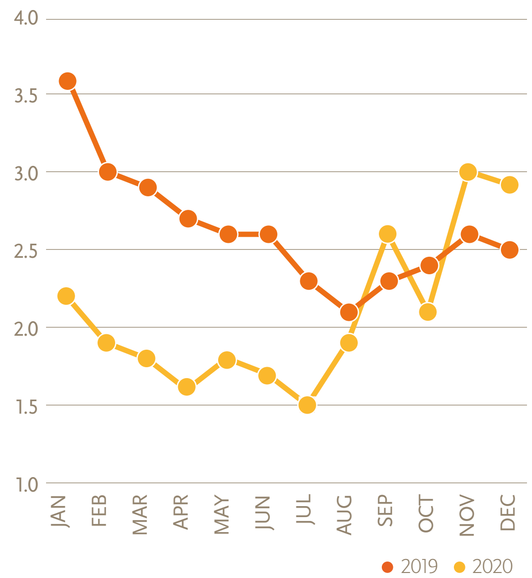
Natural Gas – Henry Hub

The price of U.S. Henry Hub natural gas averaged $2.1/MBtu in 2020, trading about 19 % below its level in 2019. Persistently high production levels and mild winter temperatures continued to apply pressure on gas prices during the early months of the year. This situation was then aggravated by the emergence of COVID-19 and the lockdown measures put in place to stop it from spreading, which dampened demand and caused an even greater reduction in prices. Turning to U.S. exports of liquefied natural gas, canceled loads in the wake of the pandemic placed further pressure on prices. With low Henry Hub prices and declining crude oil prices, output was also driven down. However, from September to the end of the year there was a gradual price recovery supported by seasonal demand and revived export flows. This weighed more on the price than the slight productive uptick.

According to the latest figures released in the United States, if this trend continues –limited production growth and a recovery in domestic demand and exports– then looking ahead to next year we can expect to see an average price above the 2020 level as a result of this closer supply-demand balance.

For more information, see Section 9.1 Outlook for the energy sector.

Henry Hub price evolution
(USD/MBtu)



Source: *Repsol´s Division of Business Studies & Analysis*

2.1 $/MBtu

Henry Hub 2020 average

6. Financial performance and shareholder remuneration

Performance shaped by the challenging environment

6. Overview

Results in 2020 were affected by the **global economic recession** stemming from the COVID-19 pandemic, with low crude oil prices (Brent 41.8 vs 64.2 in 2019) and gas prices (Henry Hub 2.1 vs. 2.6 in 2019), a dramatic decline in product demand, a reduction in the Refining margin indicator in Spain ($2.2/bbl vs. $5.0/bbl in 2019) and a weaker dollar versus the euro (€/$1.14 vs. 1.12 in 2019), more pronounced in the second half of the year).

Adjusted net income for 2020 amounted to 600 million euros, notably down on the previous year (-71%), largely as a result of the price decline and the resulting effort to optimize production, plus operational problems due to security issues in Libya at Upstream, lower demand and a reduction in Refining margins, and lower sales at Mobility due to the mobility restrictions put in place to combat COVID-19.

Repsol posted **net income** of -3,289 million euros, due to the negative impact of reference commodity prices on the valuation of inventories (-978 million euros, reflected in the so-called inventory effect) and the significant write-downs recognized for certain Upstream assets after reviewing assumptions of future crude oil and gas prices (-2,821 million euros under special items).

Despite the extremely challenging environment, the 2020 Resilience Plan enabled Repsol to achieve positive operating cash flow (3,197 million euros) across all businesses, cover net investments (1,218 million euros) and interest payments, and observe its shareholder remuneration commitments in 2020, which included the share buyback program. At year-end, **net debt** without leases came to 3,042 million euros (6,778 million euros with leases), revealing a leverage ratio of 12.8% (24.8% with leases) and **liquidity** of 9,195 million euros, enough to cover short-term maturities by a factor of 3.2.

Reduction in net debt (-€1,178 mn without leases) and strong liquidity (€9,195 mn)

6.1. Results

Million euros	2020	2019	Δ
Upstream	195	1,050	(855)
Industrial	297	913	(616)
Commercial and Renewables	485	541	(56)
Corporate and Others	(377)	(462)	85
Adjusted net income	**600**	**2,042**	**(1,442)**
Inventory effect	(978)	(35)	(943)
Special Items	(2,911)	(5,823)	2,912
Net income	**(3,289)**	**(3,816)**	**527**

Adjusted net income

Amid the global economic crisis and reduced mobility, there was a significant reduction in **EBITDA** (2,730 million euros vs. 7,161 million euros in 2019); as a result of lower income (widespread reduction in prices and volumes, plus lower margins at the industrial businesses).

EBITDA *(Millions of euros)*	2020	2019
Upstream	2,090	4,255
Industrial	(161)	1,997
Commercial and Renewables	970	1,059
Corporate and Others	(169)	(150)
TOTAL	**2,730**	**7,161**

Adjusted net income was 600 million euros, down 71% year on year.

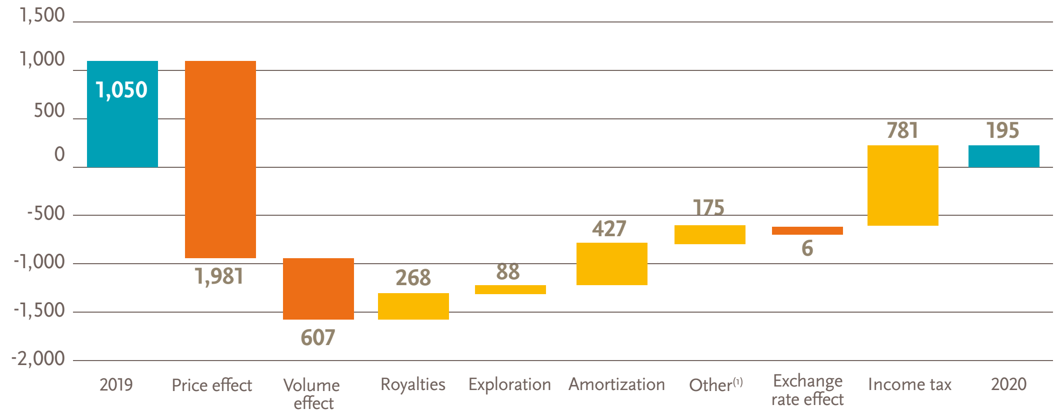
Upstream

Average **production** in the period amounted to 648 Kboe/d, down 9% on 2019. This decline was largely due to production stoppages in Libya (through to October), the cesation or temporary reduction of operations at certain assets as a result of falling demand and prices, and natural decline at oil and gas fields.

In relation to **exploration activity**, the drilling of nine exploration wells was completed in 2020, seven of them yielding a positive result. While exploration activity and investment has declined significantly, hydrocarbon discoveries have been made in the United States, Bolivia, Colombia and Mexico.

For further information on the activities of the Upstream segment, see Section 7.1 Upstream.

***Upstream* adjusted net income variation**



(1) Includes, among others, production costs and the results of investees and non-controlling interests.

Upstream **adjusted net income** amounted to 195 million euros, down 855 million euros on 2019, as a result of:

- lower realisation prices for crude oil (-34%) and gas (-21%), notably affecting results in Brazil, the United States, Trinidad, the United Kingdom and Norway;
- lower sales volumes, mainly a result of lower production due to security stoppages in Libya, and because of the cesation or reduction of operations at other assets due to the prevailing price environment;
- lower production taxes and oil and gas royalties, in response to falling prices and volumes;
- lower exploration costs, mainly because of the reduction in dry wells;
- lower depreciation and amortisation costs due to the impact of the impairment recognised in 2019 and 2020 and quieter levels of production;
- lower "Other costs" due to the impact of reduced staff costs and operating adjustments; and
- lower income tax following the decline in operating income (effective tax rate of -48%; the same as in 2019).

Investment in 2020 (948 million euros) was significantly down (61%) on 2019 (2,429 million euros), as envisioned under the Resilience Plan. Investment activity focused on production and/or development assets in Norway, the United States, Trinidad and Tobago, Brazil, the United Kingdom and Malaysia. Exploratory investment was focused largely on the United States (Alaska and Gulf of Mexico) and Mexico (Gulf of Mexico) and, to a lesser extent, Bolivia, Indonesia and Russia.

Industrial

Adjusted net income in 2020 amounted to 297 million euros, compared to 913 million euros in 2019.

The main reasons for this change are as follows:

- At **Refining**, the lower results in Spain arising from tighter margins and decreased sales due to the worsening international environment, was partially offset by production adjustment and plant logistics measures and by improved margins in Peru.
- At **Chemicals**, the drop in earnings was largely down to lower margins and sales, amid slumping demand in the automotive industry and other sectors and the maintenance work carried out in the first quarter at the Sines and Tarragona facilities.
- At **Trading**, the lower results were largely affected by the Crude Oil segment in response to quieter demand in Brazil and North America.
- At **Wholesale & Gas Trading**, better margins and inventory valuation at the Gas & Trading business in North America, were partially offset by the reduction in margins at the LNG Commercialization business.

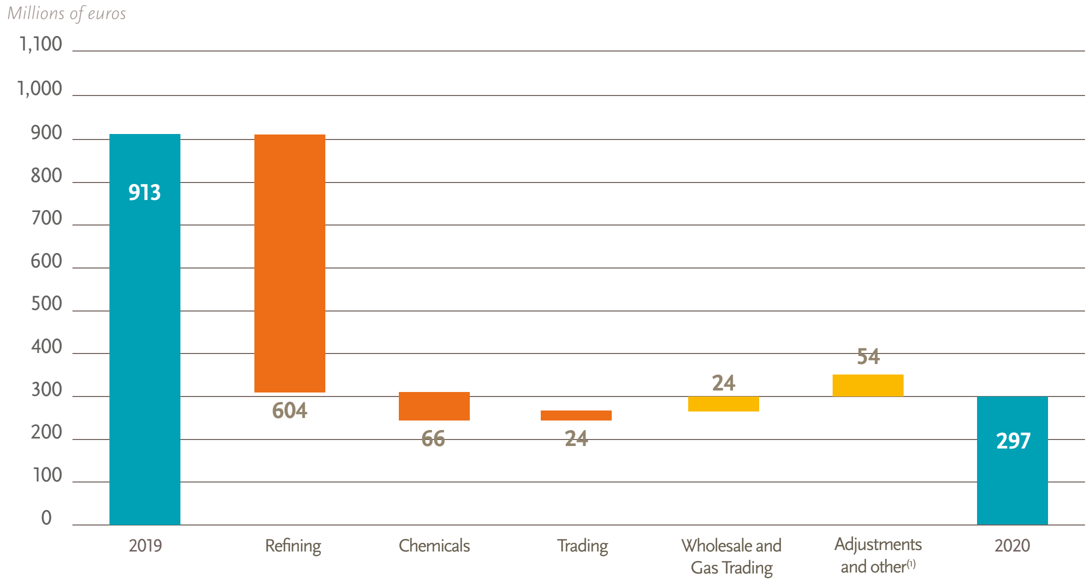
Operating **investments** at the *Industrial* segment in 2020 amounted to 565 million euros, down 36% on 2019 as envisioned in the Resilience Plan. The investments were aimed at maintaining levels of activity at industrial complexes and achieving efficiency improvements.

For further information on the activities of the Industrial segment, see Section 7.2 Industrial.

€600mn
Adjusted net income

Significant impact of mobility restrictions on Refining and Mobility

***Industrial* adjusted net income variation**



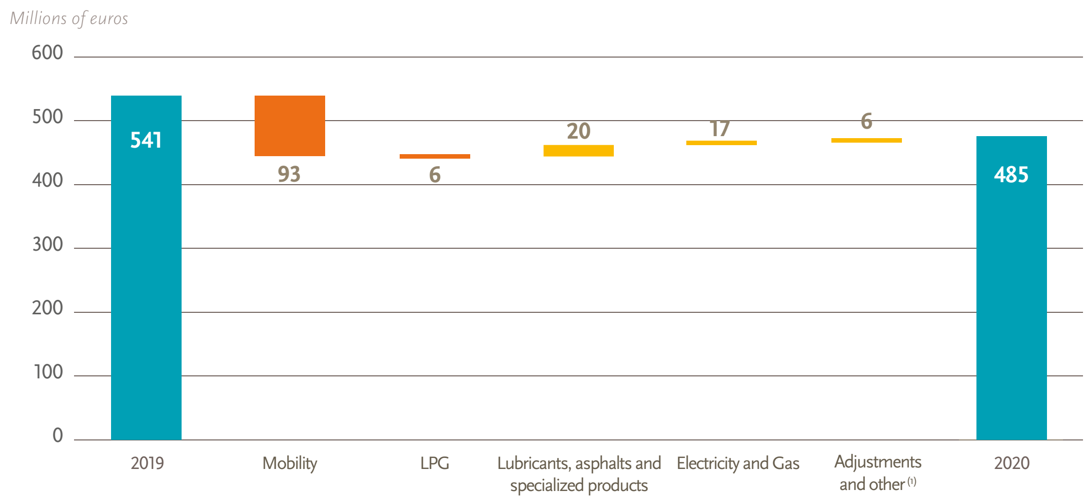
(1) Mainly the effect of the negative consolidation adjustments to eliminate the result of intragroup transactions between the business units operating at the Industrial segment.

Commercial and Renewables

Adjusted net income in 2020 came to 485 million euros, compared to 541 million euros in 2019.

- At **Mobility**, the decrease in results was largely due to lower demand at Service Stations, Direct Sales and International Aviation as a consequence of the mobility restrictions to combat COVID-19; partially offset by the management of commercial margins and the lower costs achieved under efficiency plans.
- At **LPG**, the drop in results caused by the reduction in sales volumes, in turn due to milder temperatures in Spain and the impact of COVID-19, was almost entirely offset by the cost reductions achieved under the efficiency plans and the increased margins obtained on regulated bottled gas.
- At **Lubricants**, earnings were up despite the reduction in sales, due to the increased margins obtained on Asphalt products because of product scarcity.
- At **Electricity & Gas**, results were up on 2019, largely due to a better performance from the Low Carbon Generation business, which reported increased margins despite the decline

***Commercial and Renewables* adjusted net income variation**



(1) Mainly the effect of the negative consolidation adjustments to eliminate the result of intragroup transactions between the business units operating at the Commercial and Renewables segment.

in electricity pool prices in Spain. Further highlights included the increase in the number of electricity and gas retail customers and the increase in renewable generation following the entry into commercial operation of Delta I.

Operating **investment** in 2020 amounted to 739 million euros (up 51% on 2019). Most of this investment went to the Electricity and Gas renewables businesses with the development and implementation of new projects in Spain and the international expansion of this business thanks to the agreement reached with the Ibereólica Renovables group.

For further information on the activities of the Commercial and Renewables segment, see Section 7.3 Commercial and Renewables.

Corporate and Others

Earnings for 2020 amounted -377 million euros (vs. -462 million euros in 2019). Financial result saw an improvement due to increased gains on exchange rate and treasury positions, lower impact from discounting provisions to present value and lower interest on debt, though partially offset by worse results on interest rate positions.

At Corporate, the efforts made to cut corporate costs, as envisioned in the Resilience Plan, while continuing to push toward digitalization and technology initiatives, were offset by a worse performance from the group's insurance subsidiaries.

Net income

To the adjusted net income must be added the effects derived from:

- The **inventory effect**, which was a negative -978 million euros, vs. -35 million euros in 2019, following the sharp and deep decline in prices through to April in response to the impact on demand of COVID-19, together with crude oil oversupply.
- **Special items** in 2020 amounted to -2,911 million euros, largely due to the recognition of impairment at Upstream (the price of oil and gas is now expected to be lower in future due to changing predictions as to the economic impact and outcome of the COVID-19 crisis and the energy transition – *see following section*) and also the negative effect of exchange rates on tax positions (mainly due to the depreciation of the Brazilian real). In 2019, this heading mainly showed accounting write-downs for certain Upstream assets (-4,849 million euros) and provisions to cover litigation risks from the arbitration proceedings with Addax (-837 million euros; see *Note 15 of the 2020 consolidated Financial Statements*).

(Millions of euros)

Special Items	2020	2019
Divestments	174	49
Indemnities and workforce restructuring	(124)	(64)
Impairment of assets[1]	(2,182)	(4,867)
Provisions and others[2]	(149)	(941)
TOTAL	**(2,911)**	**(5,823)**

(1) In 2020 and 2019, this includes the recognition of impairment upon reviewing existing price assumptions due to the context (*see section below*) and other minor impairment charges.
(2) Mainly shows provisions for credit risk, legal and tax litigation and extraordinary exchange rate gains/losses on tax positions.

Accordingly, the Group's **net income** in 2020 totalled -3,289 million euros, versus -3,816 million euros in 2019.

Profitability indicators	2020	2019
ROACE – Return on average capital employed (%)[1]	(11.9)	(11.0)
Earnings per share (€/share)	(2.13)	(2.33)

(1) ROACE with leases: -10,3%

Asset impairment and write-downs

The COVID-19 pandemic has worsened the environment in which some of our businesses are expected to operate in the immediate future. The depth and scale of this unprecedented crisis make forecasts inherently uncertain, although at this time, following various announcements of a vaccine, we can already see signs of an economy recovery and a gradual stabilization of the Oil&Gas markets. Moreover, it is reasonable to expect that this recovery will continue and that we will see a return to pre-crisis scenarios from 2023 onwards. We also saw further pledges from governments in the latter half of the year, in line with the Paris climate goals, which will foreseeably speed up the decarbonization of the world economy and the energy transition this entails. (*See Section 3. New Strategic Plan and 9.2 Outlook for our businesses*)

Against this backdrop, Repsol has downgraded its expectations as to the future prices of crude oil and gas and therefore recognized impairment and write-downs on certain assets:

Investment boost to new renewable projects

Write-down of assets in the new international context

(Millions of euros)	**2020**
Upstream	**(3,115)**
Production assets	(2,325)
Exploration and development assets[1]	(121)
Goodwill	(594)
Tax credits	(75)
Industrial	**99**
Gas & Trading North America	212
Tax credits	(113)
TOTAL BEFORE TAX	**(3,016)**
TOTAL AFTER TAX	**(2,774)**

(1) Does not include negative bonds and exploration wells provisioned for or amortized in the normal course of operations and recognised as exploration costs within the adjusted net income of Upstream.

The main impairment (before tax) at the Upstream segment relates to:

- Production assets (-2,325 million euros): mainly assets in Trinidad and Tobago, Canada, the United Kingdom, the United States, Indonesia, and largely due to expectations of lower future oil and gas prices moving forward.
- Exploration and development assets (-121 million euros) in Indonesia, Russia and Bolivia.
- Goodwill (-594 million euros) relating to the Repsol Oil&Gas Canada Inc. business combination.
- Tax credits (-75 million euros) resulting from the new Upstream business scenarios, making it much harder to recover the tax relief mainly in Canada.

In the Industrial segment, a pre-tax impairment reversal of 212 million euros (net of the provision for onerous contracts) was reported at the Gas & Trading business in North America (mainly the Canaport regasification plant and pipelines for gas transportation in North America), due to the expected performance of gas volumes, prices and margins. Meanwhile, an impairment of tax credits (-113 million euros) was recognized in Canada due to the expected difficulty of recovering them.

The absence of significant impairment allowances at the Industrial and Commercial and Renewables segments is testament to the quality of the assets and the ability of the business models to adapt to the new environment.

For further information on the impairment recognized in the period, see Note 20 of the 2020 consolidated Financial Statements.

6.2. Cash flows

Solid free cash flow

CASH FLOWS *(millions of euros)*	**2020**	**2019**
EBITDA	2,730	7,161
Changes in working capital	692	(67)
Dividends received	33	66
Income taxes received/(paid)	84	(1,047)
Other collections/(payments)	(342)	(276)
I. Cash flows from operations	**3,197**	**5,837**
Payments on investments	(2,377)	(3,953)
Proceeds from divestments	1.159	176
II. Cash flows from investing activities	**(1,218)**	**(3,777)**
FREE CASH FLOW (I + II)	**1,979**	**2,060**
Dividends and other equity instruments	(346)	(396)
Net interest and leases	(444)	(507)
Treasury stock	(378)	(1,844)
CASH GENERATION[1]	**811**	**(687)**

(1) Does not include flows from derivatives on Repsol, S.A. shares arranged/settled with financial institutions on a total notional amount of 70 million shares and which form part of "*cash flows from financing activities and other*" (937 million euros).

Cash flow from operations (3,197 million euros) was down on the figure reported in 2019, though positive across all businesses, even amid the international crisis. The sharp reduction in EBITDA due to lower activity (lower prices and demand) at most of the Group's businesses as a result of COVID-19 was cushioned by the effect of the lower cost of inventories on working capital (price of inventories at the industrial businesses) and lower taxes.

Cash flows from investing activities (-1,218 million euros) were up on 2019, following a marked reduction in investments at Upstream (59%) and at Industrial (35%), as envisioned in the Resilience Plan, but maintaining investment in the new electricity and renewables businesses in alignment with the new strategic approach and the pledge to achieve net zero emissions by 2050. This heading also shows the amount of tax returned from previous years following the sale of Naturgy and the divestment in Vietnam.

Free cash flow amounted to 1,979 million euros, slightly down on the 2,060 reported in 2019, despite the current environment.

As a result of all of the above, and after meeting borrowing costs (-444 million euros), shareholder remuneration (-346 million euros) and treasury share acquisition (*see Section 6.4 Shareholder remuneration*), **cash generation** was a positive 811 million euros, showing an improvement on 2019, thanks to quieter levels of treasury share investment and interest.

6.3. Financial position

The financial objective envisioned in the 2020 Resilience Plan was to preserve the strength of our balance sheet and maintain an investment grade credit rating. With this in mind, there was to be no increase in debt in 2020 when compared to year-end 2019.

In line with the policy of financial prudence and commitment to maintaining a high degree of liquidity, the funds held in cash by the Group at year-end and available credit facilities comfortably meet debt maturities in the short term and are enough to cover all gross debt maturities.

Indebtedness

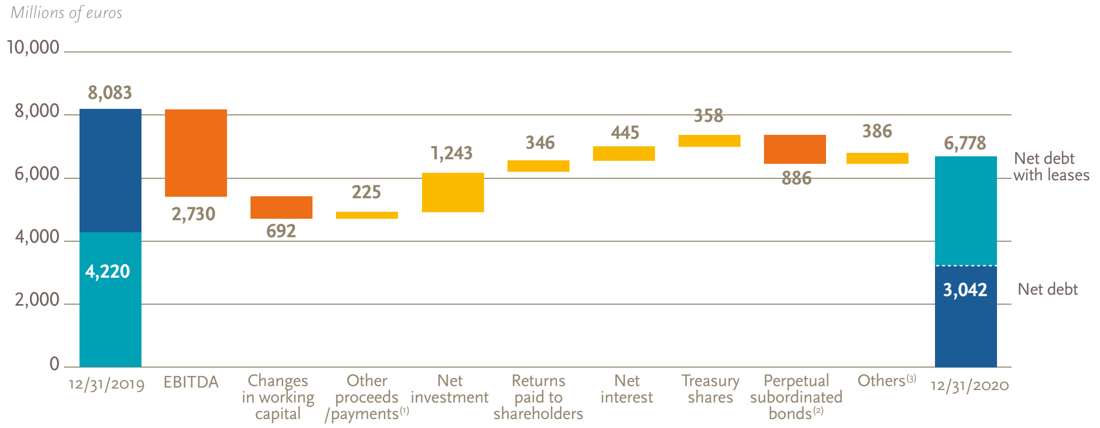
Net debt (3,042 million euros without leases and 6,778 million with leases) was down on the figure for 2019 (4,220 million euros and 8,083 million euros, respectively). Slower cash flows from operations as a result of COVID-19 was offset by a total of 886 million euros in net funds obtained from issuances and repurchases of equity instruments (perpetual subordinated bonds), a reduction in investment (down 40% on 2019) and fewer treasury share acquisitions.

Leverage

12.8%

Robust financial structure

Net debt variation

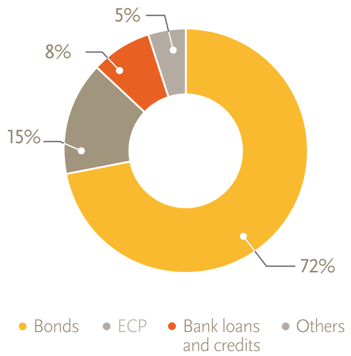


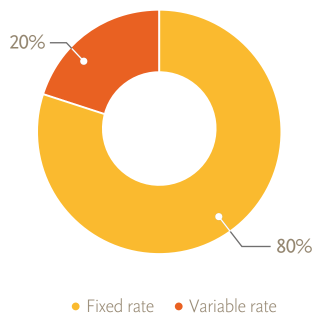
(1) Includes income tax refunded/(paid) and other proceeds from/(payments for) operating activities.
(2) Net impact of the issuance and partial repurchase described under "Principal financing transactions".
(3) Includes, among others, new lease agreements in the period, impairment of instruments or exchange rate effect.

The **leverage** ratio (12.8% ex leases) remains below the industry average and below December 2019 levels.

The **composition** and **maturity of gross debt** (9,098 million euros without leases) at December 31, 2020 was as follows:

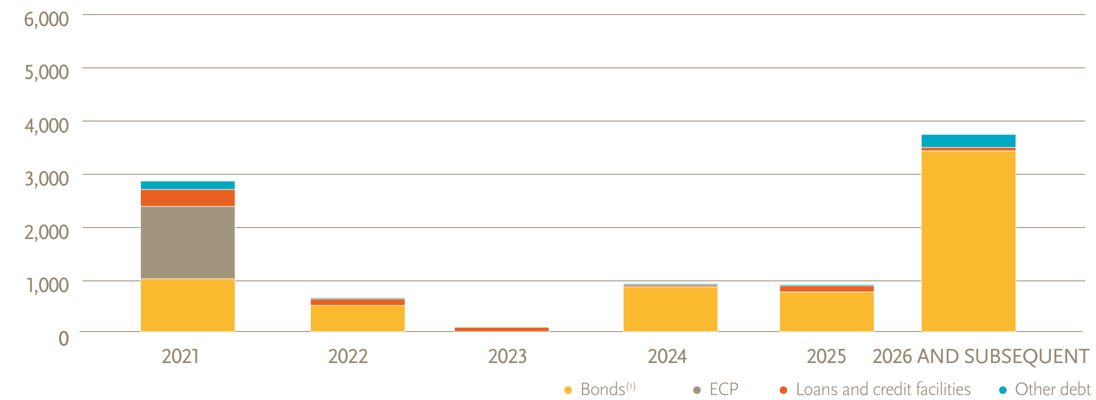
Gross debt





Strong liquidity 9,195 million euros

The **maturity** dates for **gross debt** are as follows:



Note: Does not include perpetual bonds issued by Repsol International Finance that qualify as equity instruments amounting to €1,906 million (*see Note 6.4 of the 2020 consolidated Financial Statements*).

(1) Emissions guaranteed by Repsol, S. A.

Main financing transactions

In 2020 the main financing transactions, through Repsol International Finance, B.V., were:

- In April, Eurobonds were issued for an amount of 1,500 million euros: (i) 750 million euros with a fixed annual coupon of 2%, maturing in December 2025; and (ii) 750 million euros with a fixed annual coupon of 2.625%, maturing in April 2030.
- In May, a bond issue for a nominal amount of 1,200 million euros and a fixed annual coupon of 2.625% was redeemed at maturity.
- In June, two subordinated perpetual bond issues were offered to raise 1,500 million euros: (i) 750 million euros with a fixed coupon of 3.750%, with a first option to redeem in March 2026; and (ii) 750 million euros with a fixed coupon of 4.247%, with a first option to redeem in September 2028.
- In June, the Repurchase Offer on the perpetual subordinated bonds issued in March 2015 was settled, involving a payment of 594 million euros of the nominal amount (59.4% uptake).
- In October, Eurobonds were issued in the amount of 850 million euros, with a fixed annual coupon of 0.125%, maturing in October 2024.
- In December, a bond issue for a nominal amount of 600 million euros and a fixed annual coupon of 2.125% was redeemed at maturity.

In addition, RIF has a *Euro Commercial Paper ECP* program guaranteed by Repsol, S.A. for a maximum amount of 2,000 million euros. The outstanding balance at December 31, 2020 was 1,370 million euros.

For further information, see Notes 6.4 and 7.2 of the 2020 consolidated Financial Statements.

Liquidity

Group liquidity, including committed and undrawn credit facilities, stood at 9,195 million euros at December 31, 2020, which is enough to cover its short-term debt maturities by a factor of 3.2. Repsol had undrawn credit facilities amounting to 3,436 million euros and 1,818 million euros at December 31, 2020 and 2019, respectively.

Investment grade maintained

Credit rating

At present, the credit ratings assigned to Repsol, S.A. by the ratings agencies are as follows:

	Standard & Poor's	Moody's	Fitch
Term	Repsol, S.A.	Repsol, S.A.	Repsol, S.A.
Long-term	BBB	Baa2	BBB
Short-term	A-2	P-2	F-2
Outlook	stable	negative	stable
Date of latest modification	03/25/2020	04/02/2020	04/02/2020

Treasury shares and own equity investments

A particular highlight in 2020 was the acquisition of 23.6 million shares under the share buyback program, which, together with the 75.4 million shares acquired before March 25, 2020 (scheduled date of the 2020 General Shareholders' Meeting), were redeemed (accounting for approximately 6.09% of Repsol's share capital at the redemption date) in order to offset the dilutive effect of the scrip issue carried out during the year under the "*Repsol Flexible Dividend* program" (*see Section 6.4 Shareholder remuneration*). All derivatives on treasury shares outstanding at 31 December 2019 (affecting a total notional number of 70 million shares) were settled in full during 2020.

At December 31, 2020, a total of 19.6 million shares were held in treasury, representing 1.25% of share capital at that date.

For further information, see Note 6 of the 2020 consolidated Financial Statements.

Moreover, the Group acquired call options on its shares for a nominal 90 million shares, and put options for a nominal 25 million shares.

The shares repurchased plus the derivatives arranged cover 56% of the total share buybacks envisioned in the Strategic Plan, at an average price of 7.45 euros per share.

For further information, see Note 9 of the 2020 consolidated Financial Statements.

6.4. Shareholder remuneration

Repsol does not have a formal policy on dividends, and the Company's eventual decisions on shareholder remuneration depend on several factors, including the performance of its businesses and its operating results. Shareholder remuneration in 2020 and 2019 under the "*Repsol Flexible Dividend*"[1] program is:

- Remuneration of €0.916/share[2] in 2020. Repsol paid out a total gross amount of 343 million euros to shareholders and delivered 98,982,965 new shares, for an equivalent amount of 1,075 million euros, to those who opted to receive new shares in the Company.
- Remuneration of €0.916/share[3] in 2019, with Repsol paying out a gross total of 398 million euros to shareholders and delivered 71,394,987 new shares, equivalent to 1,017 billion euros, to those who opted to receive new shares in the Company.

In October 2020, capital was reduced through redemption of treasury shares as approved by the shareholders at the Annual General Meeting in 2020, to offset the dilutive effect of the bonus share issues formalized in 2020 under the *"Repsol Flexible Dividend"* program.

In addition, in January 2021, under that program, replacing what would have been the interim dividend from 2020 profits, Repsol paid out 102 million euros in cash (0.288 euros gross per right) to those shareholders opting to sell their bonus share rights back to the Company, and delivered 40,494,510 shares, worth 338 million euros, to those opting to take their dividend in the form of new shares in the parent Company. At the date of publication of this Management Report, the Board of Directors has agreed to implement a Share Repurchase Programme for a maximum of 40,494,510 shares, accounting for approximately 2.58% of the current share capital. The sole purpose of this programme is to acquire the shares that will be redeemed if the Capital Reduction to be proposed at next annual General Shareholders' Meeting is ultimately approved.

At the date of authorization for issue of these annual financial statements, the Company's Board of Directors has resolved to propose to shareholders, at the next annual General Shareholders' Meeting, the distribution of a cash dividend amounting to 0.60 euros gross per share. Of this amount, the Board will propose that the gross sum of 0.30 per share be paid out of 2020 earnings as from 7 July 2021, and 0.30 euros per share[4] be paid out of unrestricted reserves, if applicable, as from 1 January 2022 and by no later than 31 January 2022, on a date to be determined by the Board of Directors. These proposals replace the Repsol Flexible Dividend remuneration program that Repsol has been running in recent years.

For further information on expected future shareholder remuneration, see Section 3. New Strategic Plan.

€0,916 per share

shareholder remuneration in 2020 and 2019

1. For further information on the total returns received by shareholders and bonus share issues under the "*Repsol Flexible Dividend*" program, *see the Section titled "Share capital" of Note 6 "Equity" of the 2020 consolidated Financial Statements.*
2. Includes Repsol's irrevocable undertaking to purchase bonus share rights on the occasion of the two bonus share issues completed in January and July 2020 (0.424 and 0.492 euros, gross, per right, respectively).
3. Including an irrevocable undertaking given by Repsol to purchase bonus share rights on the occasion of the two bonus share issues in January and July 2019 (0.411 euros and 0.505 euros gross per right, respectively).
4. The gross amount of 0.30 per share shall be reduced by the gross amount per share which, prior to the agreed date, the Company may have agreed to distribute and disclosed to the market, if any, as an interim dividend payable out of the current year's profits earned since the end of the 2020 financial year.

€8,44 per share
2020 average share price

Our share price

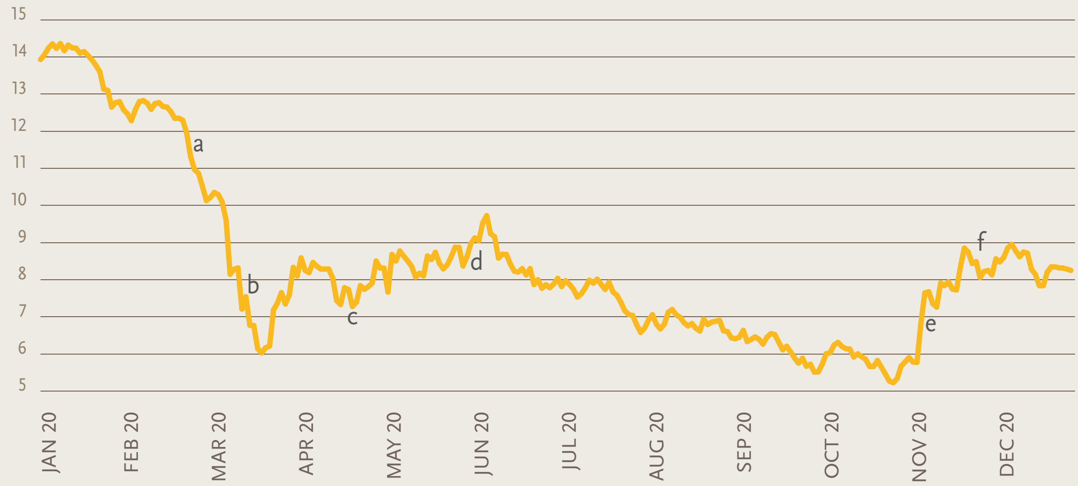
The Group's main stock market indicators in 2020 and 2019 were as follows:

Main stock market indicators	2020	2019
Shareholder remuneration[(1)] (€ per share)	0.92	0.92
Share price at end of period[(2)] (euros)	8.25	13.93
Period average share price (euros)	8.44	14.43
Period high (euros)	14.36	15.52
Period low (euros)	5.23	12.48
Number of shares outstanding at end of the year (million)	1,527	1,527
Market capitalization at year-end (million euros) [(3)]	12,601	21,277
Dividend yield[(4)] (%)	6.6	6.5

(1) For each period, shareholder remuneration includes dividends paid and the fixed price guaranteed by Repsol for the bonus share rights awarded under the "*Repsol Flexible Dividend*" program.
(2) Share price at year-end in the continuous market of the Spanish stock exchanges.
(3) Period-end closing market price per share, times the number of outstanding shares.
(4) Earnings per share for each year / Share price at end of previous year

Repsol's share price ended the year significantly below its level at the beginning of the year. The energy sector was hit hard by the COVID-19 pandemic. Between March and April, the stock was dragged down by historic falls in the price of crude oil. In the second half, uncertainty surrounding the recovery of demand and the weakness of refining margins drove the share price down to the year's lows in October. Brighter expectations as to a way out of the crisis after vaccines against the virus were announced and the new 2021-2025 Strategic Plan was unveiled led to a partial recovery of the stock in the last two months of the year.

Share price over time



a) February 24 (€11.315): Italy registers first case of COVID-19.
b) March 13 (€7.542): Spanish government announced a state of emergency.
c) April 21 (€7.278): low closing price of Brent ($19.33/barrel).
d) June 2 (€8.976): Repsol issues two subordinated perpetual bonds for a total nominal amount of €1.5 billion.
e) November 9 (€6.824): Announcement of the first vaccine for COVID-19.
f) November 26 (€8.436): presentation of the 2021-25 Strategic Plan.

7. Our businesses

7.1 Upstream

Our activities

- **New areas:** identification and entry into new projects (organic or inorganic growth).
- **Exploration:** geology, geophysics and exploratory drilling activities in the search for hydrocarbon resources.
- **Evaluation:** drilling of appraisal wells, definition of discovered resources and determination of their commerciality.
- **Development:** drilling of production wells, construction of collection systems, processing plants and evacuation and transportation systems for production of reserves. Sustainability, safety and transparency policies are uniformly applied to all operations to ensure the project is duly implemented.
- **Production:** commercial operation of hydrocarbons.
- **Decommissioning:** abandonment and reconditioning of all facilities to leave the area in the same environmental condition as prior to the start of Upstream operations.

1,852 Mboe
proven reserves

648 kboe/d
hydrocarbon production

3,353
employees

Main operating figures	2020	2019
Net undeveloped acreage (km²)	147,230	179,516
Net developed acreage (km²)	6,576	6,695
Reserves of crude oil, condensate and LPG (Mbbl)	577	620
Natural gas reserves (Mboe)	1,275	1,519
Proven reserves replacement ratio (%) [1]	(21)	23
Liquids production (kbbl/d)	217	254
Gas production (kboe/d)	432	455
Hydrocarbon production (kboe/d)	648	709
Crude oil realization price ($/bbl)	37.7	57.3
Gas realization price ($/bbl)	2.3	2.9

(1) Proven reserves replacement ratio: (quotient between the total additions of proven reserves in the period and the production of the period)

Million euros

Our performance in 2020	2020	2019	Δ
Operating income	351	1,969	(1,618)
Income tax	(167)	(948)	-
Investees and non-controlling interests	11	29	(18)
Adjusted Net Income	**195**	**1,050**	**(855)**
Inventory effect	-	-	-
Special Items	(2,610)	(5,645)	3,035
Net income	**(2,415)**	**(4,595)**	**2,180**
Effective tax rate (%)	(48)	(48)	-
EBITDA	**2,090**	**4,255**	**(2,165)**
Investments	**948**	**2,429**	**(1,481)**

For more information, see "*Information on oil and gas exploration and production*" at www.repsol.com.

Main events of the period

Impact of COVID-19 and price review

The pandemic and the pricing environment significantly affected Upstream operations. Activity was reduced, investments were limited and operations were adjusted (with the consequent drop in production) according to criteria of profitability and asset value in accordance with the new Strategic Plan and the Resilience Plan (*see Section 2. COVID-19: Impacts and Resilience Plan*).

In the context of the 2020 Resilience Plan and taking a further step toward a more efficient, flexible and nimble organization where talent, leadership, digitalization and new ways of working continue to move forward, organizational changes were implemented during 2020. At Upstream, Repsol, developed a simpler organization with a smaller management structure to move along a roadmap drawn by the new Strategic Plan of geographic concentration, focus on cash generation in low price scenarios and flexibility of investments in unconventional and short cycle projects, prioritizing value over volume.

Future price patterns and production plans for certain assets were reviewed, which led to impairments of some assets as described in *Section 6.1 of this report and in Note 20 of the 2020 consolidated Financial Statements.*

Average production

Average production in 2020 was 648 kboe/d, 9% less than in 2019. The decline was mainly due to production stoppages (Libya), natural decline of fields (Canada, Trinidad), temporary cease of productions due to the price environment in Chauvin (Canada) and Akacias (Colombia), lower gas demand (Peru, Algeria and Indonesia) and expiration of the license for Piedemonte (Colombia), partly offset by the acquisition of an additional 63% in Eagle Ford (USA) at the end of 2019, the connection of new wells, mainly in Marcellus (USA), and the start of production in Buckskin (USA) in June 2019.

Exploration campaign

In 2020, we finished drilling 7 exploration and 2 appraisal wells, 7 with positive results (3 exploration and 1 appraisal in the United States –2 exploration wells in Alaska and 1 appraisal well in the Gulf of Mexico–, 2 exploration wells in Mexico and 1 in Colombia), 1 exploration well with negative results in Mexico and 1 appraisal well under evaluation in Colombia.

At December 31, 2021, the BSC-X1ST exploration well in Bolivia –subsequently yielding a positive result in 2021– and one appraisal well in Indonesia was in progress.

Acreage

In 2020, exploration blocks were acquired in Indonesia (Aru, with a stake of 100%) and Russia (Sablerskiy, as part of the AROG Joint Venture, with a stake of 49%). In Norway, Repsol acquired development block PL-055E (Brage site), with a stake of 33.84%. In the United States, 9 blocks were acquired in the Gulf of Mexico (5 in the Walker Ridge area and 4 in Keathley Canyon). Also in the U.S. Gulf of Mexico, an agreement was reached with Shell to acquire an 8.5% interest at 8 blocks in the Alaminos Canyon area.

Reserves

The change in proven reserves in 2020 was -50 Mboe, mainly by negative changes in activity plans (extensions and discoveries) and negative reviews. The Proven reserves replacement ratio, calculated as the quotient between the total additions of proven reserves in the period and the production of the period, was -21% in 2020 (23% in 2019).

Sustainability performance

In terms of the environmental performance of the Upstream business in 2020, the concept of the Circular Economy was successfully implemented.

As the first oil and gas company to apply the "Biodiversity and Ecosystem Services (BES) Management Ladder" methodology, and thanks to its concern for biodiversity, Repsol was awarded an exceptionally good score on the environmental, social and corporate governance (ESG) factors scale, ahead of its competitors, according to data from Sustainalytics and Vigeo Eiris, which focus on countries in the parts of the world where Repsol has Upstream operations.

21-25 Strategic Plan: 2021-2025 priorities

1 Prioritizing Free Cash Flow (leading FCF breakeven)

- FCF breakeven of <$40/barrel
- Low capital intensity and flexibility
- Generating €4.5 billion of FCF at $50/barrel and HH of $2.5
- Reducing OPEX by 15%

2 Delivering resilient value

- Leading profitability by project
- Short-term returns
- Digital program
- Achieving a 30% reduction in overheads and administrative costs

3 Focused portfolio

- Value over volume
  - Flexible production level (~650 thousand boe/d in 2021-25)
  - <14 countries
- Exploration scaled back and more focused

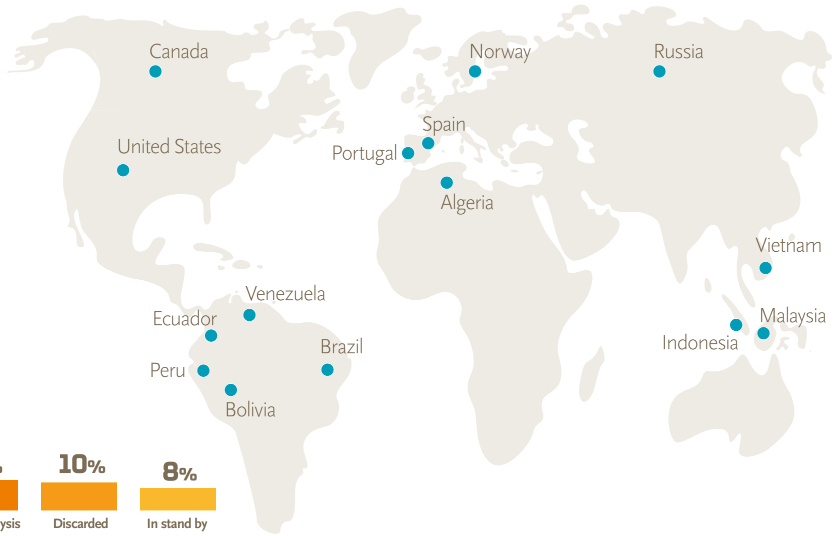
4 Level one in CO_2 emissions

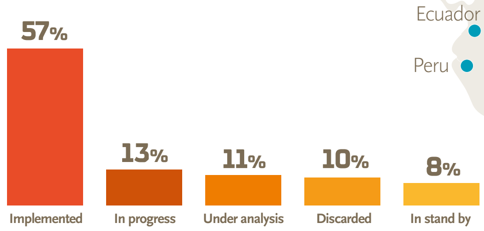
- 75% reduction in emissions intensity
- Streamlining and scaling back the Upstream portfolio
- Scaling back/exiting carbon-intensive and non-strategic assets

2021-2025 SP:

Creating strategic options and flexibility

Circular Economy initiatives

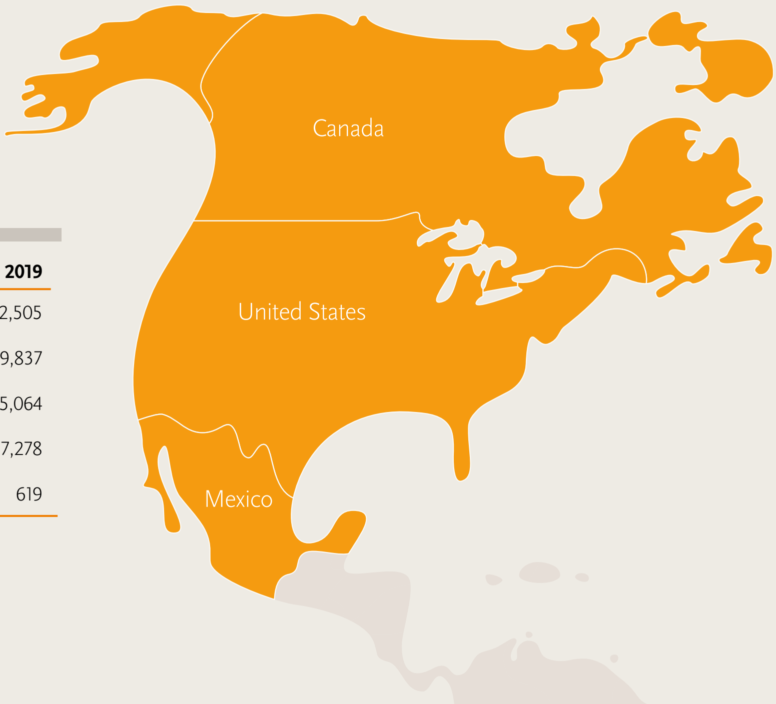




61 circular initiatives:

85% in efficiency and innovation process and **11%** in renewable energy and alternative raw materials

North America



Main figures	2020	2019
Net developed acreage (km²)	2,444	2,505
Net undeveloped acreage (km²)	9,033	9,837
Net development acreage (km²)	4,835	5,064
Net exploration acreage (km²)	6,643	7,278
Net proven reserves (Mboe)	491	619

Countries	Main assets (1)	% Repsol	P/D/E (2)	L/G (2)	Description
United States	Shenzi	28.00%	P	L-G	Deep waters of the Gulf of Mexico south east of Louisiana
United States	Eagle Ford	85.69%	P	L-G	Unconventionall onshore gas with associated liquids to the south of Texas
United States	Marcellus	83.94%	P	G	Unconventional shale gas in the states of Pennsylvania, New York and West Virginia, mainly
United States	Buckskin	22.50%	P	L-G	Deep waters of the Gulf of Mexico southwest of Louisiana
United States	North Slope – Pikka	49%	E	L-G	Area with discoveries in the delineation phase
United States	North Slope - Horseshoe	49%	E	L-G	Exploratory area comprising the Horseshoe discovery in northern Alaska
United States	North Slope (rest)	Average 44.37%	E	-	Extensive exploratory area, mainly onshore, in northern Alaska
United States	Leon	50,00%	E	L-G	Deep-sea exploratory asset in the Gulf of Mexico southwest of the state of Louisiana
Canada	Edson & Wild River	Average 65.14%	P	L-G	Productive area in the heart of the state of Alberta. Unconventional
Canada	Chauvin	Average 66.25%	P	L-G	Heavy crude oil located in Alberta/Saskatchewan. Unconventional
Canada	South Duvernay	100%	P	L-G	Area in the development phase, with oil and gas production, in central Alberta. Unconventional

(1) *Further information in Appendix Ic of the 2020 consolidated Financial Statements.*
(2) P: Production / D: Development / E: Exploration / L: Liquids / G: Gas

Major exploration discoveries in Mexico and the United States and new acreage in the United States.

6,643 km²
net exploration acreage

491Mboe
net proven reserves

72Mboe
total hydrocarbon production

Operations performance	2020	2019
Liquids production (Mbbl)	20	18
Gas production (Bcf)	294	274
Total hydrocarbon production (Mboe)	72	66
Crude oil realization price ($/bbl)	35.7	55.0
Gas realization price ($/kscf)	1,8	2,2
Oil production wells	1,943	1,434
Gas production wells	2,228	2,918
Development wells completed:	**18**	**104**
Positives	18	103
Negatives	-	1
Under evaluation	-	-
Completed and ongoing exploration wells (1):	**6**	**3**
Positives	5	1
Negatives	1	-
Under evaluation	-	-
Ongoing	-	2

(1) Does not include appraisal wells: 1 with a positive result in 2020 and 5 in 2019, 4 positive and 1 under evaluation.

Main events of the period

- **United States: discoveries in the Gulf of Mexico and Alaska, new production wells at Marcellus and Eagle Ford and new acreage in the Gulf of Mexico**

In January, eight new wells were put into production at the Marcellus unconventional gas production asset, located between the states of Pennsylvania and New York.

Between January and February, seven new wells were put online at the Eagle Ford unconventional production asset.

In April, the discovery of oil in the US part of the Gulf of Mexico was announced at the Monument exploration well, where Repsol holds a 20% stake alongside Equinor (operator) with a 50% stake, and Progress Resources USA Ltd, with the remaining 30%.

Also in April, two further exploration discoveries were made at the North Slope project in Alaska, where Repsol holds a 49% stake, namely the Mitquq-1 and Stirrup-1 wells.

In November, Repsol acquired nine blocks in the US GOM round – Lease sale 256. Of these nine blocks, five were awarded in partnership with Equinor in the Walker Ridge area; the other four were acquired in partnership with Llog Exploration in the Keathly Canyon area in the surroundings of the Leon/Moccasin developments.

Also in November, Repsol completed the purchase from Shell of an 8.50% interest in eight blocks in the Alaminos Canyon area of the Gulf of Mexico, at the Blacktip North, Bobcat and Lucille exploratory projects. Shell (operator) and Equinor are our partners on these deepwater projects.

- **Mexico: significant deepwater discoveries**

In May, Repsol announced two important deepwater oil discoveries at two high quality sites in block 29. Repsol holds a 30% stake in this block and is the operator. The exploration wells (Polok-1 and Chinwol-1) are located in the Salina basin and have a net oil pay thickness of 200 meters and 150 meters, respectively.

Sustainability performance	2020	2019
No. of employees	945	790
% of women	33	32
% of women in leadership positions	24	25
Oil spills reaching the environment (t) (1)	10.27	5.52
CO_2e emissions (Mt) (*Scope* 1 + 2)	1.3	1.55
TRIR	1.05	3.40
PSIR	4.36	2.89
Voluntary social investment (thousands of €)	1,103	688

(1) Oil spills exceeding one barrel and reaching the environment.

Latin America

Main figures	2020	2019
Net developed acreage (km²)	704	761
Net undeveloped acreage (km²)	30,805	48,663
Net development acreage (km²)	4,528	4,822
Net exploration acreage (km²)	26,981	44,602
Net proven reserves (Mbep)	1,056	1,196

Countries	Main assets (1)	% Repsol	P/D/E (2)	L/G (2)	Description
Trinidad and Tobago	BP TT	30.00%	P	L-G	Columbus offshore basin
Brazil	BM-S-9 (*Sapinhoá*)	15.00%	P	L-G	Ultra-deep waters in the pre-salt of the Santos basin
Brazil	BM-S-9A (*Lapa*)	15.00%	P / D	L	Ultra-deep waters in the pre-salt of the Santos basin
Brazil	BM-S-50 (*Sagitario*)	12.00%	E	L-G	Ultra-deep waters in the pre-salt of the Santos basin
Brazil	BM-C-33 (C-M-539)	21.00%	D	L-G	Ultra-deep waters in the pre-salt of the Campos basin
Brazil	Albacora Leste	6.00%	P	L-G	Deep Waters in the Campos Basin
Bolivia	Margarita - Huacaya (*Caipipendi*)	37.50%	P	L-G	Southern Sub-Andean Basin to the south of the country
Bolivia	Sábalo	24.17%	P	L-G	Southern Sub-Andean Basin to the south of the country
Bolivia	San Alberto	24. 17%	P	L-G	Southern Sub-Andean Basin to the south of the country
Colombia	Equion	30.00%	P / E	L-G	Llanos basin in the center of the country
Colombia	CPO-9 Akacias	45.00%	P / D	L	Llanos basin in the center of the country
Colombia	Cravo Norte	5.63%	P	L	Llanos Basin next to the border with Venezuela
Peru	Camisea (Blocks 56 and 88)	10.00%	P	L-G	Ucayali basin, in the Andean region
Peru	Block 57 (*Kinteroni & Sagari*)	53.84%	P / D	L-G	Madre de Dios basin (Andean region)
Venezuela	Cardón IV (Perla)	50.00%	P / D	L-G	Shallow waters of the Gulf of Venezuela basin
Venezuela	Quiriquire (EM)	40.00%	P	L-G	Maturin onshore basin
Venezuela	Quiriquire Gas	60.00%	P	G	Gas in the Maturin onshore basin
Venezuela	Petroquiriquire (Barúa Motatán and Mene Grande)	40.00%	P / D	L	Maracaibo onshore basin

(1) *Further information in Appendix Ic of the 2020 consolidated Financial Statements.*
(2) P: Production / D: Development / E: Exploration / L: Liquids / G: Gas

Exploratory discovery in Colombia, new productive well in Trinidad and Tobago and important production milestones in Brazil.

26,981 km²

net exploration acreage

1,056 Mboe

net proven reserves

108 Mboe

total hydrocarbon production

Operations performance	2020	2019
Liquids production (Mbbl)	30	35
Gas production (Bcf)	440	483
Total hydrocarbon production (Mboe)	108	121
Crude oil realization price ($/bbl)	36.0	52.4
Gas realization price ($/kscf)	1.9	2.3
Oil production wells	741	792
Gas production wells	207	241
Development wells completed:	**17**	**32**
Positives	15	30
Negatives	1	-
Under evaluation	1	2
Completed and ongoing exploration wells [(1)]:	**2**	9
Positives	1	-
Negatives	-	4
Under evaluation	-	3
Ongoing	1	2

(1) Does not include appraisal wells: 1 in 2020 and 1 in 2019 under evaluation.

Main events of the period

- Trinidad and Tobago: new production well at bpTT

In March, the Amherstia well was put into production at the assets of bpTT, where Repsol holds a 30% stake.

- Colombia: discovery of an exploration well in the Llanos basin

In March, the Lorito Este-1 exploration well was discovered at the CPO-9 production block in the Llanos basin, where Repsol holds a 45% stake.

- Brazil: resumption of production at two wells in Albacora Leste and production sales milestone at Sapinhoá

In January and February, production was resumed at 2 active wells in the Albacora offshore asset.

In August, Repsol achieved the milestone of 125 million barrels of oil sold from the Sapinhoá asset in Brazil's deep waters. This figure required 130 ship-to-ship transfer operations. During the transfers, more than 1 million hours worked took place with no adverse impact to the environment or fatalities.

- Venezuela: complex environment

Political instability and economic recession continued to be a threat, and new international sanctions were adopted. For further information, *see Note 20.3 of the 2020 consolidated Financial Statements.*

- Bolivia: discovery at Caipipendi

In January 2021, the first production tests run by the Boicobo Sur X1 exploratory well confirmed the discovery of new gas volumes at the Caipipendi contract area in Bolivia. The discovery is tentatively estimated as being around 1 TCF (trillion cubic feet) of reserves and prospective resources. The BCS-X1ST well is located in the Luis Calvo province of the department of Chuquisaca in the Caipipendi contract area, which also covers territory in the department of Tarija. Repsol is the operator of the Caipipendi contract area with a 37.5% stake, in partnership with Shell, Pan American Energy and Yacimientos Petrolíferos Fiscales Bolivianos.

Sustainability performance	2020	2019
No. of employees	1,028	1,123
% of women	25	24
% of women in leadership positions	23	20
Oil spills reaching the environment (t) [(1)]	-	5.95
CO_2e emissions (Mt) (*Scope* 1 + 2)	0.8	0.83
TRIR	1.80	0.71
PSIR	0.46	0.52
Voluntary social investment (thousands of €)	3,168	6,095

(1) Oil spills exceeding one barrel and reaching the environment.

Europe and Africa

Main figures	Europe 2020	Europe 2019	Africa 2020	Africa 2019
Net developed acreage (km²)	594	596	1,095	1,095
Net undeveloped acreage (km²)	11,922	17,913	8,355	8,355
Net development acreage (km²)	1,841	1,132	2,605	2,605
Net exploration acreage (km²)	10,675	17,377	6,845	6,845
Net proven reserves (Mboe)	81	88	141	127

Countries	Main assets (1)	% Repsol	P/D/E (2)	L/G (2)	Description
Norway	Operated assets (Varg, Gyda, Yme...)	Average 43.44%	P	L-G	Offshore assets located in the North Sea to the south of the country
Norway	Non-Operated Assets (Visund, Brage, Gudrun, Mikkel, etc.)	Average 18.52%	P	L-G	Offshore assets located in the North Sea to the south of the country
United Kingdom	RSRUK operated assets (Beatrice, Claymore, Orion, Piper, etc.)	Average 39.89%	P	L-G	Offshore assets located mainly in the Central North Sea basin
United Kingdom	RSRUK non-operated assets (Balmoral, Cawdor, etc.)	Average 5.82%	P	L-G	Offshore assets located mainly in the Central North Sea basin
Algeria	Reggane Nord	29.25%	P / D	G	Gas assets in the center of the country in the Reggane basin
Algeria	Greater MLN/ Menzel Ledjmet Sud-Est	35.00%	P	L	Assets located in the Ghadames/Berkine basin, east of the country
Libya	NC-115	20.00%	P	L	Asset located in the Murzuk basin in the southwest of the country
Libya	NC-186	16.00%	P	L	Asset located in the Murzuk basin in the southwest of the country

(1) *Further information in Appendix Ic of the 2020 consolidated Financial Statements.*
(2) P: Production / D: Development / E: Exploration / L: Liquids / G: Gas

Resumption of production in Libya and new production wells in Norway.

	Europe	Africa
net exploration acreage	**10,675** km²	**6,845** km²
net proven reserves	**81** Mboe	**141** Mboe
total hydrocarbon production	**19** Mboe	**13** Mboe

Operations performance	Europe 2020	Europe 2019	Africa 2020	Africa 2019
Liquids production (Mbbl)	14	16	7	15
Gas production (Bcf)	29	35	34	42
Total hydrocarbon production (Mboe)	19	22	13	22
Crude oil realization price ($/bbl)	41.0	64.5	41.7	63.3
Gas realization price ($/kscf)	3.0	4.6	3.5	4.6
Oil production wells	230	241	387	385
Gas production wells	11	11	93	92
Development wells completed:	**4**	**7**	**6**	**14**
Positives	4	7	6	14
Negatives	-	-	-	-
Under evaluation	-	-	-	-
Completed and ongoing exploration wells [(1)]:	**-**	**4**	**-**	**-**
Positives	-	1	-	-
Negatives	-	3	-	-
Under evaluation	-	-	-	-
Ongoing	-	-	-	-

(1) Europe: Does not include appraisal wells: no activity in 2020 and 2019. Africa: Does not include appraisal wells: no activity in 2020 and 2 negative wells in 2019.

Main events of the period: Europe and Africa

- **Norway: new production wells at Brage and Gudrun, new acreage and important milestone in development at YME**

  In February and May, two new wells were put into production at Brage, while a further well was commissioned in April at Gudrun.

  In June, the Norwegian authorities granted an extension of production at the Rev site operated by Repsol through to the end of 2023.

  The Company has also acquired development block PL-055E (Brage site), with a 33.84% stake.

  In December, the Mærsk Inspirer mobile offshore drilling and production unit was successfully installed at the Yme field in the southern North Sea. Now that this milestone has been reached, first oil is expected to be extracted in the second half of 2021.

- **Bulgaria: transfer of the stake in block 1-21 Han Asparuh**

  In June, it was announced that Repsol had obtained permission to transfer its 30% stake in block 1-21 Han Asparuh, located on the Bulgarian Black Sea Coast, to its partners Total and OMV.

- **Ireland: transfer the stake and exit from the country**

  In August, the Irish authorities greenlighted the process of transferring Repsol's stake to the remaining parties to the FEL 3/04 license, which involves Repsol's exit from the Republic of Ireland.

- **Libya: complex environment**

  As a consequence of security issues in Libya, production was halted for almost the whole of the first three quarters of 2020. Production resumed in October following a ceasefire between the warring parties. *For further information, see Note 20.3 of the 2020 consolidated Financial Statements.*

Sustainability performance	Europe 2020	Europe 2019	Africa 2020	Africa 2019
No. of employees	736	890	112	131
% of women	32	31	15	15
% of women in leadership positions	27	25	3	2
Oil spills reaching the environment (t) [(1)]	-	-	-	-
CO_2e emissions (Mt) (Scope 1 + 2)	0.02	0.05		-
TRIR	2.73	2.02	-	-
PSIR	-	-	-	-
Voluntary social investment (thousands of €)	323	430	1,176	354

(1) Oil spills exceeding one barrel and reaching the environment.

Asia, Russia and rest of the world

Main figures	2020	2019
Net developed acreage (km²)	1,738	1,738
Net undeveloped acreage (km²)	87,116	94,749
Net development acreage (km²)	2,362	2,454
Net exploration acreage (km²)	86,492	94,032
Net proven reserves (Mbep)	82	109

Countries	Main assets (1)	% Repsol	P/D/E (2)	L/G (2)	Description
Russia	SNO	49.00%	P / D	L	Various assets located in the Volga-Urales basin
Russia	TNO	48.79%	P	L	Various assets located in the Volga-Urales basin
Indonesia	Corridor	36.00%	P	L-G	Onshore asset in the South Sumatra basin
Indonesia	Sakakemang	45.00%	E	G	Onshore asset operated in the South Sumatra basin
Malaysia	PM3 CAA	35.00%	P	L-G	Production block in the offshore west of the Malay basin
Malaysia	Kinabalu	60.00%	P	L	Production block in the offshore west of the Malay basin
Vietnam	Block 15-2/01 (HST / HSD)	60.00%	P	L-G	Offshore Assets in the Cuu Long Basin

(1) Further information in Appendix Ic of the 2020 consolidated Financial Statements
(2) P: Production / D: Development / E: Exploration / L: Liquids / G: Gas

Significant agreement reached with Petrovietnam, new CO_2 storage project in Indonesia and approval of development of Kaliberau in Indonesia.

86,492 km²

net exploration acreage

82 Mboe

net proven reserves

25 Mboe

total hydrocarbon production

Operations performance	2020	2019
Liquids production (Mbbl)	9	9
Gas production (Bcf)	90	98
Total hydrocarbon production (Mboe)	25	27
Crude oil realization price ($/bbl)	38.8	61.2
Gas realization price ($/kscf)	5.3	6.5
Oil production wells	669	668
Gas production wells	61	70
Development wells completed:	**13**	**56**
Positives	12	50
Negatives	1	-
Under evaluation	-	6
Completed and ongoing exploration wells (1):	**-**	**4**
Positives	-	3
Negatives	-	1
Under evaluation	-	-
Ongoing	-	-

(1) Does not include appraisal wells: 1 in progress in 2020 and no activity in 2019.

Main events of the period

- **Vietnam: Agreement with PetroVietnam**

  In June, Repsol signed an agreement with PetroVietnam whereby it would transfer to this company its 51.75% stake in Block 07/03 PSC and 40% in Blocks 135-136/03 PSC. *For further information, see Note 14 of the 2020 consolidated Financial Statements.*

- **Indonesia: sale of 27% of the South East Jambi block, new acreage, new CO_2 storage project and approval of the Kaliberau Dalam development**

  In February, the Company announced the sale of 27% of the South East Jambi onshore block to Pertamina Hulu Energy (subsidiary of state-owned company Pertamina). Despite the deal, Repsol will remain the operator of the block, with a 40% stake.

  Repsol has acquired the new Aru exploration block in the Biak offshore basin, with a stake of 100%.

  In October, the GCS (Geological Carbon Storage) project was launched in Sakakemang. The project is aligned with our commitment to achieve zero net emissions by 2050. For Repsol, this is a pioneering initiative in carbon capture and storage, comparable in size to others worldwide. We expect to capture 2 million tons (Mtn) of carbon annually, to total 30 Mtn over the life of the project, starting in 2026 and ending in 2040.

  The development plan for the Kaliberau field at Sakakemang has recently been approved by the Indonesian government. The Sakakemang area, operated by Repsol, is located in Musi Banyuasin in southern Sumatra province. Development Plan I for the Kaliberau field aims to produce gas reserves of 445.10 BSCF (billions of standard cubic feet), gross.

- **Papua New Guinea: no further activity in the country**

  Repsol sold the stake it held in seven onshore blocks in Papua New Guinea to the Australian company Arran Energy Pty Ltd. Following the deal, Repsol has no further activity in the country.

- **Russia: new production wells at TNO and new acreage**

  In March and May, two new wells were put into production at the TNO asset.

  In May, Repsol notified Shell and Gazprom Neft of its decision to exit the alliance to explore 2 oil blocks in the Gydan Peninsula in Siberia. The decision arises from Repsol's Resilience Plan to face the new scenarios of low prices and decreased demand for hydrocarbons worldwide.

  The Sablerskiy exploration block was acquired as part of the AROG Joint Venture, with a 49% stake.

Sustainability performance	2020	2019
No. of employees	532	610
% of women	34	33
% of women in leadership positions	21	18
Oil spills reaching the environment (t) (1)	-	0.57
CO_2e emissions (Mt) (Scope 1 + 2)	7.4	8.6
TRIR	0.73	1.03
PSIR	0.84	-
Voluntary social investment (thousands of €)	550	1.335

(1) Oil spills exceeding one barrel and reaching the environment.

7.2. Industrial

1,013 kbbl/d
refining capacity

9,882
employees

Our activities

- **Refining:** obtaining fuels, combustible materials and other petroleum derivative products.
- **Chemicals**: production and marketing of a wide range of products. Includes base and derivative petrochemicals.
- **Trading:** transport and supply of crude oil, and products to the refining system, marketing of crude oil, products outside the proprietary system.
- **Wholesale & Gas Trading:** LNG/natural gas supply and trading, including LNG regasification and commercialization to wholesale customers in North America and Spain.

Main operating figures	2020	2019
Refining capacity (kbbl/d)	**1,013**	**1,013**
Europe	896	896
Rest of the world	117	117
Conversion rate in Spain (%)	**63**	**63**
Conversion utilization Spanish refinery (%)	**86**	**103**
Distillation utilization Spanish refinery (%)	**74**	**88**
Crude oil processed (millions of t)	**35.9**	**44.0**
Europe	33.1	39.6
Rest of the world	2.8	4.4
Refining margin indicator ($/Bbl)		
Spain	2.2	5.0
Peru	8.6	6.2
Petrochemical production capacity (kt)		
Base	2,603	2,603
Derivatives	2,235	2,235
Sales of petrochemical products (kt)	**2,729**	**2,787**
Gas sales in North America (Tbtu)	**717**	**608**

Our performance in 2020

Million euros	2020	2019	Δ
Operating income	369	1,189	820
Income tax	(74)	(262)	188
Investees and non-controlling interests	2	(14)	(12)
Adjusted Net Income	**297**	**913**	**(616)**
Inventory effect	(961)	(28)	(933)
Special Items	(22)	(53)	31
Net income	**(686)**	**832**	**(1,518)**
Effective tax rate (%)	20	22	(2)
EBITDA	**(161)**	**1,997**	**(2,158)**
Investments	**565**	**885**	**(320)**

Sustainability performance	2020	2019
No. of employees	9,882	10,124
% of women	30	36
% of women in leadership positions	27	24

Main events of the period

The year was shaped by the COVID-19 pandemic and its impact on global demand and the gradual decline of Refining margins. At the Industrial businesses, production, logistics and commercial patterns were adjusted to keep industrial complex utilization levels above international averages. The slump in demand also meant a drop in activity in Trading (chartered vessels and time-charter voyages), while in Wholesale & Gas Trading, the value of the gas and LNG portfolio was optimized through swap contracts with third parties, volume cancellations, logistical optimizations and trading within the gas system and in the international market, while expanding the portfolio of customers and destinations.

2021-2025 Strategic Plan

	Refining	Chemicals	Trading
Returns Cash generation in a complex environment	• Net cash margin in the first quarter Solomon and Wood Mackenzie • **Preferred position** • Improved competitiveness and operating performance	• Differentiation with high value products • Growth in new opportunities • **Flexibility in raw materials** 60% of liquefied petroleum gas in crackers vs. 25% average for the European Union	• Maximizing integration and value of assets • Growth in key products and markets
Digitalization Industry 4.0. with a boost to integration and improved decision making	• Optimization of units through automation and the use of real-time data • Improved asset availability to maximize performance and optimize maintenance costs (-5% by 2025) • **Integration of supply chain management** through planning models based on artificial intelligence and machine learning • Use of smart energy optimizers to reduce consumption and greenhouse gas emissions (-0.1 Mt CO2)		
New platforms	• Leadership in new **low-carbon businesses** (hydrogen, waste revaluation, etc.).	• **Circular economy platforms** (recycling and chemicals from waste)	• **Growth in low-carbon business** (biogas/biofuels, CO2, etc.)

7.2.1. Refining

Assets

The Repsol Group owns and operates six refineries: five refineries in Spain (Cartagena, A Coruña, Bilbao, Puertollano and Tarragona), with a total distillation capacity of 896 thousand barrels oil per day (including the stake in Asfaltos Españoles S.A. in Tarragona), and one refinery in Peru, where Repsol owns a 92.42% stake, with an installed capacity of 117 thousand barrels of oil per day.

Refining capacity	Primary distillation (Thousands of bbl/d)	Conversion rate [(2)] (%)	Lubricants (Thousands of t/d)
Cartagena	220	76	155
A Coruña	120	66	-
Puertollano	150	66	110
Tarragona[(1)]	186	44	-
Bilbao	220	63	-
Repsol Total (Spain)	**896**	**63**	**265**
La Pampilla (Peru)	117	24	-
TOTAL	**1,013**	**59**	**265**

(1) Includes 50% of the capacity of Asfaltos Españoles S.A. (ASESA), a company 50% owned by Repsol and CEPSA.
(2) Defined as the ratio between the equivalent capacity of Fluid Catalytic Cracking ("FCC") and primary distillation capacity.

Performance: lower activity, but maintaining the supply and developing of state-of-theart decarbonization projects.

During the COVID-19 crisis, utilization of the refining system has fallen short of the levels reported in 2019 but is above the world and European average, illustrating its competitive strength. The Company's refineries have been effective at throttling production to prevailing market needs and have shown great flexibility in terms of logistics and storage, allowing the continuous supply of essential products.

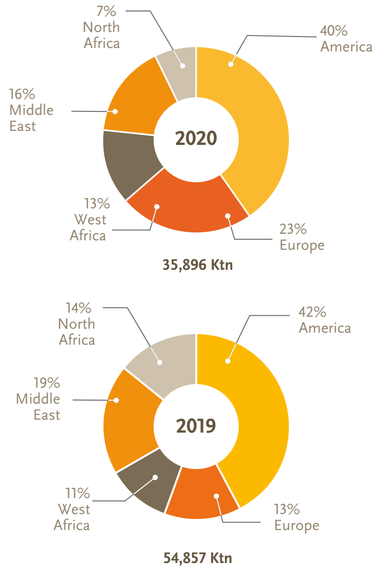
Despite the drop in international demand and low production margins throughout 2020, activity continued at all the Industrial Complexes, showing that Repsol's refineries have a highly competitive scheme and are able to adapt to the energy landscape. This ability to adapt enabled some Industrial Complex units to be temporarily halted during periods of lower margins -mainly some of the crude oil distillation units- and to continue higher-margin processes, such as deep conversion units (hydrocrackers and cokers).

In this international context of low margins due to a non-structural decline in demand, in 2020 the refining margin indicator in Spain stood at 2.2 dollars per barrel, down from the margin in 2019 (5.0 dollars per barrel). In Peru, the refining margin indicator stood at 8.6 dollars per barrel, compared to 6.2 dollars per barrel in 2019, as a result of the efficiencies achieved in crude oil procurement, production of low-sulfur fuel oil and price mechanisms in the country.

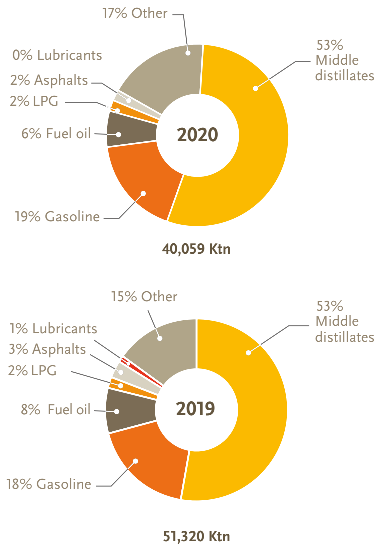
2.2$/bbl
refining margin indicator in Spain

Announcement of new projects at Cartagena and Petronor to reduce greenhouse gas emissions.

Source of crude oil processed



Refining production



Against a background of severe drops in demand, the Group's refineries in Spain processed 33.1 million metric tons of crude oil, down 16% on 2019, and their average use of distillation was 74% in Spain compared with 88% the previous year. In Peru, the level of use was lower than in 2019, falling from 75% to 65% in 2020.

Despite the tough energy landscape, Repsol launched the development of several major projects in Spain to cut greenhouse gas emissions and achieve the goal of becoming a net-zero emissions company by 2050. The project at the most advanced stage of development, which has already passed the final phase of approval, is the construction in Cartagena of an industrial facility to generate 250 kt per year of advanced HVO from waste, which will be up and running by 2023. In addition, within the production line for synthetic fuels with zero carbon emissions, two projects stand out. The first project entails the construction of one of the world's largest synthetic fuel production plants, which will utilize CO_2 and green hydrogen generated from water using renewable energy. The second is a circular economy project, involving construction of a plant for generating fuel gas from urban waste. Its production will replace part of the consumption of traditional fuels used in Petronor's production process, thus reducing the carbon footprint of all fuels generated at the refinery.

(Thousand tons)

Processed raw material	2020	2019
Crude oil	36,056	39,735
Other raw materials	7,386	12,441
Total	**43,442**	**52,176**

Sustainability performance	2020	2019
Oil spills (>1 bbl) reaching the environment (t)	1.53	3.24
CO_2e emissions (Mt) (Scope 1 + 2)	7.67	8.72
TRIR	1.20	1.90
PSIR	0.31	0.45
Voluntary social investment (thousands of €)	1,366	1,636

7.2.2. Chemicals

Assets

The production of Repsol's Chemicals business is concentrated in three petrochemical complexes, located in Puertollano, Tarragona (Spain) and Sines (Portugal), in which there is a high level of integration between base chemicals and derived chemicals, as well as with the Group's refining activities in the case of the Spanish complexes. Repsol owns subsidiaries and affiliates through which it operates plants that manufacture polyolefin compounds, synthetic rubber and chemical specialties. In particular, these chemical specialties are produced through Dynasol, a 50% partnership with the Mexican KUO group, with plants in Spain, Mexico and China, the latter of which work with local partners.

Production capacity	*(Thousand tons)*
Base petrochemicals	**2,603**
Ethylene	1,214
Propylene	864
Butadiene	185
Benzene	290
Methyl tert-butyl ether / Ethyl tert-butyl ether	50
Derivative petrochemicals	**2,235**
Polyolefins	
Polyethylene(1)	793
Polypropylene	505
Intermediate products	
Propylene oxide, polyols, glycols and styrene monomer	937

(1) Includes ethylene vinyl acetate (EVA) and ethylene butyl acrylate (EBA) copolymers.

Performance: Developments in Circular Economy approaches and wider product differentiation

Throughout 2020, the Chemicals division was hit by the pandemic, which had an uneven effect on the segments to which chemicals are marketed: adversely affecting demand in construction and the automotive industry, but maintaining and even increasing demand in healthcare and food.

Globally, demand remained at reasonable levels. Hence factory usage in the year exceeded that of the previous year, which was impacted by the multi-year scheduled shutdown of the Tarragona complex.

In 2020, sales to third parties amounted to 2,729 million tons, in line with the 2019 figure.

Thousand tons

Sales by product	2020	2019
Base petrochemicals	817	829
Derivative petrochemicals (1)	1,912	1,958
Total	**2,729**	**2,787**
Sales by market	**2020**	**2019**
Europe	2,083	2,289
Rest of the world	646	498
Total	**2,729**	**2,787**

(1) Includes ethylene vinyl acetate (EVA) and ethylene butyl acrylate (EBA) copolymers.

In terms of investments, these were mainly aimed at improving and optimizing assets, boosting efficiency, reducing costs, boosting differentiation, widening the product range, and improving quality, safety and environmental standards.

In 2020, in line with the division's focus on innovation, the highlights were:

- All the Group's petrochemical complexes were certified for production of circular polyolefins. Circular polyolefins are created by replacing part of the conventional raw material with an oil from chemical recycling of plastic waste not recyclable mechanically. ISCC PLUS certification had been awarded to Puertollano in 2019. The rest of centers joined in 2020. Repsol is the first petrochemical company to certify all its complexes.
- The product range widened with new materials for 3D printing and a full range of phthalate-free polypropylenes. This range gradually widened following Repsol's public commitment in November 2015 to eliminate phthalates from all its products. Hence, the Company is a leader of this change in the market and the transition toward products that are free of substances with specific migration rates, such as phthalate.
- Forward steps in Repsol´s range of polyolefins with high recycled content.In this product line, Repsol reached agreements with clients and recyclers to support the circular economy. These alliances help create the necessary synergies to speed up the implementation of circular solutions.
- In June, a new reactor for one of the polypropylene plants was delivered at the Tarragona Industrial Complex. The Company will use this second gas phase reactor to manufacture high-impact-resistant polypropylene for the automotive market. These product grades make vehicles lighter, improving their environmental footprint and significantly increasing the impact resistance that protects the inside of the passenger compartment, thus bolstering passenger safety.
- For the fifth consecutive year, Repsol won awards from the European association of plastic processors, winning four of the ten accolades. The Company won the Awards for Best Producer of High Density Polyethylene (HDPE), Low Density Polyethylene (LDPE), and Polypropylene (PP), and the Global Circularity Award covering all types of polymers.

Sustainability performance	2020	2019
Oil spills (>1 bbl) reaching the environment (t)	-	-
CO_2e emissions (Mt) (Scope 1 + 2)	3.30	3.36
TRIR	1.32	1.35
PSIR	-	0.14
Voluntary social investment (thousands of €)	232	265

2,729 Mt
sales of petrochemical products in 2020

↑ 18%

Increase in gas sales in North America

7.2.3. Trading

The main function of Trading is to optimize the supply and marketing of the Group's positions in international markets (integrated supply chain) and its activity consists of i) the supply of crude oil and products for Refining systems and other Group needs, ii) the marketing of crude oil and associated products from its own production, iii) the maritime transport of crude oil and derivative products associated with these activities, and iv) the management of crude oil and product hedges in the financial derivative markets.

In 2020, a total of 1,518 vessels were chartered (1,635 in 2019) and 369 voyages were made through the Time Charter fleet (374 in 2019).

Sustainability performance

As to safety and the environment in 2020, Repsol Trading supported the technological transition with two digital projects: incident management and implementation of the new vetting process in the Downstream division.

To launch the first initiative, the ship incident and emergency management process was digitized, thus allowing for an automatic preliminary assessment of the impact of any incident reported to Repsol Trading by a chartered or proprietary ship transporting goods.

As to the second initiative, the process validates the ship by ensuring that the latest available information is reviewed with respect to safety and the environment, with the ultimate aim of reducing the number of incidents and their consequences.

In addition, the following initiatives were carried out:

- In 2020, Repsol Trading certified under the Italian National Sustainability Verification System, which has specific traceability requirements for marketing biofuels and bioliquids in the Italian market.
- Regarding circular economy initiatives, in July Repsol certified under the voluntary ISCC PLUS scheme, which allows certifies biological, circular and recycled products in markets other than energy.

7.2.4. Wholesale & Gas Trading

Assets and operations

On 31 December 2020, the Group has regasification and transport assets in its North American commercialization businesses, including the Canaport regasification plant and the Canadian and US gas pipelines.

In the North East United States, where natural gas supply is usually restricted, cold weather scenarios can cause significant spikes in the area's reference prices. The Company's activity in this area focuses on optimizing the margin from the commercialization of regasified LNG from Canaport and natural gas acquired on the market. Repsol also markets and trades natural gas in North America from its own production in the United States (Marcellus) and Canada (Alberta), as well as production acquired from third parties.

Meanwhile, Wholesale & Gas Trading supplies the Repsol Group's gas demand and ensures an efficient supply, as well as commercialization and trading in the Spanish gas system and in the international LNG market.

Performance: increase in volume sold and competitive provisioning to profit from low market prices

	2020	2019
LNG regasified (TBtu) in Canaport (100%)	30	24
Gas sales in North America (TBtu)	717	608
NG and LNG commercialization in Spain and international (TBtu)	303	225

In 2020, commercial activity in the North East United States was conducted in a context characterized by low price volatility and moderate temperatures during the winter.

The slowdown in consumption in North America due to COVID-19 was offset by sharp temperature fluctuations over the summer and specific events (hurricanes, forest fires, unscheduled maintenance in the pipeline system, among others), which resulted in increased price volatility in the latter half of the year. The marketing and sales business in North America grasped these opportunities and expanded its customer-facing-business, thus increasing Canaport activity in the summer and strategically positioning itself across the rest of North America.

The LNG and natural gas marketing and trading activity carried out from Spain was impacted by the COVID-19 crisis. The drop in domestic demand was successfully countered by optimizing the gas and LNG portfolio through swap operations with third parties, volume cancellations, logistical optimizations and trading within the gas system. The unit also heavily increased its presence in the international LNG market, where sales were up thanks to a broader base of customers and destinations. A further highlight was the signing of a new long-term contract (ending 2034) for the supply of LNG for delivery in Spain.

7.3. Commercial and Renewables

3,295MW low carbon generation capacity

8,665 employees

Our activities

- **Mobility:** marketing and sales of oil products and other products and services (SS and Direct Sales), offering a differentiated value to industries such as aviation, maritime, large industries and end consumers.
- **LPG:** production, distribution and commercialization of wholesale and retail of liquefied petroleum gas.
- **Lubricants, Asphalts and Specialized Products:** production and sale of lubricants, bases for lubricants, bitumen for asphalts, extender oils, sulfur, paraffins and propellant gases
- **Electricity and Gas:** low carbon generation and commercialization of electricity and gas in Spain, as well as development of renewable energy projects.

Main operating figures	2020	2019
Marketing own network sales (kt)	**19,039**	**24,544**
Number of service stations	**4,966**	**4,944**
Europe	4,122	4,138
Rest of the world	844	806
Sales of lubricants, asphalts and specialized products (kt)	**1,549**	**1,868**
Europe	1,100	1,405
Rest of the world	450	463
LPG Sales (kt)	**1,162**	**1,253**
Europe	1,141	1,224
Rest of the world	21	29
Electricity generation capacity (MW)	**3,295**	**2,952**
Electricity generation (GWh)	**5,940**	**6,308**

Our performance in 2020

Million euros	2020	2019	Δ
Operating income	650	738	(88)
Income tax	(157)	(185)	28
Investees and non-controlling interests	(8)	(12)	4
Adjusted Net Income	**485**	**541**	**(56)**
Inventory effect	(17)	(7)	(10)
Special Items	(8)	(59)	51
Net income	**460**	**476**	**(16)**
Effective tax rate (%)	24	25	(1)
EBITDA	**970**	**1,059**	**(89)**
Investments	**739**	**491**	**248**

Sustainability performance	2020	2019
No. of employees	8,665	9,134
% of women	44	49
% of women in leadership positions	28	26

Main events of the period

While the pandemic had a significant impact on demand for oil products (mainly fuels and kerosene) as a result of the mobility measures and the decline in economic activity, the commercial businesses were able to meet the energy and mobility needs of their customers. Service stations, which have remained operational despite the challenging environment, have focused their strategy towards products with higher added value and implemented cost optimization measures. The LPG business continues its international expansion in France and, in Spain, begins selling products in the Canary Islands. The Lubricant business improved their results compared to previous year thanks to the consolidation of its manufacturing hubs in Mexico, Indonesia and Singapore, the active commercial management and cost optimization. Meanwhile, the Electricity and Gas business promoted its range of customer-focused multi-energy products and services, highlighting the launch of a new 100% renewable self-consumption service ("Solmatch"). In addition, the customer portfolio increased (1.13 million customers), further progress was made in developing and commissioning various renewable projects in Spain and an agreement was reached to expand the use of renewable energies in Chile.

Drop in sales due to mobility restriction measures and lower activity

7.3.1. Mobility

Assets

At December 31, 2020, Repsol had 4,966 service stations, with the following geographical distribution:

Country	No. of points of sale
Spain	3,331
Portugal	496
Italy	295
Mexico	255
Peru	589
Total	**4,966**

Performance: lower activity, but maintaining supply and initiatives to help citizens.

Repsol's challenge is to continue leading the sector in Spain, offering the best service to its customers. The strength of the business model was demonstrated throughout its operations, despite the decrease in demand for fuels as a result of mobility restrictions and the overall decline in economic activity.

- At Service Stations, fuel sales fell by 23% compared to 2019, while Direct Sales declined to a lesser extent.
- In Aviation, the collapse in demand for kerosene drove down product sales by approximately 62%.
- In international mobility (Peru, Portugal, Italy and Mexico), por Service Stations and Direct Sales alike experienced similar changes.

To mitigate the impact, Repsol implemented cost optimization measures with a focus on products with higher added value, while maintaining the core premise of continuing to provide service to its customers even in this situation.

Additionally, in 2020, the following initiatives are to be highlighted:

- Since the onset of the crisis in March 2020, most Repsol´s Service Stations remained operational to ensure supply, while adapting safety and customer service protocols accordingly. Meanwhile, the Direct Sales network, fishing ports and airport facilities remained fully operational.
- During the stricter lockdown periods, a special service for transporters has been set up at the Service Stations to give them everything they need to rest, eat, wash and continue their onward journey in optimum safety conditions. Service stations in Spain offered free coffee and buns for transporters, emergency services, health care workers, armed forces and the police force.
- At the onset of the pandemic, services were put in place to enable customers to obtain basic products:
  – *Call Collect* : orders could be placed over the phone and then collected in store.
  – Agreement with Deliveroo (food delivery company) to facilitate and speed up the supply of staple products during the crisis through the Repsol´s Service Stations.
- These initiatives crystallized as “Tienda Repsol,” a solution for making purchases through Waylet, where orders can be picked up at Service Stations or home-delivered.
- In Sestao, Repsol opened the first natural gas station in Bizkaia province with a continuous supply of Compressed Natural Gas, used in light vehicles and some heavy vehicles like buses and short/medium haul service or transport trucks. The investment was made in partnership with Nortegas and the Basque Energy Agency.

Sustainability performance	2020	2019
Oil spills(>1 bbl) reaching the environment (t)	2.38	63.73
CO_2e emissions (Mt) (Scope 1 + 2)	0.03	0.04
TRIR	0.62	0.66
% of contracts with human rights, environmental and anti-corruption clauses	100	100
Voluntary social investment (thousands of €)	14	-

7.3.2 LPG

Assets and operations

Repsol is one of the leading retail distributors of LPG[1], ranking first in Spain and maintaining top positions in Portugal (third largest operator).

1. In Spain, prices continue to be regulated for piped LPG and LPG bottles of between 8 and 20 kg with a tare weight above 9 kg, excluding bottled mixtures for using LPG as fuel. For further information on the applicable legal framework in Spain, *see Appendix III of the 2020 consolidated Financial Statements.*

Thousand tons

LPG sales by geographical area	2020	2019
Europe	**1,141**	**1,224**
Spain	1,053	1,126
Portugal	88	98
France	0	0
Latin America	**21**	**29**
Peru (AutoGas)	21	29
TOTAL	**1,162**	**1,253**

In Spain, Repsol distributes bottled LPG, bulk LPG and AutoGas, with around 4 million active customers. In Portugal, Repsol distributes bottled LPG, bulk LPG and AutoGas to end customer and supplies other operators.

Thousand tons

LPG sales by product	2020	2019
Bottled	625	650
Bulk, piped and others [(1)]	537	603
TOTAL	**1,162**	**1,253**

(1) Includes AutoGas sales, LPG operators and other.

Performance: maintenance of supply and new integrated solutions

The following initiatives were undertaken in the context of the health crisis:

- Thousands of customers have now enjoyed the benefits of buying butane gas bottles online and new forms of payment have been introduced to provide a more agile and flexible relationship.
- During lockdown, 13 LPG facilities in Spain and Portugal remained operational with 100% uptime and even opened on public holidays to ensure supply. Repsol has also guaranteed home delivery and the availability of bottled gas at points of sale.
- Portugal has decreed a maximum price (between April 20 and May 2) for traditional bottles of butane (22 euros for the 13 kg bottle) and propane, except for bottles K-6 and K-11. In Spain, prices for regulated LPG have been limited for three two-month periods.
- Repsol continue driving geographic growth, including in the French market. In May, Repsol started the commercialization in the Canary Islands with new tracking requirements.
- In 2020,Repsol drove forward a customer-focused multi-energy strategy by creating products that cross-sell LPG with other energies.
- In Portugal Repsol replaced all bottles. In addition, Repsol reached an agreement with Continente hypermarkets to sell bottles directly out of their stores.
- In July and September, audits were conducted for the renewal of ISO 45001:18, ISO 14001:15 and ISO 9001:15.
- Repsol made available to our LPG customers a new voluntary service that helps offset carbon emissions from their ordinary activities. The project contributes to the overall goal of becoming a zero net emissions company by 2050, and reinforces the vision of LPG as efficient and sustainable energy.
- Repsol factories are certified by the Spanish National Commision on Markets and Competition to ensure that their energy comes from renewable sources.

Sustainability performance	2020	2019
Oil spills (>1 bbl) reaching the environment (t)	-	-
CO_2e emissions (Mt) (Scope 1 + 2)	0.01	0.01
TRIR	1.86	2.43
PSIR	1.03	1.64
% of contracts with human rights, environmental and anti-corruption clauses	100	100

7.3.3. Lubricants, Asphalts, and Specialized Products

Assets and operations

Production is mainly concentrated in Spain, although in the case of Lubricants there are two additional manufacturing hubs: Mexico, through the joint venture with *Bardahl*, which covers the Americas, and Indonesia and Singapore, through the joint venture with *United Oil*, which covers South East Asia. Both cover areas where the lubricants market is expected to grow the most on average over the coming years.

The commercial division has a strong international presence, with deliveries in more than 97 countries around the world.

Performance

The coronavirus pandemic affected the demand across all lines of business, with a sharp fall in the second quarter (>30%). A partial recovery was seen in the following months, albeit with differences by geography. However, active commercial management and cost optimization measures enabled to significantly exceed the results of the previous year. Meanwhile, intensive monitoring of working capital, with a focus on early management

LPG

Efforts to drive geographical growth in France and the Canary Islands

Lubricants, Asphalts, and Specialized Products:
international sales in 97 countries

of customer debt and optimization of inventories substantially improved operating cash flows.

Sales in the period by geographical destination are presented below.

Thousand tons

Country	Lubricants	Asphalts	Specialized products [1]	Total 2020	Total 2019
Spain	71	353	299	723	985
Europe	21	184	172	377	434
Africa	2	24	294	319	246
Americas	47	-	11	58	70
Asia and Oceania	53	-	19	72	147
Sales to Traders	-	-	-	-	76
Total	**193**	**561**	**795**	**1.549**	**1.868**

(1) Includes mainly lubricant bases, extensor oils, sulfur, paraffin and propellant gases.

Further highlights of 2020 included:

- Following the acquisition of a 40% stake in United Oil Company in December 2019 (plants in Indonesia and Singapore), the Group started to manufacture and distribute its first Repsol brand products in South East Asia, designed under the proprietary formula but adapted to meet local base and additive requirements to the highest standards of quality. This allows Repsol to continue with the planned expansion of our lubricants in the region.
- Repsol continued to invest in digital tools with a focus on improving customer service. Deliveries are now tracked by an online system (land transport) and an international portal was rolled out for the capture of customer orders and pricing systems in lubricants on an international scale.

5,940 GWh
electricity production in 2020

Sustainability performance	2020	2019
Oil spills (>1 bbl) reaching the environment (t)	-	-
CO_2e (Mt) emissions (*Scope* 1 + 2)	0.01	0.01
TRIR	0.89	0.44
% of contracts with human rights, environmental and anti-corruption clauses	100	100

7.3.4. Electricity and Gas

In 2018, Repsol started its electricity generation and gas and electricity trading activities with the acquisition of the unregulated low-emission electricity generation businesses and the gas and electricity trading company from Viesgo. In the new strategic approach, the low-emission generation business is one of the four pillars of the new 21-25 Strategic Plan (*see Section 3. New Strategic Plan*). Gas and electricity trading will be integrated into the multi-energy offering of a customer-centered business.

Electricity generation

Assets

Repsol is a major player in the Spanish electricity generation market. Overall, the Company has a total installed capacity **in operation** of 3,295 MW and capacity under development of 2,639 MW as at December 31, 2020.

Hydroelectric and pumping plants [1]	Installed capacity (MW)
Oviedo – Navia	193
Picos de Europa – Picos	113
Aguilar – Aguayo Aguilar	386
Total	**693**
Combined cycle plants	
Zaragoza – Escatrón	804
Algeciras – Bahía de Algeciras	821
Total	**1,625**
Cogeneration plants	**600**
Renewable (onshore and offshore wind)	**377**
Installed electricity generation capacity [2]	**3,295**
Wind projects	1,294
Photovoltaic solar projects	1,345
Electricity generation capacity under development [2]	**2,639**

(1) Hydroelectric plants are a renewable and efficient source of electricity and serve to store usable electricity at times when there is a shortfall in other renewable sources.

(2) Includes the capacity pertaining to Repsol's stake in the joint venture with the Ibereólica Renovables Group in Chile.

Repsol operates hydro power stations with an installed capacity of 693 MW, located in the north of Spain and with great potential for organic growth. In June of this year, a favorable Environmental Impact Statement was obtained (subject to conditions) to expand the capacity of the current Aguayo facility located in San Miguel de Aguayo in Cantabria. The project will involve the construction, lasting four to five years, of a second reversible plant (Aguayo II) to harness the already existing lower and upper reservoirs, with the aim of adding a further four generators, each of 250 MW, to bring the total installed capacity to 1,361 MW.

Furthermore, the division has two gas combined cycle plants, in Algeciras (Cadiz) and Escatrón (Zaragoza), with a combined capacity of 1,625 MW, and cogeneration plants located in the Group's industrial complexes in Tarragona, Santander and Cartagena within its Chemical and Refining activity, with a combined capacity of 600 MW.

In 2020, the Delta project came online. It consists of eight wind farms located in Aragon, with a total of 89 wind turbines with 335 megawatts (MW) of installed capacity. It will produce 992 gigawatt per hour (GWh) annually, the equivalent to the average annual consumption of 300,000 homes, and will avoid the emission of one million tons of carbon into the atmosphere per year. Repsol is also involved in the Windfloat Atlantic floating wind farm off the north coast of Portugal, with a total installed capacity of 25 MW (3.4 MW within Repsol's share) and now fully operational.

The renewable projects that Repsol is **developing** in Spain include the PI wind project that straddles the boundaries of Palencia and Valladolid. It will have a total installed capacity of 175 MW. Another photovoltaic plant will come online in Cadiz (Sigma), with 204 MW. In 2020:

- the construction began of its first photovoltaic farm, Kappa, which will have a total installed capacity of 126 MW, in Ciudad Real, and of Valdesolar in Badajoz, with 264 MW.
- the Delta 2 renewable project was acquired with an installed capacity of 859 MW. It will be built and operated by Repsol, and will be developed over the next three years. The farms will be located in Aragon.

The Company drove forward its **international expansion** by reaching a deal in October 2020 with the Ibereólica Renovables Group, thus providing access to a portfolio of projects in Chile that Ibereólica has in operation, construction or development, totaling more than 1,600 MW through to 2025 and the possibility of exceeding 2,600 MW by 2030. The initially planned investment amounts to some 192 million US dollars.

Under the new Strategic Plan, Repsol will continue to increase its asset portfolio and its international expansion, with the aim of becoming a global operator with a generation capacity that will reach 7.5 gigawatts (GW) by 2025 and 15 GW by 2030.

Performance

In 2020, electricity production, excluding cogeneration plants, amounted to 5,940 GWh, compared to 6,308 GWh in 2019. The decline in industrial demand and prevailing market conditions drove down levels of production at the combined cycle plants. Lower water availability in our basins reduced conventional hydro production during the period, though partially offset by higher pumping output due to increased price volatility.

Electricity and gas commercialization

Repsol has an attractive commercial and service offer that includes leading-edge digital solutions, electricity certified as 100% low-emission, exclusive advantages for customers and discounts on our network of service stations.

Repsol sells electricity and gas in the retail sector with a base of 1.1 million customers (12% more than in 2019, a share of more than 3% of the market) distributed throughout Spain. In 2020, to enhance the customer experience and provide integrated energy solutions, customers were offered a solution that combines the supply of electricity, a basic energy management service, the supply of LPG and the option to install a self-consumption solution, such as Solify and Solmatch, the first large solar power community in Spain. In April, Repsol launched the second of these, Solmatch, a product that supports distributed generation and consumption of local, 100% renewable energy through installation of solar panels on the roofs of buildings. Connections become available to homes located up to 500 meters away.

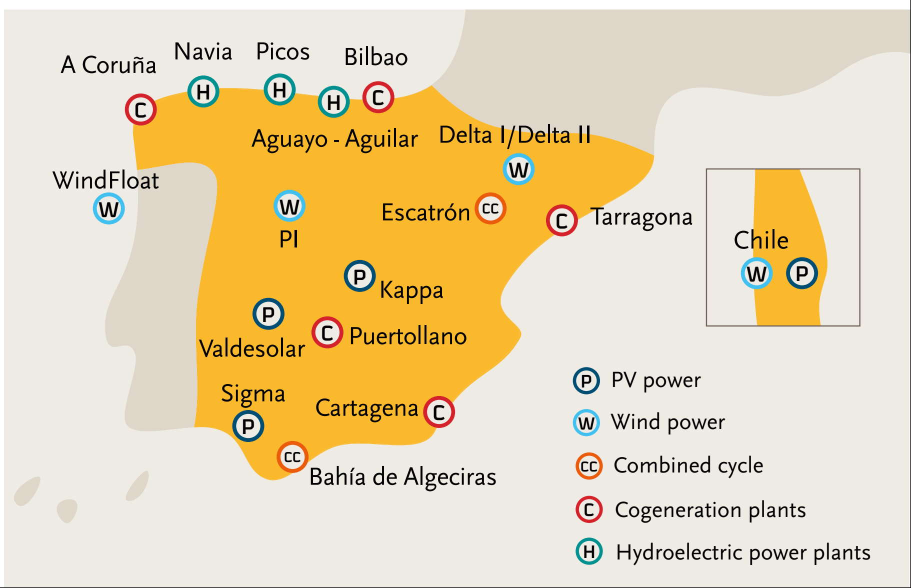
Also in 2020, Repsol was the first of the large electricity and gas retailers to be awarded the low emissions A label.

Sustainability performance	2020	2019
CO_2e (Mt) emissions (*Scope* 1 + 2)	1.96	2.1
TRIR	1.45	-
Voluntary social investment (thousands of €)	1	-

3%

retail market share of electricity and gas in Spain

Repsol's electricity generation assets and projects



8. Sustainability

Sustainability Model

Repsol's Sustainability Policy sets a goal of meeting the growing demand for energy and products, while optimizing the Company's contribution to sustainable development. The Company's business practices seek to create both short-and long-term value by maximizing positive impacts and minimizing negative impacts on society and the environment across the entire value chain, achieved through ethical and transparent behavior. This policy is implemented through a range of internal rules and procedures organized around the Repsol Sustainability Model. This model is structured into the following six axes, which relate to material issues due to the type of Company that Repsol is and the expectations of its stakeholders and leading international standards: climate change, environment, innovation and technology, safe operation, people and ethics and transparency.

Each year this framework is embodied in Repsol's Sustainability Plans. In 2020, Repsol produced its new Global Sustainability Plan (GSP), which sets out the key targets of the Company's strategic plan in the field of Sustainability. The 2020 GSP envisions 39 medium-term objectives built around the six axes of the Sustainability Model and aimed at the Company's businesses, suppliers, customers and employees, as well as society in general. These objectives include, most notably, Repsol's desire to become a net-zero emissions Company by 2050. The Global Sustainability Plan is also fully aligned with the 2030 Agenda of the United Nations and its 17 Sustainable Development Goals (SDGs).

Based on the Global Sustainability Plan, Local Plans are rolled out for each country and operational hub, incorporating commitments related to the local context and thus contributing to all the Sustainable Development Goals. In 2020, Repsol had a total of 20 Local Plans in place, 14 across its countries (Algeria, Bolivia, Brazil, Canada, Colombia, Ecuador, United States, Indonesia, Malaysia, Mexico, Norway, Peru, United Kingdom, Venezuela) and six at its industrial facilities (Bilbao-Petronor, Cartagena, Coruña, Puertollano, Tarragona and Sines).

Since 2014, the Local Sustainability Plans have led to the implementation of over 2,000 initiatives aimed at creating value in the short and medium run, in line with our Sustainability Policy.

Further information on the global and local sustainability plans can be found at **www.repsol.com.**

Repsol and the Sustainable Development Goals

Repsol supports the 2030 Agenda of the United Nations and contributes toward its 17 Sustainable Development Goals (SDGs), especially SDG 7, SDG 8 and SDG 13, due to its role in providing access to energy and its contribution to social and economic development and to combat climate change; SDG 6, SDG 9 and SDG 12, where it prioritizes innovation, sustainable management and the efficient use of resources in its operations; and SDG 17, due to its alliances with other stakeholders and as an active member of industry associations such as IPIECA, OGCI, IOGP, CONCAWE, FUELS EUROPE, CEFIC, the Global Compact and EITI.

In 2019, Repsol defined a two-year SDG boosting plan to make engagement and dissemination part of the Company's culture on the path to maximizing its contribution to this global agenda. More than 80 initiatives have been carried out under this Support Plan.

En 2020, Repsol published its first SDG Report for 2019, as a clear example of the Company's pledge to supporting the 2030 Agenda. A second report is being published this year to explain this contribution through more than 30 indicators, as well as various challenges and objectives that show the efforts being made across the Company, both globally and locally, to achieve, together with our other stakeholders, solutions to the social challenges now facing the Company. The *SDG Reports* are available at **www.repsol.com**.

In June 2020, online training was set up via an educational platform to enable employees to discover what the 2030 Agenda is all about through training pills on each of the 17 SDGs, and to find out how the Company is contributing toward these objectives. This training has been designed to be accessible for people with disabilities. Upward of 1,756 employees had already received training by the end of the year.

For further information on the Company's contribution to the 2030 Agenda and the SDGs, visit **www.repsol.com**.

Repsol and the Sustainable Development Goals

+24,000 employees

527 differently-abled

3,847 telecommuters

37% women

79 nationalities

4,864 suppliers, of which **78% are local**

20.81 M€ voluntary social investment in **401 projects**

2,007 evaluations of social aspects on **1,056 suppliers**

9,180 M€ paid in taxes

Decent work and economic growth

Affordable and clean energy

1.13 millions electricity customers

+475 M€ renewables investment

3,295 MW total low-emissions installed capacity

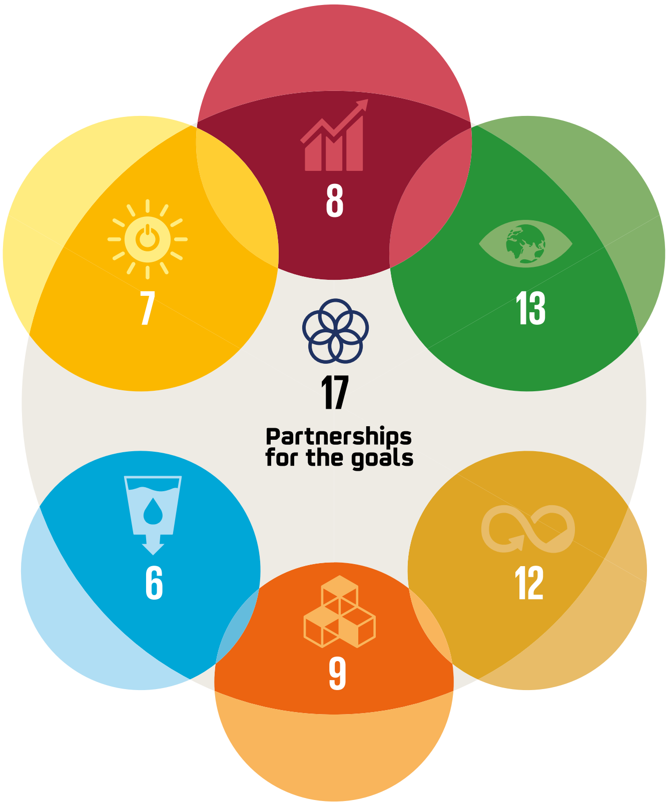
Climate action

444 kt reduction in CO_2e in 2020

Objective

0 net emissions by 2050

5% reduction in ICC compared to 2016 baseline



Clean water and sanitation

62% increase in water reused vs. 2015

21% water reused of total water consumed[1]

Responsible production and consumption

+220 initiatives included in the circular economy catalog

Reused waste:

5% hazardous | **1%** non-hazardous

Recycled waste:

19% hazardous | **18%** non-hazardous

Recovered waste:

26% hazardous | **14%** non-hazardous

Industry, innovation and infrastructure

+250 digital initiatives

11 new patents

70 M€ R&D investment

(1) The Electricity and Gas business is not taken into account, since different water uses are classified differently.

Sustainability Decarbonization Goals:

Up to 40% of the 2020-2023 Long-Term Variable Remuneration Incentive Plan

Governance model

The Board of Directors approves, after supervision by the Sustainability Committee, the Company's strategy and policy on sustainability proposed by the Company's senior management and the Sustainability Committee itself which, among other functions, oversees and guides the policy, objectives and guidelines in the environmental, social and governance domains. In 2020, the committee held a total of four meetings and addressed the following matters, among others:

- Accident rate scorecard
- Company Sustainability Goals (year-end 2019 and 2020 Plan)
- Monitoring of the 2020 Sustainability Objectives
- Global Sustainability Plan (year-end 2019 and 2020 Plan)
- Information on sustainability for 2019 (Integrated Management Report)
- Results of the Carbon Disclosure Project (CDP)
- Sustainability Round Table with labor union representatives
- Assessment of Repsol's stance on climate policies and the position of the trade associations to which it belongs
- Progress on projects and activities relating to Community Relations and Human Rights
- Progress made on the Safety Culture
- Progress made toward the Climate Change strategy
- Progress on Strategic Safety and Environment (SEN) projects
- Materiality analysis – 2020
- Progress on the plan to promote the Sustainable Development Goals (SDGs)
- ESG performance
- Accident rate benchmark
- Progress toward the Circular Economy
- Progress in Natural Capital and Biodiversity

The Company has an ongoing dialogue on environmental, social and governance (ESG) matters with stakeholders (including investors, associations, financial institution representatives, analysts and proxy advisors) to learn first-hand their opinion on these matters and explain the Company's practices. The management team also conducts specific ESG roadshows, some of which are led by the CEO himself.

Thanks to the commitments acquired by Repsol and its responsible management approach, the Company ranks highly within its sector in the ESG performance assessments conducted by the most renowned rating agencies operating within the market (MSCI, Vigeo, Sustainalytics, CDP, etc.).

The conclusions, messages and feedback obtained through the roadshows and other events such as Sustainability Day are presented to the Board of Directors on a regular basis. After six straight years of holding this event, Sustainability Day could not be held during the year due to the ongoing pandemic. However, in November 2020 Repsol unveiled its 2021-2025 Strategic Plan and staged a roadshow afterwards to provide information about the keys to the Company's transformation in order to meet the objectives set.

As to ethics and transparency, the Audit and Control Committee attached to the Board and the Ethics and Compliance Committee are responsible for ensuring compliance with the Code of Ethics and Conduct and for reviewing related projects and their modifications, ensuring that they comply with regulatory requirements and are appropriate for the Company.

Further, senior management defines the Company's objectives, action plans and practices with respect to sustainability. In order to ensure deployment, the Sustainability and Decarbonization objectives entailed, in 2020, up to 25% of the CEO's annual variable remuneration and up to 40% of the 2020-2023 Long-Term Incentive Program applicable to all management personnel, as well as other employees, including the CEO.

8.1. Climate change[1,2,3]

Climate change roadmap

RISKS AND OPPORTUNITIES	STRATEGY	OBJECTIVES
2020-2030		
• The Group's rapid positioning and the definition of its long-term climate strategy are transforming the risks of the energy transition into opportunities and giving the Group an advantage over its competitors.	• Improve the energy efficiency f operations. • Production and incorporation of low-carbon fuels: advanced biofuels, biogas and synthetic fuels. • Production and incorporation of renewable H_2. • Transformation of the E&P portfolio towards a lower carbon intensity. • Development of sustainable mobility projects with lower CO_2 emissions. • Low-carbon businesses: renewable electricity generation and the sale of gas and electricity. • Setting an internal carbon price of \$40/ton CO_2e in 2025. • Internal analysis to classify investments compatible with the Paris Agreement. • Review of Repsol's participation in industry initiatives and associations: Climate Change. • Monitoring and execution of R&D projects and demonstration of emerging technologies (Hydrogen).	• 12% reduction in 2025 and 25% reduction in 2030 of the CII (Carbon Intensity Indicator). • Scope 1 and 2 emissions reduction plan with a target of 1.5 Mt CO_2e for the 2021-2025 period. • Reach tier 1 in terms of CO_2e/boe in E&P operations by 2025. • 25% reduction in methane emissions intensity by 2025 and reach a value of 0.2% by 2030. • Mitigate routine E&P flaring by 50% by 2025 and minimize by 2030 in line with the World Bank's Zero Routine Flaring by 2030 initiative. • Sustainable biofuels production capacity of 1.3 Mt by 2025 and 2 Mt by 2030. • Renewable hydr ogen generation capacity of 0.4 GWeq 2025 and 1.2 GWeq in 2030. • Recycle the equivalent of 20% of polyolefin production by 2030. • Low-carbon power generation capacity: 7.5 GW in 2025 and 15 GW in 2030. • 5.5 B€ investment in low-carbon businesses in the 2021-2025 period.
2030-2050		
• Changes in the basket of primary energy sources towards other less carbon-intense sources, which involve a reduction in the use of hydrocarbons. • Changes in energy end-uses leading to a reduction in demand for sold products. • Regulatory changes that affect operations and/or future investments. • Inefficient or late adoption of new practices, processes, or novel or less mature technologies. • Changes that promote efficiency in the use of natural resources, including the reduction, reuse and recycling of non-energy products. • Potential difficulty or limitation of the Group to raise funds. • Harm to the reputation of the Company and/or the industry.	• Development and further extension of low-carbon fuels (e.g., e-fuels and hydrogen) and electrification. • Further development of Carbon Capture and Storage (CCS) (both conventional and emerging technologies such as direct air carbon capture and storage (DACCS) and bioenergy with carbon capture and storage (BECCS)). • Natural carbon sinks.	• 50% reduction in CII by 2040.
2050	**NET ZERO EMISSIONS**	

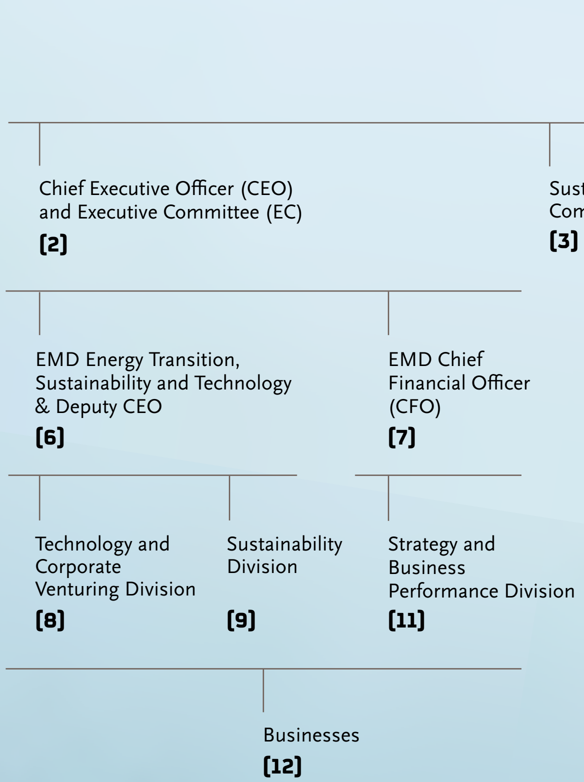
Repsol is committed to accessible, affordable and low-carbon energy

7 AFFORDABLE AND CLEAN ENERGY

13 CLIMATE ACTION

1. The figures and indicators in this section have been calculated in accordance with corporate standards that set out the criteria and common methodology to be applied in Safety and Environment (S&E). As a general rule, safety and environmental information includes 100% of the data from companies in which we hold a controlling interest or control over operations.
2. This section fulfills the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD), to which the Company adhered in April 2018.
3. Each year, Repsol publishes additional climate change information in the *Climate Disclosure Project* survey (CDP, available at www.cdp.net and at www.repsol.com).

Climate change governance



(1) Approves the decarbonization strategy and climate change policy.

(2) Propose the climate change strategy and objectives. Supervise implementation of the strategy and periodically review GHG emissions and the carbon intensity indicator and the fullfilment of climate change mitigation targets.

(3) Supervises and periodically monitors the decarbonization roadmap and compliance with related plans, as well as emerging risks relating to energy transition and climate change.

(4) Supervises the effectiveness of the risk management system and internal control at the Company as a whole. Annually supervises emerging and climate change risks, as part of the review of Repsol's risk map.

(5) Proposes CEO and Senior Management remuneration linked to the attainment of energy and climate change targets.

(6) Coordinates and develops with all business and corporate functions the climate change strategy, the proposal of targets and the monitoring of action plans.

(7) Periodically monitors the fulfillment of the climate change objectives set out in the Strategic Plan.

(8) Steers the process of prospecting decarbonization technologies that will help fulfil the Company's energy transition strategy and carries out related R&D activities.

(9) Analyzes future climate scenarios for pursuing the decarbonization strategy and provides technical support to the businesses to ensure the sound deployment of the strategy. Develops and monitors short-, medium- and long-term targets and goals linked to the decarbonization strategy.

(10) The Risks Unit is tasked with governing and coordinating the process of identifying and assessing the climate change risks to which the Company is exposed in the short, medium and long term, by lending its support to the Audit, Control and Risks Committee on matters that fall within its remit.

(11) Draws up the strategy for steering the Company through the energy transition.

(12) Responsible for implementing the climate change strategy.

8.1.1. Governance

In November 2020, the Board of Directors approved the new 2021-2025 Strategic Plan, which features the long-term decarbonization roadmap that will ultimately make Repsol a net zero emissions company by 2050 (*see Section 3 – Strategic Plan*). In addition, every quarter the Board of Directors monitors compliance with the objectives envisioned in the Strategic Plan, analyzing, among other matters, the indicators related to Sustainability and the Energy Transition. Meanwhile, the Executive Committee (EC) is directly responsible for managing matters related to climate change, making strategic decisions and plotting courses of action. The EC approves annual greenhouse gas (GHG) emission reduction targets and, together with the Sustainability Committee, periodically reviews information on the implementation of the Climate Change Strategy and the management of and trend in GHG emissions.

The general business departments and divisions involved in climate change governance rely on the advice of specialized teams dedicated to climate-related issues. More than 60 full-time employees work on climate and energy issues within the organization, distributed across various corporate functions (sustainability, legal, risk management, strategy, technology, investor relations, communication, institutional relations, etc.), and at the business units. These employees provide advice on issues related to energy efficiency, Scope 3 emissions management, or low-carbon energy generation, among other drivers of the energy transition.

The Company's climate change targets have a direct impact on employees' variable remuneration:

- Of these objectives, which are pursued across the entire company in the short term, 20% target sustainability commitments, which focus on the reduction of CO_2 emissions and compliance with accident rate reduction goals.
- Repsol also has a long-term incentive in place for the 2020-2023 horizon, 30% linked to the fulfilment of the company's carbon intensity indicator (CII) reduction pathway and 10% attainment of its renewable generation targets. The aim is to help ensure compliance with the Paris Agreement by bringing about a progressive decarbonization of the Company in a bid to become a net zero emissions company by 2050. This long-term variable remuneration applies to managers and leaders, including the CEO and members of Senior Management.

8.1.2. Risks and opportunities

Risks relating to the phenomenon of climate change are subject to growing levels of uncertainty in the medium and long run. Over the next five years, approximately 10% of the Group's risks subject to analysis will be closely related to climate change.

Repsol's process for identifying and assessing the risks associated with long-term climate change is based on a proprietary analysis methodology that follows the medium-term risk analysis approach envisioned in the Enterprise Risk Management System (*see Section 10. Risks* and *Appendix II*), with the aim of extending the process through to 2050 and bringing it in line with the Company's commitment to achieving net zero emissions. This will support what the Group's Risk Map seeks to achieve, with a five-year horizon looking forward to 2030, 2040 and 2050. The main features are as follows:

- Based on future scenarios for changes in the energy mix, taking as a reference the scenarios considered by the International Energy Agency (IEA). Probabilistic analysis of scenarios is carried out by a group of the Company's experts in strategy, markets, regulation, finances, reputation, technology and sustainability. Some of these risks may have an adverse or positive impact depending on risk mitigation and climate scenario adaptation strategies, since they imply the emergence of business opportunities that can be unlocked.
- The most significant emerging and climate change risks for the Company have now been identified. In 2020, the risk of mass infectious diseases was included. A total of 20 emerging and climate change risks have now been identified, sorted by type. A risk taxonomy has been drawn up for this purpose, broken down into climate change and sustainable development risks, socio-political risks, operational risks, reputational risks and technology risks. Of these 20 risks, the 10 that concentrate most of the exposure are prioritized for subsequent analysis.
- The importance or materiality of each of the risks identified is determined by quantifying its economic impact on the performance of the Company and each of its business units and geographic areas. This process relies on the decarbonization roadmap defined in the Strategic Plan at certain percentiles of the loss probability distribution in 2030, 2040 and 2050.

On the **2030 horizon**, the risk analysis reveals that the probability of suffering negative impacts from the energy transition is low, at less than 5%. In other words, the Company is prepared for even the most rapid transition scenarios thanks to its decarbonization roadmap. Thus, in 2030, the Company has a very high probability (>95%) of being able to harness opportunities that will completely neutralize any potentially negative impacts. This is because of its speed in responding to events and in defining a long-term climate strategy, which places it in a favorable competitive position. Examples of these opportunities include energy efficiency, renewable electricity generation, advanced biofuels, renewable hydrogen, the circular economy and, in the medium to long run, carbon capture and storage.

Repsol is a member of this climate action initiative for sharing best practices and technological solutions.

OIL AND GAS CLIMATE INITIATIVE

https://www.oilandgasclimateinitiative.com

GSP 2020

2050 Objective:
To achieve net-zero emissions.

In the **long term (2040 and 2050),** the Company's exposure to climate risks will grow, as there will be added uncertainty as the uncertainty associated with the scale at which these opportunities can be exploited is greater. However, Repsol's firm commitment to becoming a net-zero emissions company by 2050 and its response to different energy transition scenarios go some way to mitigating these risks. According to the climate risk analysis, in 2040 and 2050 there is a reasonably high probability (estimated at 50%) that the Company will report positive impacts due to the energy transition, depending on how climate policies evolve, the carbon price signal, the costs of cutting greenhouse gas emissions, and other factors.
The main risks (which may become opportunities through mitigation measures) in 2040 and 2050 are as follows:

Climate change risks

Upstream	Refining	Chemicals	LPG	Mobility	Gas and Electricity	LAE	Risk
High	Low	Low	Low	Low	Low		Changes in the basket of primary energy sources towards other less carbon-intense sources, which involve a reduction in the use of hydrocarbons. Risk with greater exposure in all geographical areas: Europe, North America, Asia and Rest of the World.
High	Medium	Low	Low	Low			Changes in energy end-uses leading to a reduction in demand for products sold, whether as a result of natural market dynamics or induced by regulation (e.g., electrification of the automobile fleet, user preference for innovative forms of mobility, etc.). In terms of exposure, it ranks second in all geographical areas.
High	Medium	Low		Low	Medium		Regulatory changes that affect operations and/or future investments, understood as those directly affecting the Company's results, either derived from the obligation to adopt measures to mitigate climate change [in line with the international commitments acquired by each of the countries in terms of decarbonization], or of an environmental or tax nature, etc., of special relevance within the European Union, where it ranks third in terms of exposure, compared to other geographical areas. (see Appendix III of the 2020 consolidated Financial Statements).
Medium	High	Low	Low	Medium	High		Inefficient or late adoption of new practices, processes, or novel or less mature technologies to date, aimed at energy production (including renewable energies), distribution and storage, which eventually take hold in the market, or, conversely, the premature adoption of technologies that ultimately turn out to be "non-winners". With regard to exposure, this risk is the third largest in North America, Asia and the Rest of the World.
Medium	High	High	Low	Low	Medium	Medium	Changes that promote efficiency in the use of natural resources, including the reduction, reuse and recycling of non-energy products, such as those derived from the analysis of the life cycle of products and services, the implementation of circular economy measures, limitations in the use of plastics or regulations associated with compostable and biodegradable plastics.
High	Low	Low		Low	Low		Potential difficulty or limitation in raising the necessary funds to meet its obligations or to carry out its activities or those associated with a possible decrease in the credit rating that impacts the Group's financing capacity in the markets.
High	Low	Low		Low	Low	Low	Harm to the reputation of the Company and/or the industry caused by social disapproval, whether or not justified, of its performance in relation to sustainable development initiatives.
High	Medium	Low		Low	Low		Technological advances and/or innovation related to new processes or production methods that could lead to significant alterations in the operations of the Group's businesses. This risk includes technologies such as: CCS, CCU or the inclusion of waste or carbon-based discharges such as CO_2 or urban waste as raw materials in the production process (circular economy).

Impact(1): High / Medium / Low

Upstream · Chemicals · Gas and Electricity · LAE · Refining · LPG · Mobility

(1) Three impact ranges have been defined based on the relative contribution of each business to the total economic impact of each of the risks. The economic impact on which the ranges have been defined corresponds to the 5% probability scenario in 2050.

Climate change can exacerbate the adverse weather phenomena to which Repsol is exposed (hurricanes, floods, changes in rainfall or temperature, etc.), which can impact its activities, including the following:

- Operations affected by water stress, where the rainfall regime could affect the operation of our facilities. In this regard, Repsol has implemented plans to reduce water consumption and increase water reuse.
- Operations exposed to hurricanes, where business could be disrupted. Repsol draws up Business Continuity Plans (BCPs) in which roles and responsibilities are defined and assigned and additional contingency measures included, such as alternative physical or virtual locations from which to resume business.

One of the main conclusions of the climate risk analysis is that Repsol is more exposed to transition risks than to physical risks. However, the Company is taking steps to reduce exposure to both.

Exposure to climate change risks is different at each of the Company's business units. This exposure, measured in absolute terms, is influenced by the size and scale of each business. The risk analysis reveals that the most exposed units are E&P and Refining. However, it is important to note that the net impact is estimated to be favorable by 2030 for Repsol as a whole and also in 2040 and 2050.

The exposure of the businesses to each of the risks has been scrutinized and differentiating elements can be seen, due to the specific characteristics of each business (see climate change risk table).

Climate change risks, both physical and transitional, are managed in the same way as the other risks to which the Group is exposed (*see Appendix III or Section 10. Risks*). However, the fact that they are emerging risks means that they will need to scrutinized in greater detail in the long term and mitigated through a long-term commitment such as Net Zero Emissions 2050, a decarbonization roadmap for the 2020 to 2050 horizon, and a 2021-2025 Strategic Plan that lays the groundwork for the transition starting in the short term and moving forward.

8.1.3. Strategy

Repsol supports the Paris Agreement and works to play an active role in the solution to climate change. The Company's commitment to energy transition is in line with the objectives of the Paris Summit and the United Nations Sustainable Development Goals.

In December 2019, Repsol publicly announced plans to achieve net zero emissions by 2050, making it the first company from its industry to set itself the ambitious goal of limiting global warming remains to below 2°C relative to pre-industrial levels.

To achieve this transition, a holistic approach is needed, involving analysis of future scenarios, identification of risks and opportunities associated with climate change, and development of a strategy aligned with the transition to a low-carbon economy. This requires taking into account all available and emerging technologies, their costs and the degree of maturity, while maintaining technological neutrality.

Scenario analysis

To set out the roadmap for how business should evolve by 2050 the SDS (Sustainable Development Scenario) of the International Energy Agency has been taken as a reference point for the projections on energy demand and several scenarios have been analyzed to assess the impact on the Company's strategic lines and competitiveness. The aim is to anticipate how Repsol will adapt in order to sustainably provide the energy that society will need in future and meet the ambition of becoming a net-zero emissions company by 2050.

Repsol's international status has also been taken into account in defining these scenarios, as the Company's business is not distributed evenly across all regions of the world. The Downstream business is located mainly in Europe, where climate policies and regulations are currently more ambitious than in the rest of the world. Upstream, meanwhile, is a global activity and is present on all continents. Of Repsol's total GHG inventory, 56% is located in Europe and is subject to EU policies and regulations, notably: the EU Green Deal, the EU-ETS, the Renewable Energy Directive (RED) and the Energy Efficiency Directive (EED). Their impact is analyzed through the Integrated R isk Management System and taken into account when shaping the Company's strategy.

On such bases and in an integrated manner for the Company, different scenarios have been proposed: Central, Deep Oil Decarbonization, Electro and Hydrogen.

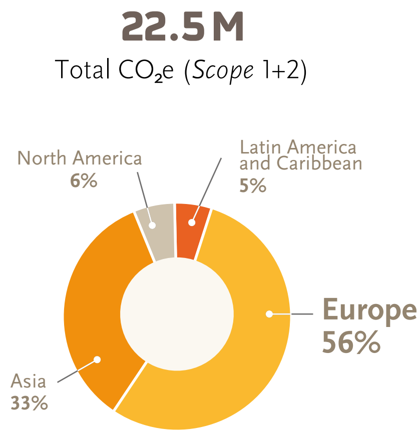
The Company's baseline scenario is the Central scenario, from which it will achieve the target of becoming a net zero emissions company by 2050. This scenario plots out the decarbonization roadmap from now through to 2050, with levers that the Company believes can be implemented with a relatively high degree of confidence through to 2030 and with a reasonably degree of confidence through to 2050.

The Deep Oil Decarbonization, Electro and Hydrogen scenarios are acceleration scenarios toward the goal of net zero emissions for the 2030-2050 horizon. They are essentially variations of the Central scenario and contemplate varying degrees of performance and levels of penetration of the technologies needed to achieve the long-term objectives.

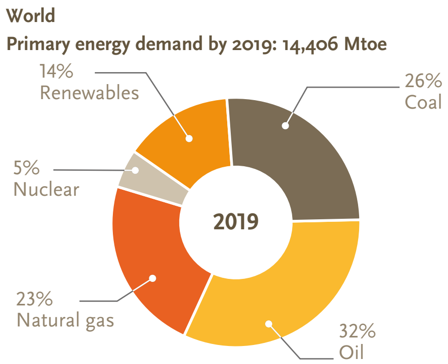
The long-term horizon, beyond 2030, comes with a certain measure of technological uncertainty, considering that renewable hydrogen, synthetic fuels, sustainable biofuels or carbon capture, use and storage projects are being developed with differing degrees of intensity, reaching energy sectors where electrification cannot reach and shaping a hybrid energy basket of renewable electricity and low-carbon liquid and gaseous fuels. The energy demand projections under the SDS scenario are used as a benchmark in drawing up the 2021-2025 Strategic Plan and the Company's long-term vision, which was presented to the market and investors in the second half of 2020 (*see Section 3. New Strategic Plan*).

As part of its commitment toward decarbonization and energy transition, Repsol has reviewed the main assumptions for appraising future investments and existing assets. The updated scenarios have impacted the accounting valuation of assets in 2020 and 2019 (*for more information, see Section 6.1 Results; Section on Asset impairment and write-downs*).

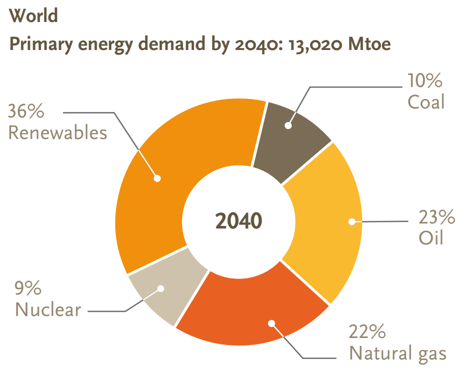
Emissions map



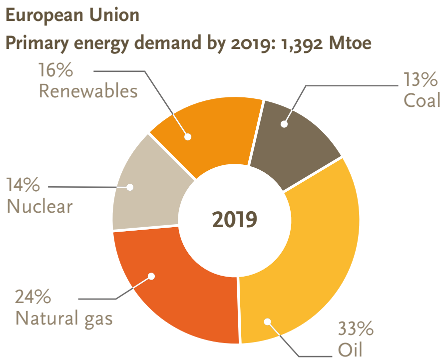
Energy mix



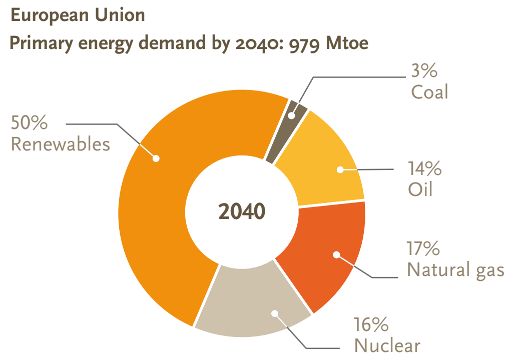
Source: IEA Energy World Outlook 2020



Source: IEA SDS Energy World Outlook 2020



Source : IEA Energy Word Outlook 2020



Source: IEA SDS Energy Word Outlook 2020

Decarbonization roadmap

In the Central scenario, five decarbonization levers clearly appear on the 2020-2030 horizon:

- **Efficiency**, driving the decarbonization of the Scope 1 and 2 emissions of the assets we operate. It entails a continuous process of searching for opportunities in the fields of technology, design and operation and maintenance procedures, focusing on the following areas:
  - Energy efficiency and electrification of energy consumption.
  - Reducing methane emissions and routine flaring emissions.
- **Transforming the Upstream portfolio** to prioritize assets that have a shorter life cycle and are less carbon intensive.
- **Low carbon fuels and circular economy**. Advanced biofuels, biogas from organic waste and incipient synthetic fuels are key to the decarbonization of the Company's refineries and chemical complexes. Repsol will have a production capacity of 1.3 million metric tons of sustainable biofuels by 2025 and more than 2 million metric tons by 2030.

  The Company will also focus on the production of renewable hydrogen from water electrolysis and biogas. Repsol has set itself a target of producing renewable hydrogen equivalent to 0.4 GW by 2025, with the aim of reaching 1.2 GW by 2030.

  As an integrated energy company, Repsol actively implements the **circular economy** in all countries in which it operates and across its entire value chain, from the procurement of raw materials through to the marketing and sale of products and services. Repsol is in the efficient products business, meaning it is geared toward the circular economy and the production of advanced biofuels. Biogas is a prime example of this. It has also set itself the target of recycling the equivalent of 10% of total polyolefin production by 2025 and 20% by 2030 (*for more information, see Section 8.3. Technology and digitalization*).
- **Low-carbon electricity generation** Repsol has set itself the target of reaching 7,500 MW of low-emission electrical power **generation capacity by 2025**, rising to 15,000 MW by 2030, which it will accomplish by investing in wind and solar power generation. It currently has a total installed low-carbon generation capacity of 3,295 MW and a further 2,639 MW under development. *For further information, see Section 7.3.4 Electricity and Gas.*
- **CO_2 capture and storage**. Carbon **capture, use and storage** technologies play a key role in Repsol's decarbonization strategy. As we move a little further into the twenties, Repsol is already involved in developing these technologies as a member of the OGCI Climate Investments fund. Repsol also has plans to undertake a CCS project in Indonesia, at the Sakakemang natural gas discovery, to capture an estimated 1.6 $MtCO_2$/year at its facilities.

  A CO_2 capture project is also planned at the Petronor refinery for the production of synthetic fuels.

Aside from the five decarbonization levers described above, Repsol promotes other initiatives –albeit with less of an impact in the period– to raise awareness among customers of the cost of reducing Scope 3 emissions through carbon offsetting mechanisms based on natural climate solutions, as well as the stake held by Repsol Foundation in Sylvestris, a company specialized in CO_2 absorption projects through large-scale reforestation.

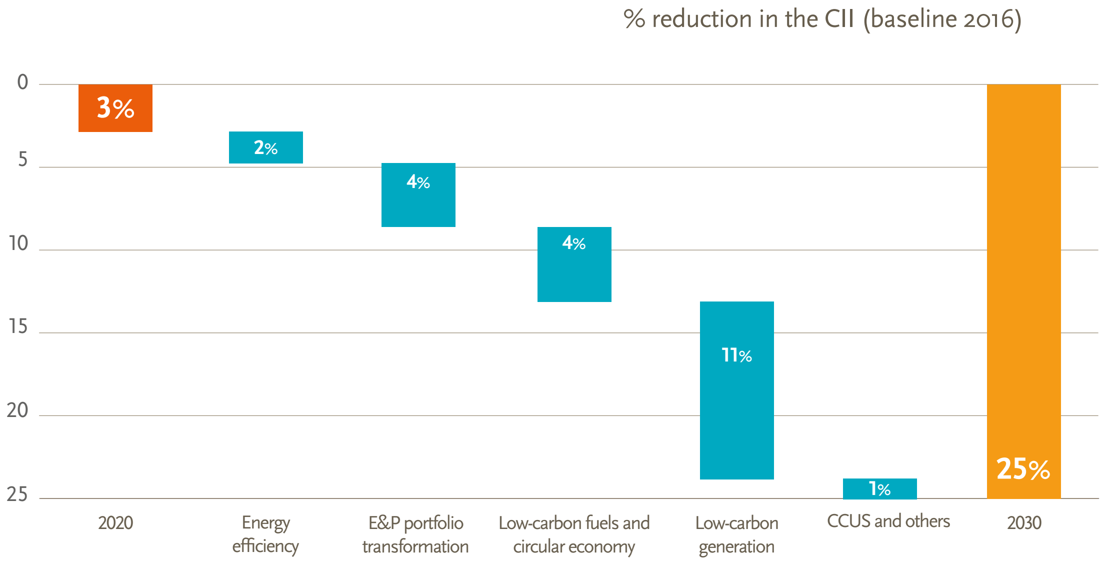
Repsol Foundation has the company Repsol Impacto Social (Repsol Social Impact) to invest in companies that work toward the energy transition and generate social development. One of its main courses of action is to reduce emissions through the stake it holds in Sylvestris, a company specialized in reforestation to absorb CO_2 from the atmosphere. Repsol Foundation, the Sylvestris group and Land Life have now laid the foundations for creating a leading joint venture within the sector, which will undertake projects to offset emissions through large-scale reforestation in Spain, Portugal and Latin America.

REPSOL Fundación

Repsol currently offers its fuel customers the Net-Zero Emissions Commitment program to allow for voluntary offsetting of emissions every time they fill up the vehicle. The initiative is available for payments made through Repsol's mobile app, Waylet. Repsol customers can offset the CO_2 emissions from their fuel consumption by supporting forestry projects. It is voluntary and every time the customer decides to offset, Repsol matches the amount.

REPSOL waylet

Breakdown of the reduction in the Carbon Intensity Indicator by decarbonization path



Beyond 2030, the Company has set itself the target of reducing its Carbon Intensity Indicator by 50% by 2040, and it envisions an 80% to 90% reduction by 2050 if energy technologies continue to advance as expected.

Under these scenarios, and if the state of the art does not show any further advances, Repsol would resort to natural carbon sinks to complete its goal of achieving net zero emissions by 2050.

Natural carbon sinks, through natural climate solutions (NCS), will also play a role in the transition toward an emission-neutral scenario by 2050. NCSs encompass changes in land use and management that can effectively reduce GHG emissions and increase CO_2 absorption by creating and expanding natural sinks. These actions also support biodiversity, improve water quality and quantity and aid in the social development of local communities. Aside from its participation in Sylvestris –the JV for reforestation projects– and the Waylet carbon offset initiative, as a member of the OGCI Repsol is involved in the NCS Alliance initiative, led by the World Business Council for Sustainable Development (WBCSD) and the World Economic Forum (WEF).

Under its Central scenario and assuming that the prevailing macro environment is consistent with the scenarios analyzed, Repsol estimates an 80% reduction in the Carbon Intensity Indicator (CII), driven by an increase in renewable electricity generation, the penetration of low-carbon liquid and gaseous fuels and the application of CCUS. In tandem, and as energy mix continues to evolve, the Company's hydrocarbon production will be pared back from 2030 onwards. In the same macro environment as the IEA's SDS scenario, Repsol visualizes the alternative scenarios described above, in which certain technologies witness accelerated development.

- **Deep oil decarbonization:** This scenario envisions greater electrification with respect to the Central scenario for light transport, while heavy, maritime and aviation must rely more heavily on low-carbon fuels.
- **Electro:** This scenario contemplates even further progress in the electrification of the transport sector through heavy reliance on the development of fuel cells. Road transport is electrified beyond just light vehicles. Advanced biofuels and synthetic fuels continue to meet the demands of the transport industry, in areas where electrification cannot reach.
- **Hydrogen:** This scenario envisions a higher penetration of this energy vector in transport and for industrial end-uses, partially displacing natural gas.

The contribution that each of the drivers defined in Repsol's decarbonization roadmap effectively makes depends on the alternative scenario analysed throughout the 2030-2050 period. In percentage terms, and upon reaching 100%, the transformation of the Upstream portfolio with lower hydrocarbon production contributes 16-18%; low carbon fuels and the circular economy contribute 20%-35%; renewable electricity generation generates 35%-50% and CCUS delivers 12%-14%.

These scenarios attain a alternative decarbonization level of 90% by 2050, meaning natural sinks are still a complementary driver in reaching net-zero emissions.

Incentive mechanisms for decarbonization

Repsol has various internal mechanisms in place to champion decarbonization actions across the Company, such as the **price of carbon**. Repsol has set an internal carbon price that applies to all investment decisions on new projects, except where there is a climate regulation that already provides carbon incentives and provided that it is higher than the internal price. This price has been set at 40 dollars/metric ton of CO_2 in 2025.

Over the course of the year, Repsol developed its own analysis methodology to gauge whether an investment is aligned and compatible with the Company's decarbonization roadmap.

Every investment proposal submitted to the Executive Committee must include a report drawn up by the Sustainability Department, describing the impact that the investment will have on the Company's Carbon Intensity Indicator.

An investment will qualify as Paris Compliant if it does not modify the CII Base Case or improves upon it and brings the Company closer to achieving net-zero emissions by 2050.

An investment that does not strictly qualify as Paris Compliant may qualify as an Energy Transition Enabler if it negatively impacts the CII by no more than 1% and the Company will offset the impact through other initiatives so as not to affect the global decarbonization roadmap.

Elsewhere, Repsol strongly supports the use of financing as an instrument to promote sustainability and accelerate the energy transition. The Company is working on monitoring the EU Action Plan on Sustainable Finance so that it is inclusive with technological neutrality, progressive, and ultimately allows for a cost-efficient and sustainable energy transition.

Meanwhile, the Technology and Corporate Venturing Units contribute to the Company's strategy by investing in low-emission technologies. (*for more information, see Section 8.3. Technologies for decarbonization*)

Resilience of the strategy

Repsol has conducted a risk analysis of the decarbonization roadmap to 2050 in order to estimate the degree of uncertainty associated with the achievement of net-zero emissions target (in place for Scopes 1, 2 and 3) and the potential economic impact that the energy transition may have on the Company. The following assumptions have been tested:

- Unit cost of each metric ton of CO_2e emitted in excess of the emission reduction pathway for each simulated scenario.
- Abatement cost of the decarbonization pathway drivers and the Company's ability to unlock these drivers (total CAPEX limit and unit investment rate).

Based on these assumptions, there is a 75% probability that the economic impact of the risks associated with the energy transition will not exceed a decline in projected 2025 EBITDA of 3% by 2040 and of 8% by 2050.

Given these findings, Repsol firmly believes that its strategy, portfolio and financial framework lay the foundations for the Company's resilience by providing the adaptability and flexibility needed for future changes in the energy system on the long-term horizon.

Reviewing Repsol's involvement in initiatives and associations within the industry: Climate change

In line with its commitment to the fight against climate change and the decarbonization of the economy, Repsol works to ensure that all the associations and initiatives in which we take part are aligned both with the fulfillment of the objectives of the Paris Agreement and with the Company's main courses of action in the realm of climate change. Repsol selects associations and initiatives that are closely related to the energy sector, operate in regions or countries in which we have significant business or commercial activities and important in the fight against climate change.

8.1.4. Objectives and metrics

Direct and indirect emissions and energy consumption

		2020[9]	2019	2018	2017	2016
Emissions *Scope* 1[1][2]	**Total GHG (CO_2eq Mt)**	**22.0**	**24.7**	**22.0**	**23.0**	**24.9**
	Total CO_2 (Mt CO_2)	**18.8**	**20.1**	**17.9**	**18.4**	**19.7**
	Total CH_4 (CO_2eq Mt)	**3.2**	**4.5**	**4.1**	**4.3**	**5.0**
	Total N_2O (CO_2eq Mt)	**0.07**	**0.08**	**0.04**	**0.02**	**0.24**
	Breakdown by source					
	Flaring	1.0	0.8	0.9	0.8	1.2
	Combustion	12.6	13.7	11.5	12.3	12.8
	Venting	6.1	7.6	6.8	7.1	7.8
	Fugitive emissions	0.3	0.4	0.3	0.6	0.7
	Process	2.0	2.2	2.5	2.3	2.4
	Breakdown by business					
	Refining[3]	7.6	8.6	8.9	8.9	8.8
	Chemicals	3.2	3.2	3.0	3.5	3.5
	E&P[4]	9.4	10.9	10.1	10.6	12.6
	Electricity and Gas	1.8	2.0	n/a	n/a	n/a
	Other[5]	0.01	0.01	0.01	0.02	0.02
	Percentage of Scope 1 emissions, subject to carbon market regulations	56%				
	Allocation of emissions to Repsol facilities subject to carbon market regulations	8.3				
Scope emissions 2[1][6]	**Total GHG (CO_2eq Mt)**	**0.4**	**0.5**	**0.4**	**0.4**	**0.5**
Emissions intensity	Intensity of E&P emissions (tCO_2e/thousand of boe produced)	63	66	61	63	66
	Intensity of Refining emissions (tCO_2e/t crude processed)	0.2	0.2	0.2	0.2	0.2
Scope emissions 3	**Total GHG (CO_2eq Mt)**	**157**	**189**	**194**	**193**	**183**
	Use of products, base sales (Mt CO_2e) [7]	151	180	186	185	175
	Use of products, base primary energy (Mt CO_2e) [7 BIS]	79	88	89	87	86
	Raw materials: crude (Mt CO_2e)	5.4	7.6	7.5	7.2	6.9
	Raw materials: hydrogen (Mt CO_2e)	0.6	0.7	0.6	0.7	0.6
Energy (Scope 1 + 2)[8][9]	**Total (millions of GJ)**	**258**	**278**	**242**	**239**	**245**
	Chemical energy (Scopes 1 + 2) (millions of GJ)	60				
	% of the power grid	3%				
	of which renewable (%)	94%				
	Total electrical power generated by Repsol (millions of GJ)	4.3				
Energy intensity	E&P energy intensity (GJ/boe produced)	0.3	0.3	0.3	0.3	0.4
	Energy intensity in Refining (GJ/t processed crude oil)	3.2	2.9	2.8	2.7	2.6
Energy (Scope 3)	**Total (millions of TJ)**	**2.3**	**2.8**	**2.9**	**2.8**	**2.7**
	Use of products, base sales (millions of TJ)	2.3	2.7	2.8	2.7	2.6
	Raw materials, crude + hydrogen (millions of TJ)	0.06	0.08	0.08	0.07	0.07
Total flared hydrocarbon (Mt)		0.37	0.32	0.38	0.27	0.45
Hydrocarbon vented (Mt)		0.14	0.19	0.19	0.18	0.22

(1) Direct and indirect emissions (Scope 1 and Scope 2) will be subject to an additional verification under EU-ETS and international standard ISO 14064-1. Once verification is complete, these certificates will be available at www.repsol.com *(Sustainability - Climate change)*

(2) Scope 1 (direct emissions arising from Company activities).

(3) The Olefinas Cracker plant is included in the Chemicals business.

(4) The breakdown by source for the E&P business is as follows: 2.4 MtCO2e of fuel, 0.7 MtCO2e of flaring, 0.2 MtCO2e of fugitive emissions and 6 MtCO2e of venting.

(5) Includes LPG, Lubricants, Asphalts and Specialties, Mobility and Asset Management.

(6) Scope 2 (indirect emissions related to the purchase of electrical energy and steam from third parties).

(7) "Scope 3: Use of products (base sales)": These emissions have been calculated based on the sale of natural gas by the Exploration and Production (Upstream) Business and sales of LPG, naphta, gasoline, kerosene, gasoil, fuel oil and petroleum coke produced in our refineries.

(7bis) "Scope 3: Use of primary energy base products based on Upstream production": These emissions have been calculated on the basis of sales of natural gas, plus sales of LPG, naphtha, gasoline, kerosene, gas oils, fuel oils and petroleum coke from our Refining structure, associated with the production of oil from the Upstream business.

(8) Includes energy consumption associated with fuel consumption, flared gas burning, fugitive emissions and venting, in addition to the purchase of steam and electricity (Scope 1 and Scope 2).

(9) Figures on energy consumption and Scope 1 and 2 emissions for the Eagle Ford asset have not been included in the metrics and objectives because they are currently being analyzed for adaptation to the ISO 14064-1 methodology used by Repsol for all of its inventory (non-material quantities below 5%).

Objectives for the transition

	2016	2017	2018	2019	2020	2025	2030	2040	2050
Carbon Intensity Indicator[1] (gCO_2/MJ)					5%	12%	25%	50%	100%
Emissions reduction plan[1][2] (Mt CO_2e)					2.4Mt[1]	1.5Mt			
Reduction in methane intensity[1] (m^3/m^3)					~ 1%	1%	0.2%		
Reduction in E&P emissions intensity (CO_2e/boe)						75%			
Zero routine flaring[1] (kt CO_2e)					524 kt	172 kt	~0 %		
Low-carbon energy[3] (GW)					3 GW	7.5 GW	15 GW		
Biofuels[3] (Mt)					0.7 Mt	1.3 Mt	2 Mt		
Renewable hydrogen[3] (GW)						0.4 GW	1.2 GW		
Recycled polyolefins (%)						10%	20%		

Net zero emissions

| Base year | 3 Data 2020 | 3 Goals | 3 Committments

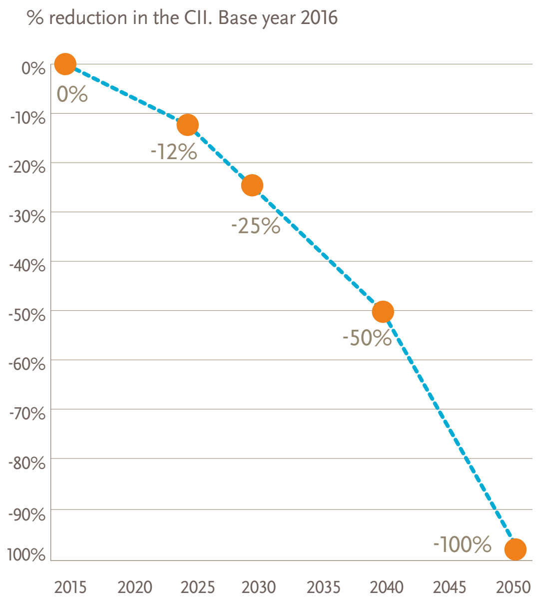
(1) Detailed information can be found below.
(2) Cumulative value for the period 2014-2020. Exceeded the 2014-2020 Emission Reduction Plan target by 0.3 Mt CO2e
(3) Gradually replaced by advanced fuels, at least 65% by 2030.

Carbon intensity indicator (CII) reduction

Repsol has devised an CII measured in g CO2e/MJ to monitor the Company's progress towards a low-emissions future until ultimately accomplishing the goal of becoming a net-zero emissions Company by 2050 upon achieving a 100% reduction in the CII. To help monitor this process, the Company has set itself intermediate reduction targets (compared to base year 2016) of 12% by 2025, 25% by 2030 and 50% by 2040.

By 2050, Repsol estimates that at least 80% of the CII can be achieved through the technological progress we currently envision for the future. It is committed to applying the best technologies available at that time to raise this figure, including carbon capture, use and storage and, if this falls short, it will offset emissions through reforestation and other natural climate solutions.

Carbon Intensity Indicator (CII) reduction targets



OGMP 2.0

Repsol has been a signatory to the Climate & Clean Air Coalition's Oil & Gas Methane Partnership led by the UN Environmental Programme since 2016. In 2020, Repsol was involved in the launch of the OGMP 2.0 Reporting Framework and reiterated its firm commitment to this new version, which is more focused on transparency and improved reporting of methane emissions.

Carbon intensity	2020	2016
g CO_2e/MJ	73.8	77.7

A reduction of 5% was achieved in 2020, exceeding the original target of 3%. This is well above target, mainly due to quieter levels of business activity amid the pandemic. The Company estimates that the final value would have been around 3.7%, based on levels of activity prior to the pandemic. This improvement is down to the implementation of energy efficiency and methane emissions management plans, the increasing presence of biofuels in petrol and diesel products, and the contribution made by the low-emission electricity business.

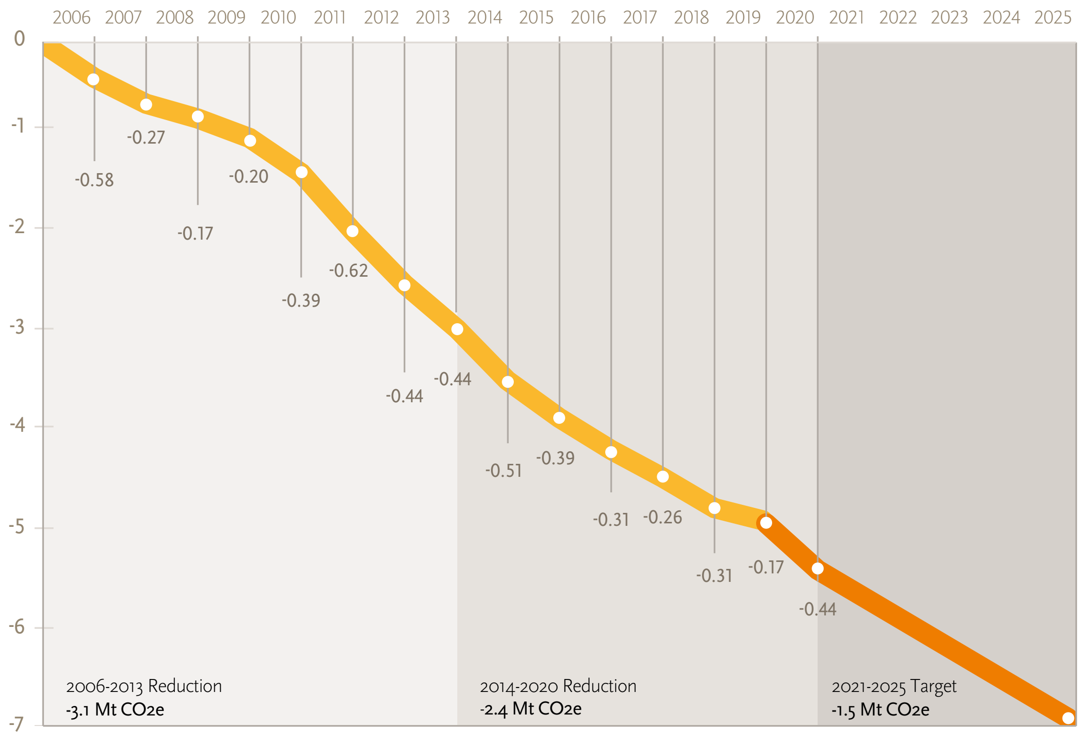
The numerator of the CII shows the emissions generated by the Company's activities (direct and indirect emissions derived from Upstream activities (exploration and production), refining and chemicals operations and from the generation of electrical power), as well as emissions generated by the use of fuel products derived from our primary energy production (oil and natural gas). Meanwhile, the denominator shows the energy that Repsol makes available to society in the form of end products derived from the production of primary energy from oil and gas and from low-carbon energy sources. (For more information, click here: https://www.repsol.com/imagenes/global/en/carbon_intensity_indicator_tcm14-198668.pdf).

CO_2 equivalent emission reduction plans

Repsol has established emission reduction plans (Scopes 1 and 2) to reduce energy and carbon intensity through operational efficiency measures. These plans led to a reduction of 5.5 million tons over the period spanning 2006 to 2020. During the year, the Company successfully completed its 2014-2020 reduction plan, thus achieving a reduction of 2.4 Mt CO_2e above and beyond the target of 2.1. It also defined a new plan for the 2021-2025 horizon in a bid to achieve a further reduction of 1.5 million metric tons of CO_2 by 2025, including, among others measures, electrification projects, the energy integration of units, process optimization and efficient operation of plants and facilities. In energy terms, a reduction of 7.3 million GJ was achieved in 2020, yielding a cumulative reduction of 37.8 million GJ over the entire period.

CO_2e emission reduction (millions of tons)

Mt CO_2e reduced



Reduction of methane emissions intensity

Convinced of the importance of the role of natural gas in the energy transition, Repsol has taken on the specific goal of reducing the intensity of methane emissions in its operated assets by 25% in 2025 compared to 2017 (1.34%). For 2030 it has assumed a new concrete target of reaching a methane intensity of 0.2%, a value recognized as close to zero intensity for the O&G industry and which is also consistent with the target recently announced by the OGCI (Oil and Gas Climate Initiative), of which Repsol is a member.

In 2020, the methane intensity value was particularly low, even below the 2025 target, due to the operational impact of the pandemic. Estimates have been made, and this value would be at least 1.03% if we factor in certain operational normalization factors.

Methane intensity[1]	2020	2019	2018
CH_4 emissions/gas produced (%)	0.98	1.28	1.17

(1) Calculation based on volume

Reduction of flared gas

In June 2016, Repsol joined the Zero Routine Flaring by 2030 initiative of the World Bank, in pursuit of technically and economically feasible solutions to minimize routine flaring as soon as possible and by no later than 2030 at its Upstream facilities.

Since then, work has been done to improve the inventory of emissions due to gas flaring year by year, segregating this inventory into routine and non-routine flaring, applying the definitions of the Global Gas Flaring Reduction initiative of the World Bank and ensuring a standard approach to the process among OGCI companies.

Repsol established a target of achieving a 50% reduction in CO_2e emissions from routine flaring activity by 2025, in relation to E&P operated assets and with 2018 as the base year.

In 2020, routine flaring emissions were up due to increased production at the most flaring intensive assets and the improvements made to make the measurement methodology more precise. Overall this led to a 52% increase in emissions from routine flaring in respect of the base year (2018).

This increase will not undermine progress toward the 2025 target, as key reduction actions have been envisioned to minimize flaring at the Company.

Energy Transition Principles

Repsol takes part in the *Energy Transition Principles* initiative alongside seven leading companies from the energy sector. Within this framework, six principles have been developed and agreed upon to become the common pillars of action for the energy transition and to respond to investor and stakeholder demand for greater consistency and transparency in measuring and reporting progress on decarbonization.

Routine gas flaring	2020	2019
kt $CO_2$for Upstream routine flaring	524	280

8.2. Environment[1]

Repsol runs its business by prioritizing actions needed to minimize any potential environmental impact. To achieve this, it optimizes water management, minimizes air emissions and implements the principles of the waste management hierarchy to minimize waste and, where not possible, to give it a second life as part of own processes or third-party processes. The conservation of natural capital, biodiversity and the circular economy are key aspects in the development of Repsol's Sustainability Model. The Company relies on a multi-disciplinary team of professionals and is actively involved in industry working groups, taskforces and alliances such as IPIECA, CONCAWE and IOGP.

1. The figures and indicators in this section have been calculated in accordance with corporate standards that set out the criteria and common methodology to be applied in Safety and Environment (S&E). As a general rule, environment and safety information includes 100% of the data from companies in which the Company holds a controlling interest or control over operations.

8.2.1. Natural capital and biodiversity

Focus on natural capital in decision making

Natural capital is the stock of natural resources which, through the ecosystem services it provides, contributes directly or indirectly to the well-being of people, the development of society and the global economy. Companies like Repsol depends on natural capital and their operations generate impacts on it.

Human activities focused on economic development must successfully overcome the challenge of minimizing the natural capital lost through such activities. Conservation and protection is a key factor in achieving sustainable development.

On this front, the Company is developing a natural capital approach to decision-making to safeguard the benefits provided by ecosystems for present and future generations. By viewing ecosystems in general and biodiversity in particular as capital, we can appreciate their value and worth and account for them in a way that enables management decisions based on a suitable balance between costs and benefits.

Repsol has developed a methodology known as the Global Environmental Management Index(GEMI), together with a related digital tool to allow for a comprehensive appraisal of the environmental impacts and dependencies of both projects and operations on a global scale: Repsol *Environmental Analytics Data System (READS)*.

GEMI analyzes the relationship between the components of natural capital (plants, animals, air, water, etc.) and the ecosystem services they provide on one side, and Repsol activities on the other. This relationship is measured in two ways: 1) in economic terms, enabling the effects of each activity to be measured on the same scale; and 2) in dimensionless impact units that take into account of specific site conditions, thus making it possible to optimize environmental management at local level.

This methodology has been recognized by the experts at the Capitals Coalition[1] and the UN Environment Programme World Conservation Monitoring Centre (UNEP-WCMC), thanks to its scientific robustness and because it is aligned with the Natural Capital Protocol and the Biodiversity Guidance[2]. The methodology is a sign of Repsol's commitment to the principles enshrined in the Natural Capital Protocol for measuring and assessing the impacts and dependencies of the Group's operations.

Embracing respect for biodiversity in our operations

Biodiversity is one of the main components of natural capital. It is a far-reaching concept that embraces not only ecosystems and their living components, but also the ecological processes that sustain them and the valuable services that these processes provide and on which we all depend.

The latest reports of the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES) show that biodiversity has continued to decline across all regions of the world[3], meaning therefore, it is now more important than ever to roll out measures that prevent this.

As part of its mission of being an energy company that is firmly committed to a sustainable world, Repsol has pledged to mitigate impacts on biodiversity and all the resources it offers when planning and developing projects and operations, no matter where they are located.

1. https://capitalscoalition.org/
2. https://capitalscoalition.org/guide_supplement/biodiversity-4/
3. https://ipbes.net/news/comunicado-de-prensa-las-contribuciones-de-la-diversidad-biol%C3%B3gica-y-la-naturaleza-contin%C3%BAan-

Management of natural capital at Block 57 (Peru)

In 2020, Repsol conducted various natural capital analyses at Block 57, enabling us to understand and assess both the impacts and the mitigation measures put in place in terms of the ecosystem services on which the local communities living within the concession rely. In carrying out these analyses, Repsol applied the GEMI (Global Environmental Management Index) methodology. The main findings have been included in the Biodiversity Guidance to the Natural Capital Protocol.[1]

Good biodiversity impact mitigation practices implemented and analyzed with GEMI include the rescue and relocation of orchids, bromeliads and sensitive flora; control of exotic species; protection of sensitive trees, seed trees, vulnerable wildlife and areas of importance to them; maintenance of forest connectivity through canopy bridges and re-injection of drilling waste to reduce environmental contamination. The effective implementation of these management practices will reduce the impact of the pipeline and drilling rigs required for the Sagari project by 55% compared with a baseline scenario with no mitigation measures. This will prevent a loss of ecosystem services worth 8.5 million US dollars over a 20-year period.

1. https://capitalscoalition.org/biodiversity-guidance-to-accompany-the-natural-capital-protocol-repsol-natural-capital-valuation-at-block-57-in-peru/

Operations and activities within the energy industry can affect the natural and social environments in which they take place. The potential impacts on biodiversity that may arise from the Company's operations are as follows:

	ACTIVITY ASPECT	DESCRIPTION	PHASES		
			DEVELOPMENT AND CONSTRUCTION	OPERATION	DECOMMISSIONING
LAND USE	Physical presence	Physical on-site presence may generate a visual impact on the environment. Other related potential impacts include the alteration, fragmentation or loss of habitat and changes in the presence and distribution of local species.	🟡	🟡	🟡
	Physical disturbance (site clearing and preparation)	Physical disturbance is an activity largely associated with the start and end of the life of an asset and may have a visual impact on the environment. Other related potential impacts include the alteration, fragmentation or loss of habitat and changes in the presence and distribution of local species.	🟠	🔵	🟡
	Consumption/ extraction of water	Water consumption for use in processes can lead to reduced water availability and potentially affect the ecosystems and habitats of certain species.	🔵	🟡	🔵
EMISSIONS	Noise and vibrations	Noise and vibrations caused by processes can disturb local wildlife.	🟠	🟡	🟡
	Light	The light emitted by our activities can generate a visual impact at night.	🔵	🟡	🔵
	Dust	Dust emitted can generate impacts when it lands on vegetation, while also disturbing local fauna in the vicinity of the facilities.	🟠	🔵	🟡
	Exhaust/combustion emissions (GHG, NOx, SOx, PM, VOC)	Exhaust emissions associated with the operation of fuel-burning equipment can impact local air quality and also climate change on a global scale.	🟡	🟠	🟡
	Fugitive emissions and venting	Unplanned fugitive emissions and venting can impact local air quality and also climate change on a global scale.	🔵	🟡	🔵
	Gas flaring	Gas flaring can impact local air quality and also climate change on a global scale. It can also have an associated thermal and visual impact on the surrounding wildlife.	🔵	🟡	🔵
DISCHARGES	Wastewater, greywater and food waste	The discharge of treated wastewater may cause changes in the quality of available water.	🟡	🟡	🟡
WASTE	Hazardous waste	Waste can lead to soil and groundwater/surface water contamination, possibly impacting the ecosystems and habitats of certain species.	🟡	🟠	🟠
	Non-hazardous waste	Contamination of land and groundwater/surface water, possibly impacting the ecosystems and habitats of certain species.	🟡	🟡	🟡
ACCIDENTAL EVENTS	Spills	Accidents events such as spills can lead to soil and groundwater/ surface water contamination, possibly impacting the ecosystems and habitats of certain species.	🔵	🟡	🔵
	Fire or explosions	Accidental events such as fire or explosions can generate thermal and visual impacts on wildlife, affect local air quality, or lead to habitat alteration and fragmentation.	🔵	🔵	🔵
	Introduction of invasive species	The unintentional introduction of invasive species can lead to changes in the occurrence and distribution of species within the area of operation.	🔵	🔵	🔵

🟠 High Potential Impact 🟡 Potential Impact 🔵 Impact unlikely to occur or with low potential impact

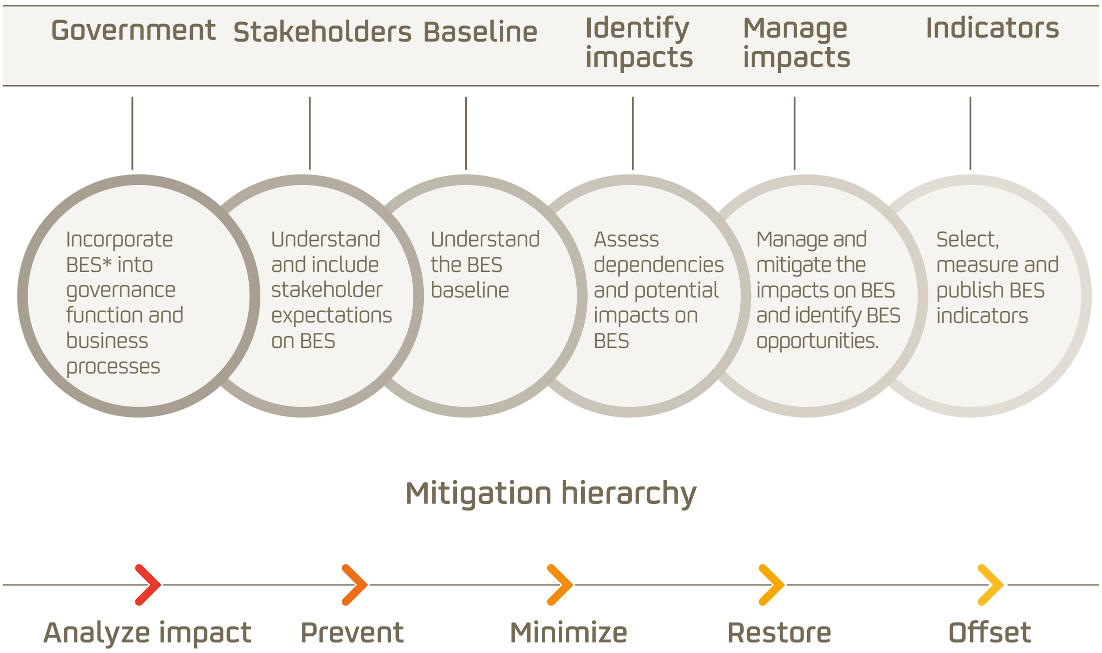
The Company is fully aware of the positive role that business can play in finding solutions to the challenges of biodiversity and ecosystem services loss. For this reason, the Group's management practices focus on:

- Making natural capital, biodiversity and the protection of ecosystem services part of its decision-making processes.
- Engaging stakeholders and understanding their expectations on biodiversity, while collaborating with communities.
- Assessing the dependencies and impacts associated with the ecosystem services provided by biodiversity and other components of natural capital.
- Preventing and minimizing impacts on biodiversity and natural capital, while restoring the environment in which the Company's activities take place, especially in sensitive, biologically diverse or protected natural areas.
- Developing indicators to measure performance and optimize management efforts.
- Taking part in research, biodiversity conservation, education and awareness-raising projects.

Repsol was the first company from the Oil&Gas sector to apply the *Biodiversity and Ecosystem Services* (BES) Management Ladder of IPIECA, the International Petroleum Industry Environmental Conservation Association, to which Repsol belongs. This framework, which Repsol experts also helped to develop, analyzes the current status of existing Exploration & Production assets and projects and identifies next steps.

It focuses on six interrelated management practices:

Managing biodiversity



* Biodiversity and Ecosystem Services

Repsol has a set of internal environmental management regulations for carrying out these practices, which include Environmental, Social and Health Impact Assessments (ESHIA) for all new operations or facilities, even when this is not a local legal requirement. These studies ensure that all potential impacts are identified as early as possible in the project life cycle and are taken into account in the project design so as to prevent and mitigate any negative effects.

This includes the obligation to determine the sensitivity of the area that the operations will affect and to assess, on a project-by-project basis, whether work should continue in the case of sensitive areas.

8.2.2. Water

Water as a shared resource

Water is a key resource with socio-economic, climate and biodiversity impacts. Therefore, Repsol strongly believes that water must be managed as a strategic resource to ensure the sustainability of its operations. It strives to ensure that water is used as efficiently as possible in collaboration with local stakeholders on the path to achieve the Sustainable Development Goals.

Ensuring water availability, quality and accessibility is essential to maintain our license to operate, and is one of the main environmental challenges facing the energy sector.

Water at Repsol is used in key processes at industrial facilities, factories, service stations and at Exploration & Production assets.

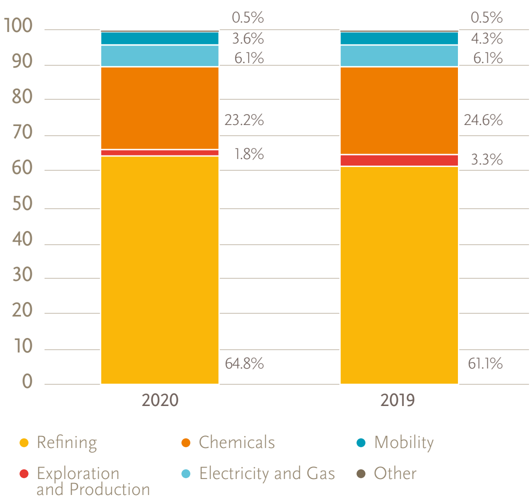
Most of the water captured by the Company comes from the ocean (83%) and is used in cooling processes. The rest is supplied by third parties (9%), mainly public water network suppliers, surface sources (7%) and groundwater sources (1%).

Aside from cooling, water is commonly used for steam generation, as an input for industrial processes, drilling activities and other minor uses such as fire-fighting water or the supply of sanitary services.

In terms of water discharge, the main destination is the ocean (95.5%), which receives all cooling water used. Other destinations include surface water bodies (3.3%) and delivery to third parties for treatment and/or final disposal (1.2%).

The main potential impacts derived from water use relate to water withdrawal, which leads to a reduction in water availability and can affect ecosystems and habitats of certain species, and to its discharge into surface water bodies and a reduction in the quality of the water present across ecosystems.

Fresh water withdrawal by activity



LIFE-DIVAQUA Project

Repsol takes part in the LIFE-DIVAQUA[1] project through its Electricity and Gas business. The main objective of this initiative is to restore and improve the condition of the aquatic ecosystems and habitats of the Natura 2000 network in the Picos de Europa National Park (Spain) and surrounding area. The main actions under this project are as follows:

- Restoring aquatic species and habitats to a good conservation status.
- Reducing human pressure on biodiversity, thus improving the conservation status of aquatic habitats and species, and enhancing ecosystem services.
- Fostering the sustainability of productive, educational, cultural and tourism activities.
- Developing new tools and approaches to improve the characterization, monitoring, assessment and management of species and habitats.

1. https://lifedivaqua.com/

GSP 2021

2025 Objective:
Integrating water management 100% of our assets and industrial units of the Exploration & Production, Refining and Chemicals businesses.

Water management	2020	2019
Fresh water withdrawn (thousand m³)	54,477	57,643
Water reused (thousand m³)	14,182	15,679
Water discharged (thousand m³)	304,592	244,319
Hydrocarbons in water discharged (tons)	145	186

The reduction of fresh water withdrawn in 2020 was mainly down to a drop in productive activity, largely on account of COVID-19. On 2020, open-circuit cooling water from the Electricity and Gas business, which captures seawater (non-fresh water), has been included within the scope of the water discharged metric.

Impact management, risk analysis and the Repsol Water Tool (RWT)

Repsol has been managing water at its facilities for decades, appraising risks and impacts and seeking out new solutions at operational level to minimize consumption and preserve water quality.

The main impacts associated with the use of water in operations stem from the process of extracting the resource from the natural environment and from water discharge activities, which are kept to a bare minimum by complying with applicable legal requirements and internal standards drawn up in line with best international practices established by IOGP, IPIECA and other industry associations to which Repsol belongs.

The identification of water-related impacts relies on the use of specific tools, including Environmental, Social and Health Impact Assessments, which are conducted in accordance with local law and regulations in the countries where Repsol operates or following internal standards, as well as the periodic monitoring requirements agreed upon with the corresponding environmental authorities. Natural capital analyses are also carried out following an internal methodology known as the Global Environmental Management Index (GEMI), of which water management is a key component. Life Cycle Analysis are also run to measure the environmental performance –including the water vector– of the Company's products. Meanwhile, water footprint studies and other detailed technical analyses are conducted in operations where water management is a priority.

The Company relies on the Repsol Water Tool (RWT) to analyze the exposure of our operations to the risk of water scarcity. The tool is used to assess both internal risks (measurement quality, types of water use, treatment technologies, etc.) and external risks (water availability, quality and ecosystems that are withdrawal sources or discharge receiving bodies, future water availability, regulatory and business risks, etc.). The tool enables us to identify businesses and facilities where it is necessary to make a greater management effort and the need to act is a priority.

Since 2013, RWT analysis has been carried out at refineries, chemical plants and Upstream assets that account for more than 90% of the fresh water captured by Repsol operations around the world. In 2020, the Company set itself the objective of improving the analysis methodology to incorporate new sources of information and to adapt the analysis to new types of operations.

Actions for sustainable water management

Repsol pursues various courses of action through for 2025 in relation to water management. They entail a proper analysis of water-related risks, making the real value of this resource part of decision-making processes, and nurturing a water culture at the Company.

The lines of action for water through to 2025 are deployed at the Group's different business units in the form of specific plans and actions that sometimes feature related targets.

Water

Diagram of the lines of action up to 2025

Reuse of External water by relaying on alternative non-fresh sources

The Company is committed to searching for and using alternative sources of water from third parties.

The Tarragona industrial complex uses non-fresh regenerated water taken from a public wastewater treatment plant, thereby reducing the use of fresh water. In 2020, 12% of the total water withdrawn at the industrial complex (refining and chemical plant) came from the municipal WWTP.

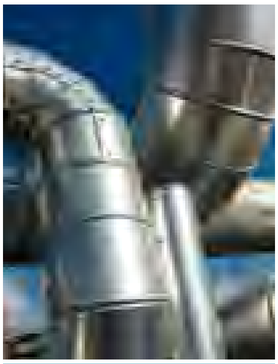
Efficient use of water

The Company is working to reduce water consumption across its range of activities.

A project has been implemented at the Escatrón combined cycle power plant (Spain) to reduce the volume of captured water. The project consists of optimizing chemical consumption in the cooling towers, thus achieving a reduction in the water supplied to the cooling towers. This will have the effect of reducing discharges into the Ebro. This measure has been flagged as an improvement opportunity in the facility's ISO 14001 Environmental Management System.

Internal reuse of water

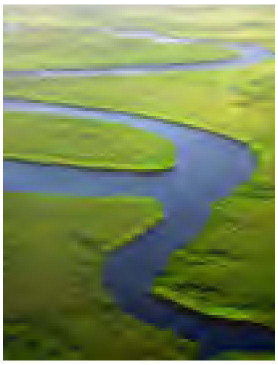
Between 2015 and 2020, Repsol increased its use of reused water by 62%. In 2020, reused water accounted for 21% of the total water that enters operating processes, excluding water collected by the Electricity and Gas business.



Industrial Area facilities carry out advanced treatment of wastewater streams for reuse in their own processes. In 2020, internally reused water accounted for 22% of the total water that entered operating processes. This is clear evidence of Repsol's commitment to finding new uses for water.

Reducing the impact of discharges

In 2020, a total of 37.4 million m^3 of water was discharged, without counting the discharge of cooling water from the combined cycle plants of the Electricity and Gas business. This made for a reduction of 26% compared to 2015.



Repsol is working to start up a wastewater treatment plant at its production facilities in Kinteroni (Peru) to improve the quality of wastewater.

Collaborative approach to water management

For Repsol, a collaborative approach to water management is important. It believes in joint relations with stakeholders and regulators and in paying close attention to their needs and interests. This collaborative approach leads to more effective management strategies to help prevent risks and mitigate impacts on the affected river basin.

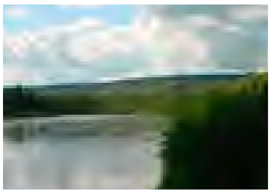
Notable examples of partnerships with stakeholders for the responsible management of water as a shared resource include the following:

Collaborative approach to water management

Blue Certificate in Lot 57

Project to obtain the Blue Certificate by Repsol Exploración Perú for its operations in Lot 57. The certificate is a recognition granted by the National Water Authority (ANA) and is obtained thanks to the measurement, reporting and reduction of the water footprint and the development of a shared value project. In 2020, the ecological and participatory restoration of exploratory platforms was implemented in coordination with the Ashaninka Communal Reserve (ECOASHA-NKA), the native communities in the area of influence of the abandoned project and the State through the National Service of Natural Areas Protected by the State (SERNANP). This has restored the ecological integrity of the forest, which is fundamental to the conservation of local water resources.

Participation in the Red Deer River Watershed Alliance (RDRWA)



The RDRWA is an organization that works to promote the good use and management of water resources within the Red Deer River watershed in Alberta, Canada. It engages with a wide range of stakeholders who influence water and land use practices in the communities. This organization leads activities related to watershed planning, shares best management practices, reports on the status of the watershed and educates users on the importance of water resources, an area of more than 49,650 km² where more than 300,000 people live. Repsol plays an important role in the RDRWA, both as a shareholder and as a financier.

Stakeholder dialogue channels

Establishment of permanent dialogue channels between society and the company, such as the Public Advisory Panel of the various industrial complexes, which allows us to become aware of and convey the concerns of the neighbors about safety, health and the environment, including water.

Work with associations

Participation in water working groups at the sector level in the following associations: IPIECA , CONCAWE, AOP, CEFIC or FEIQUE. In the case of IPIECA, 2020 has been a year with significant activity that has brought with it the publication of:

- A fact sheet on the opportunities and challenges of reusing water in E&P, and
- A document for water risk assessment in the O&G sector that provides a high-level overview of how water-related risks can be defined, assessed and responded to.

8.2.3. Circular Economy

To guarantee sustainable growth, Repsol optimizes the use of resources when manufacturing its products. Many natural resources are finite, and so a balance must be struck to protect the planet while maintaining welfare and economic development.

Traditional "extract-manufacture-dispose" production models are no longer enough to meet current needs, which demand more circular models.

The circular economy is a new model of production and consumption that guarantees sustainable growth over time. Thanks to the circular economy at Repsol:

- Minimizes the consumption of virgin resources
- Optimizes production processes
- Increases the useful life of products
- Minimizes waste generation and encourages the reuse of waste through recycling or by giving it a second life and turning it into new products

Repsol prioritizes efficient management of resources, focusing on the circular economy.

Circular Economy at Repsol

Circularity key lines

Eco-design

From the design phase of our products, we incorporate criteria that allow us to minimize the consumption of raw materials in their production, extend their useful life and increase the subsequent recycling of their components.

Efficiency and process innovation

We optimize resources and processes so that waste has a new use, both in our production processes and in those of third parties.

Renewable energy and alternative raw materials

We use renewable energy sources and alternative raw materials of residual origin in manufacturing our products.

New consumption patterns

We encourage initiatives that prioritize renting over buying products to promote more sustainable consumption.

Levers

Repsol Technology Lab

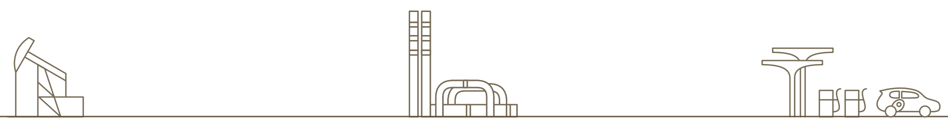
We rely on technology through our technology center to provide circular solutions to our businesses, making them more efficient, sustainable and competitive.

Partnerships

We work with more than 180 strategic partners, organizations and institutions with whom we develop circular initiatives and create the necessary synergies to accelerate the implementation of circular economy projects.

Examples of circular projects

- Mud management
- Circular polyolefins
- Mono-material
- Reciclex
- Biofuel from waste
- Wible



Production | Transformation | Commercialization

Value chain and Projects

Learn more about the Circular Economy and our pledge at: https://www.repsol.com/en/sustainability/circular-economy/index.cshtml

GSP 2021

2025 Objective: Developing cross-cutting circular economy projects in cooperation with external institutions, working with all businesses across the Company.

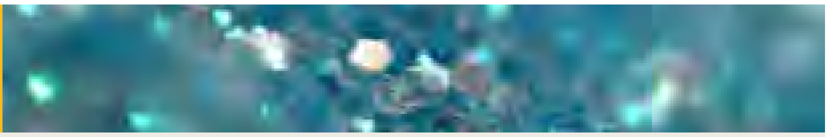
+220 circular initiatives in 14 countries

+180 strategic alliances

+10 million€ in circular economy projects

The circular economy strategy, approved by the Chief Executive Officer in December 2016, is integrated into the key lines of action for 2025 under the Safety and Environment strategy, favoring the contribution to the Company´s priority SDGs and meeting the expectations of stakeholders. Repsol's 2021-2025 Strategic Plan includes a roadmap with intermediate goals for delivering on the Company's pledge of becoming a net-zero emissions company by 2050. The Company has therefore committed to a process of industrial transformation, considering both the circular economy and the decarbonisation of its assets as key elements.

With this objective in sight, Repsol aims to attain a sustainable biofuel production capacity of 1.3 million metric tons by 2025 and of over 2 million metric tons by 2030, of which more than 65% will be produced from waste.



Advanced biofuels from waste

At Repsol, we have been working tirelessly on the search for new technologies and raw materials to make our fuels and processes more circular and sustainable, with the support of Repsol Technology Lab.

We continuously adapt our industrial complexes so that they are able to process waste raw materials such as used cooking oil, waste biomass, and agricultural and forestry waste into carbon-neutral products (or fuels).

Repsol is set to become a benchmark in advanced biofuels, with a production capacity of 1.3 million metric tons by 2025 and of over 2 million metric tons by 2030, of which more than 65% will be produced from waste. We are therefore making significant progress toward our commitment to become a net zero emissions company by 2050.

With this vision in mind, Repsol already has several projects in progress, including the construction of the Cartagena biorefinery, which will become Spain's first ever advanced low-emission biofuels plant. The facility will be able to produce 250,000 metric tons per year of hydrobiodiesel, biojet, bionaphtha and biopropane for maritime, air and land transportation uses. *See Section 8.3 Technology and digitzation for more information on our circular economy technology projects.*

It also plans to recycle the equivalent of 20% of its polyolefin production by 2030 in order to incorporate waste plastic material into the manufacture of new polymers.

In 2020, the **main advances** made toward the circular economy included the following:

- **More than 220 circular projects,** many of them carried out jointly with upward of **180 strategic partners,** public bodies and institutions to create the necessary synergies to speed up its implementation.
- Searching for new raw materials and technologies with which to produce our products more sustainably. **More than 40 different waste types and technologies** were appraised during the period.
- **Circular Economy Action Plan**. The Company has set up a circular economy working group, comprising representatives from different business units who respond to the requirements of the Company's Circular Economy Committee.
- Active participation in more than **10 national and international working groups**, notably: CEOE, Spanish Chamber of Commerce, COTEC, IPIECA, World Economic Forum, Plastics Europe, CEFIC, CONCAWE, European Commission, Committee CTN323 of the UNE, AOP, etc.
- Reviewing the Company's Circular Strategy and bringing it in line with European Green Deal and the Spanish Circular Economy Strategy known as *España Circular 2030*. Within this framework, we have collaborated with MITERD in defining Indicators and Circularity Good Practices
- Identifying circular economy indicators, useful for both quantifying how circular a project is and for making project-related decisions.

8.3. Technology and digitalization[1]

8.3.1. Technologies for decarbonization

Technological innovation is key to accelerating the development and implementation of innovative technologies and business models for the Company and society. In 2020, Repsol invested 70 million euros in own R&D (Repsol Technology Lab), generating 11 new patent families. It is firmly committed to the decarbonization of its industrial production and transportation by focusing on the development of technologies that drive:

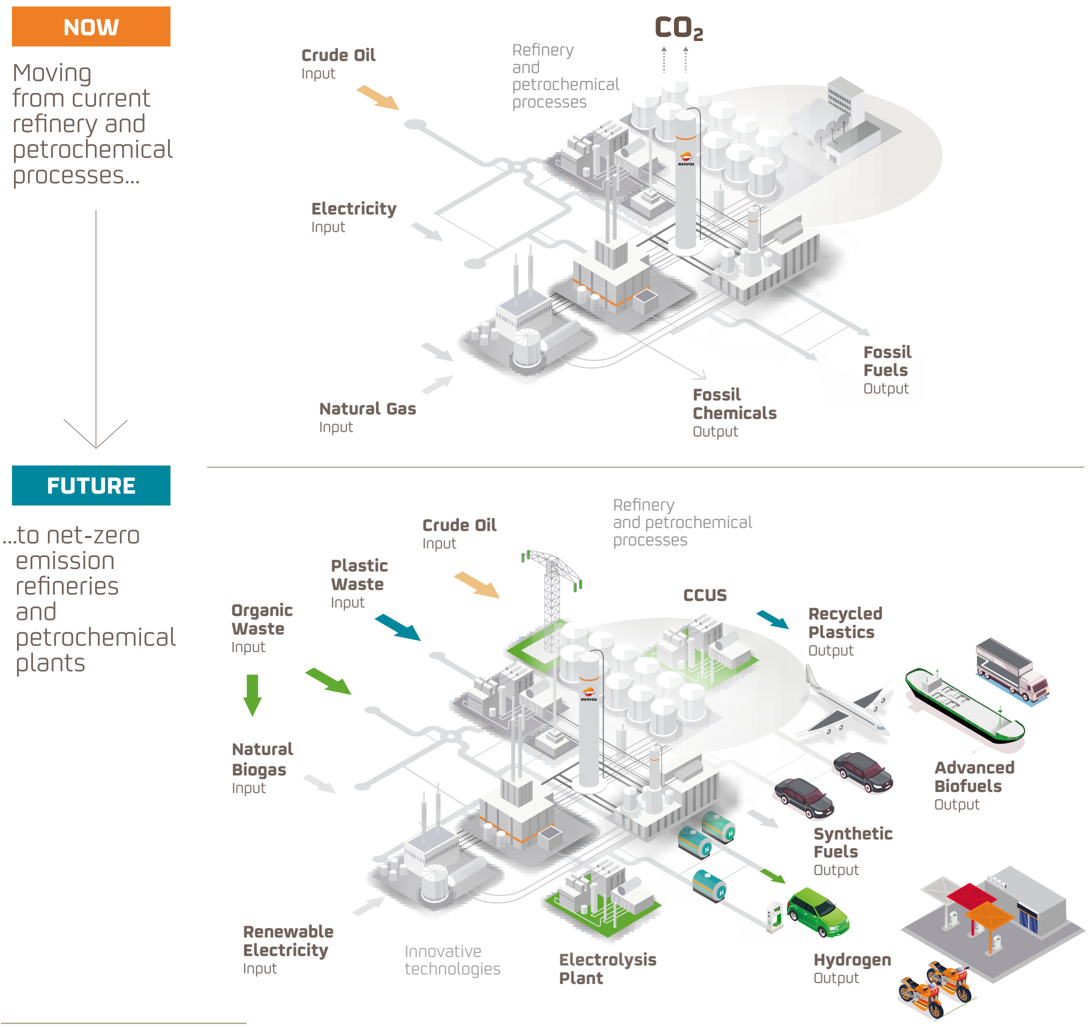
- The accelerated decarbonization of refineries and petrochemical plants and their products through circular processes that use organic waste as the raw material.
- Production of renewable hydrogen at refineries and petrochemical plants through the use of technologies such as electrolysis from renewable electricity, biomethane reforming and photo-electrocatalysis.
- Production of advanced biofuels from waste and synthetic fuels from CO2 and hydrogen to support an accelerated transformation toward low-emission transportation.

The refinery of tomorrow features an inseparable and winning combination of decarbonization and circularity. Achieving this type of refinery raises various ambitious technological challenges, as described below.

GSP
2021

2025 Objective:
Reaching a sustainable biofuel production capacity of 1.3 million metric tons by 2025.

The refinery of the future:



1. The magnitudes and indicators in this section have been calculated according to the corporate regulations that establish the criteria and applicable methodology. Investment in R&D includes the figure corresponding to joint ventures in Brazil.

Production of advanced low-carbon biofuels

In October 2020, Repsol announced the construction, at its Cartagena refinery, of **Spain's first advanced biofuel production plant, entailing an investment of 188 million euros.**. The Company will use this facility to supply some 250,000 metric tons of advanced biofuels per year for aviation and land transport uses, thus enabling a reduction of 900,000 metric tons of CO_2 per year.

Repsol is also working to find alternatives to fuels for road transport, as well as for air and maritime transport. Specifically for air transport, the Repsol Technology Lab is developing processes for the production of kerosene from renewable or recycled raw materials, which are then scaled up to industrial production. In 2020, the Company successfully **manufactured the first batch of aviation biofuels for the Spanish market**. This particular biojet was produced at Puertollano (Ciudad Real) and is being continued at other Repsol industrial complexes in Spain.

Use of biogas from organic raw materials

The Company is leading projects in new technologies to obtain renewable gases from waste. A key project here is the **future biogas production plant from municipal solid waste in Bilbao**. The aim is to use the biogas generated to replace part of the natural gas consumed by the Petronor refinery, thus contributing to decarbonization. The plant will transform 10,000 metric tons of waste per year, with a capacity that can be expanded in later phases to up to 100,000 metric tons per year.

Recycling plastic to produce circular polymers

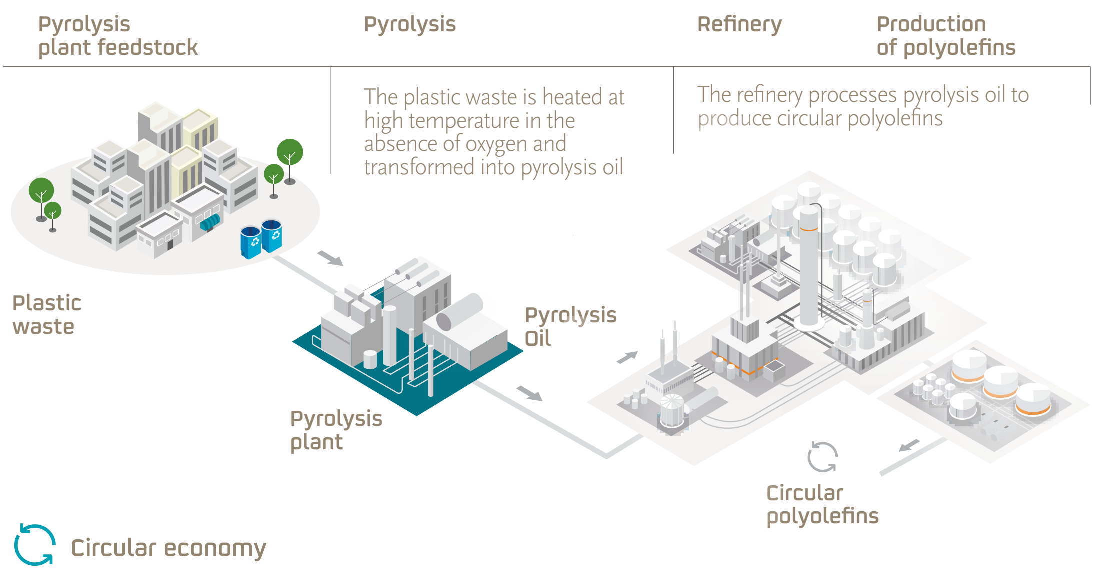
Repsol is working to recycle the equivalent of 20% of its polyolefin production by 2030. The Company's circular polyolefins can be obtained by replacing part of the conventional raw material used with oil from the chemical recycling of plastic waste that is not suitable for mechanical recycling, which is also carried out at its facilities.

Production of renewable hydrogen at refineries and petrochemical plants

The most widespread technology for hydrogen production today is steam reforming from natural gas. The search for solutions to reduce the carbon intensity involved in the production of this hydrogen is one of the key priorities of Repsol's Technology area. The Company is currently pursuing various projects in relation to the generation and use of renewable hydrogen with a low carbon footprint, notably the following:

- Production of renewable hydrogen through electrolysis at the Bilbao refinery.
- Development, alongside Enagás, of a new technology for the production of hydrogen through photoelectrocatalysis using solar radiation.

Biogas production plant from municipal solid waste



Production of synthetic fuels from renewable hydrogen and CO_2 captured at the refinery itself

Repsol plans to invest 60 million euros in **building one of the world's largest net-zero emission demo plants** to produce synthetic fuels from renewable hydrogen. The facility will be built at the Port of Bilbao (Spain), close to the Petronor refinery. These new fuels will be produced with water (hydrogen precursor) and CO_2 as the only raw materials, and can be used both for mobility and in the residential sector.

It will also enable the direct use of hydrogen as a transport fuel by powering new hydrogen fleets and vehicles.

Development of low carbon footprint fuels in all fields of mobility, including top-flight competition

Developing fuels with a high renewable content is one of the cornerstones of Repsol's decarbonization roadmap. The Company currently uses biofuels in blends with mineral fuels, diesel and gasoline, in compliance with European regulations on the use of energy from renewable sources in transport. Adding these biofuels to conventional fuels in higher proportions is a technological challenge.

Repsol's Technology Lab is therefore working on the development, demonstration and scaling of products with low or zero carbon emissions. To achieve this, a roadmap has been drawn up to develop low or zero carbon fuels for different road transport segments, including service stations, vehicle fleets and even motor racing. The plan is therefore to develop gasolines and diesel fuels with carbon footprint reduction potentials ranging from 50% to negative footprint.

CCUS

To develop carbon capture, utilization and storage (CCUS) technologies, the Company works alongside its partners on the Oil & Gas Climate Initiative (OGCI) through the Climate Investment fund. This organization brings together 12 large companies from the Oil & Gas sector and its fund invests in decarbonization technologies. In the realm of CCUS, highlights include the investment made in Canadian company **Svante**, which has developed a CO_2 capture technology with the potential to halve the costs of other current techniques through the use of nano-adsorbents.

Repsol is also appraising CCS opportunities at its E&P assets with the scientific support of the Repsol Technology Lab. As a result of this assessment, the Company has launched the **Sakakemang** project in Indonesia, a **pioneering initiative for the Group in the capture and storage of CO_2**, with a potential of 1.6 Mt/year of CO_2.

The captured CO_2 can be geologically stored or used as a raw material for a wide range of applications. Repsol Technology Lab is also developing tech to convert captured CO_2 into raw materials for a broad spectrum of products, from the synthesis of polymers and the production of synthetic fuels to their eventual incorporation into construction materials, among others. OGCI also supports cutting-edge companies in this realm, including **Solidia**, which uses CO_2 to manufacture concrete.

Distributed generation and grids

Repsol is working to develop the following technologies to incorporate integrated solutions based on artificial intelligence that will increase the energy efficiency and flexibility of electricity grids:

a) Energy management systems (EMS), which lower electricity consumption and optimize the operating regimes for various electrical applications.

b) Virtual Assets Management (VAM) systems to aggregate distributed generation sources and demand within a territory, enabling the secure and stable operation of the electricity system.

8.3.2. Repsol Corporate Venturing

Repsol's objective is to accelerate the introduction of innovative technologies and business models, through an investment fund that seeks to acquire stakes in start-ups that offer solutions in three key realms of action: decarbonization and circular economy, advanced mobility and renewable energies, and digital technology and asset optimization.

Project to produce hydrogen

Development of photoelectrochemical technology for hydrogen production, in partnership with Enagás. This proprietary and disruptive technology splits water into hydrogen and oxygen without the need for any electrical power source, thus enabling the direct transformation of solar energy into chemical energy at ambient pressure and temperature through a single device.

In November 2020, the first pilot plant started operating on a relevant scale (~1 m^2 per module) at the facilities of Repsol Technology Lab. This pilot is the most ambitious project to date in terms of photoelectrochemical hydrogen production, in terms of size and efficiency, while simultaneously overcoming key challenges relating to stability and cost.

GSP
2021

2022 Objective:
40% of the investment in R&D projects in line with the pillars of the Sustainability Model.

The fund's investment portfolio currently features more than 20 investee companies (*see http://ventures.repsol.com*). In 2020, activity focused on portfolio management through the financing of startups to ensure the growth of their business plans amid the adverse economic environment resulting from the COVID-19 pandemic. In 2020, the fund invested in five start-ups for a total investment of 10.4 million euros, with 94% of the total investment targeting companies that develop low carbon technologies. The most notable transactions and deals were as follows:

- Creation, alongside Valencian metallurgical company IMECAL, of the company **PERSEO Biotechnology S.L**., which has a novel patented technology known as Perseo Bioethanol®, with which to transform municipal solid waste into advanced biofuel in a profitable manner.
- The capital increase at **Begas Motor S.L**., a company that develops Euro VI certified engines for heavy vehicles that run on LPG, under a joint investment with the CDTI through the INNVIERTE program.
- Divestment of the stake held in **Principle Power Inc**, a North American company that owns a floating structure technology for offshore wind power generation. The decision to sell the interest follows the end of the venture capital investment phase, after eight years as a shareholder.

To accelerate the exploitation of the technologies and maximize the likelihood of success for the investment, pilot tests and technological developments of the Company's operations have been planned with all of the startups featured in the investment portfolio.

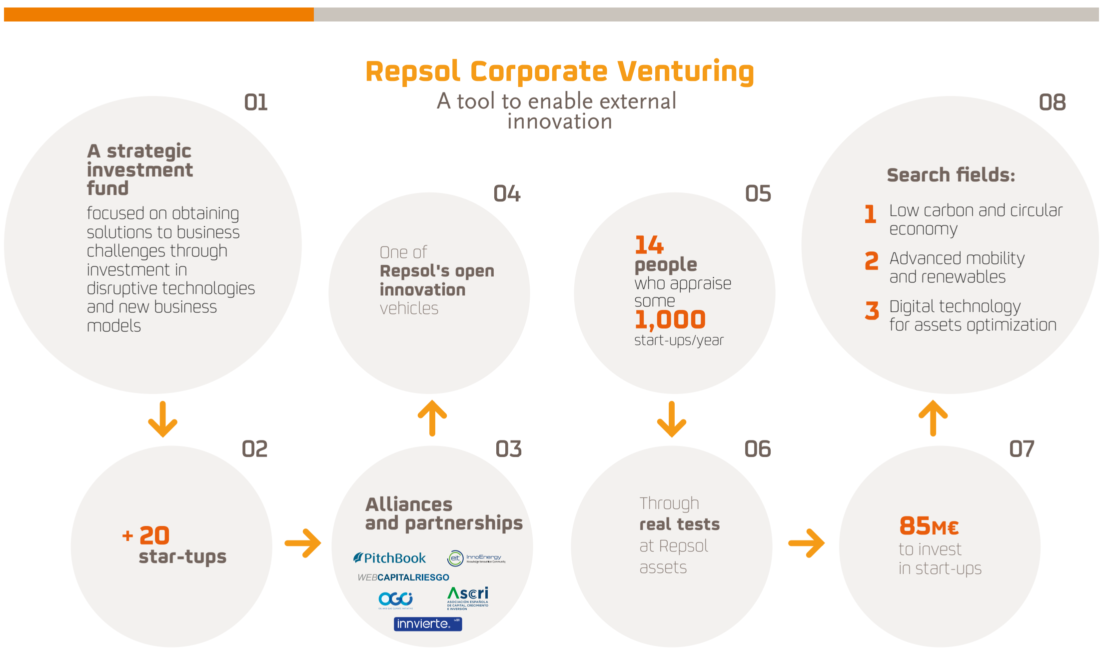
Meanwhile, and as mentioned above, Repsol takes part with its Oil&Gas partners in OGCI Climate Investments (OCGI-CI), a vehicle for channeling more than 1 billion dollars into startups over a 10-year period with a view to fighting climate change by reducing greenhouse gas emissions linked to the supply of energy. Four new companies were added to the fund in 2020. For more information, click here: (https://oilandgasclimateinitiative.com/climate-investments/).

Repsol's innovation model is leveraged on open innovation and networking, in alliance with technology centers, companies and universities from around the world. For more information, see https://www.repsol.com/en/energy-and-innovation/open-innovation/index.cshtml.

Indicators	2020	2019
No. of external scientific partnership agreements	72	54
Projects supported by the Spanish government	18	14
Projects promoted by the EU	15	12

GSP
a

Ambition:
Drive technological innovation as a lever of transformation toward sustainable business models.



8.3.3. Digitalization

Since its inception in 2017, Repsol's Digitalization Program has remained firmly committed to sustainability through more than 250 digital cases, of which 105 contribute directly to the Company's own sustainable development goals.

This Horizontal Program seeks to obtain economic benefits along the entire value chain through digital technology drivers such as artificial intelligence, advanced data analytics, robotic process automation (RPA) and omni-channeling.

In 2020, the Company prioritized the following initiatives to increase safety and operational efficiency and cushion the environmental impact:

- In the field of E&P and with regard to safety at facilities, the Company has opted for digital solutions that feature both physical and logical control barriers, where data can be managed through the graphic representation of risk scenarios (Bow-Tie models). As for reducing the environmental impact, highlights include the Global Environmental Monitoring Index (GEMI) methodology for comprehensive natural capital assessment and decision-making (*for more information, see Section 8.4*). Repsol is also working to make the measurement of greenhouse gas emissions part of its Production Management Systems (*PMS*) to standardize the process of calculating and taking inventories of greenhouse gas (GHG) emissions at assets, as per the standard defined by the Company.
- In the industrial realm, various Smart Energy Management initiatives are currently being scaled up. These initiatives provide recommendations on how to reduce energy consumption at industrial assets through simulations and machine learning, thus achieving reductions in GHG emissions across the different phases of the production process. Further initiatives include apps which, once installed on a mobile device, allow workers to carry out tasks related to key processes anywhere within the production plant (prioritized management of steam leaks, scheduled checks, plant inspections, spot checks, safety checks, etc.). In relation to safety, Repsol has deployed a smart system known as *Asset Health* at the five refineries. This system relies on predictive tool maintenance models that integrate a large quantity of plant data with various failure prediction models, showing the user corrosion heat maps and the health of the equipment, thus improving its management and helping to avoid the risk of containment loss.
- Meanwhile, the Chemicals business has been working to improve the traceability of processes from start to finish, effectively reducing risks in the transport of potentially unstable mixtures and providing predictive models to anticipate possible quality impairment or optimize the operation of production units.
- At the Trading business, highlights include the implementation of an integrated ship Vetting management system and the automation of the incident management process for vessels. These initiatives have a significant impact on the safety of operations and the management of incidents and emergencies.
- On the commercial side, progress has been made in the deployment of applications based on sensorization, Artificial Intelligence and Cloud technology. A prime example is the *Smart Management* of energy, through tools that offer customers recommendations on how to make their home or business more energy efficient. Sensorizing different elements of Service Stations allows us to optimize the management of our assets and improve the customer experience. And in the residential segment, highlights include the development of energy management solutions like Solmatch, which champions the distributed generation of electricity at consumption points through the design of solar communities in urban centers.

The Company is also promoting the use of the Repsol ARiA Data Analytics Platform, which acts as an enabler of digital products for the different businesses by providing a huge knowledge base in the form of data and analytical models, all hosted in the cloud.

Another driver of digital transformation that will impact sustainability is the development of robots to ensure safe operation by reducing exposure to employee hazards during routine maintenance work or operations, and keeping the handling of hazardous substances to a bare minimum.

GSP
20
21

2022 Objective: Champion new digital solutions that will contribute toward efficient and sustainable energy generation.

In **2020**
+250 digital initiatives, **105** of them directly impacting sustainability

External recognition: Repsol has launched an ambitious digital transformation program that has been making essential contributions to its business model.

MITSloan Management Review

Digital initiatives with an impact on Sustainability

Affordable and non-polluting energy

READS
Tool for assessing and quantifying impacts on natural capital and making them part of the decision-making process

Solmatch
100% sustainable energy model that will pave the way to distributed or decentralized generation in Spain

Source of your energy
Empowering electricity consumers by allowing them to choose the source of their power

Decent work and economic growth

Repsol workplace
Inclusive working environment

Road-rail
Reducing people's exposure to the product when loading trucks or trains

e-permit to work
Digitalization of work permits to enable better control by control room operators

Repsol Digital Girl
Driving economic growth, equality and integration by fostering female talent in STEM disciplines

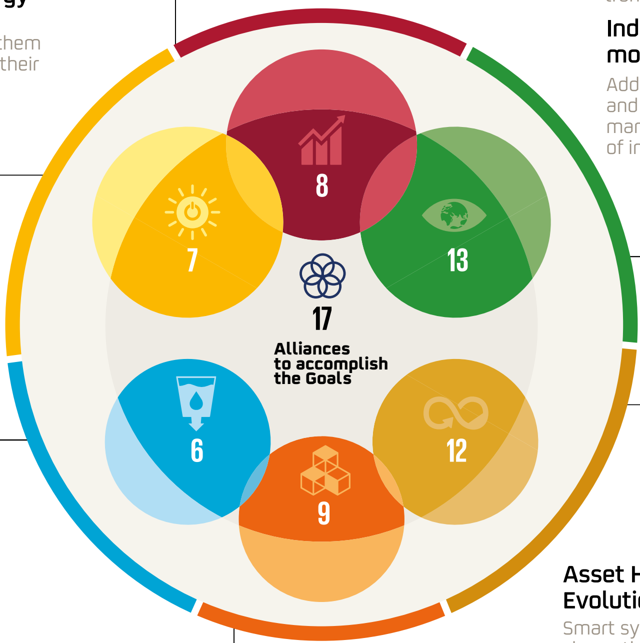
Climate action

SMART energy management
End-to-end optimization of how energy is used

HEAT X
Efficiency energy transfer

Industrial mobility
Added safety and more efficient management of incidents

ELIoT
Makes all elements of service stations smarter and more efficient through sensorization, which not only optimizes the management of the assets but also improves the customer experience, focusing on energy efficiency



Clean water and sanitation

Vetting
Integrated ship Vetting system enabling verification that the ships meet applicable regulations for each voyage

Emergency Response Process
Automation of the ship incident management process so that decisions can be made in response to any threat to people, safety or the environment

Industry, innovation and infrastructure

Cognitive Challenge
Co-creation of Advanced Analytics ideas

ARIA
Repsol platform enabling the use of Big Data and Artificial Intelligence

Responsible production and consumption

Asset Health Evolution
Smart system that shows the user information on the health of the asset in the form of heat and corrosion maps, thus improving asset management and preventing the risk of loss of containment

Diesel and gasoline Blending Optimization
Blending optimizer for DMC systems to reduce consumption involved in Electricity and Gas product reprocessing

wible | PIL
Enhanced user experience to promote sustainable mobility

Crude Oil Blending and Agile Scheduling Tool
Optimization and scenario management helps respectively, to select crude oil and schedule products in response to prevailing demand

8.4. People

Employees

24,125

Gender indicators

37% women at the company

31% women in leadership positions

51% of new hires are women

Nationalities in 31 countries

79 nationalities

Direct hiring of employees with different disabilities

527 People

2.42% LGD España

Learning

84.9% of employees have received training

Performance

81.5% of employees have been assessed

Volunteering

1,400 Employees took part in International Volunteering Week

1,908 Total number of employees who took part in volunteering actions

Degree of employee satisfaction

82% with the support received amid the pandemic

Employees teleworking

3,847

Repsol, through its people management policy, promotes a working environment based on equal opportunities, diversity and inclusion.

5 GENDER EQUALITY

8 DECENT WORK AND ECONOMIC GROWTH

8.4.1. Human capital[1]

Repsol is a global and diverse company, with engaged and enterprising talent that works as a team and is able to make an exceptional contribution in the unusual circumstances we are currently witnessing.

In 2020, marked by the COVID-19 context Repsol's main priorities have been to manage the crisis caused by the health situation and the accompaniment of the Company's Resilience Plan in the management of workforce and personnel costs, while continuing to respond rapidly to the new challenges relating to talent management and ensuring organizational agility.

1. All data, unless otherwise specified, refers to employees at the companies in which Repsol establishes policies and guidelines relating to people management. Societat Catalana de Petrolis SA (formerly known as Petrocat) is excluded as a managed company.

The health crisis and deployment of Repsol's Resilience Plan

Repsol has activated a series of measures throughout the year aimed at safeguarding the health of employees without affecting the continuity of the operations or the service provided. Different initiatives have been rolled out through the COVID-19 Coordination and Monitoring Committee, headed by the People and Organization area with members from the Business Units and various Corporate Divisions. The committee is entrusted with the following key tasks:

- Defining prevention measures and protocols to be implemented in the different countries and work centers.
- Compiling epidemiological data and continuously monitoring and analyzing the impact of COVID-19 on employees.
- Regularly informing employees about prevention measures, the evolution of the pandemic, solidarity actions, etc.

Measures in place to ensure health and productivity:

- activating new working shift approaches in the industrial facilities
- keeping service stations open, based on the safety and service requirements prescribed by the competent authorities
- ensuring the agile deployment of remote working for employees not working in an industrial site or service station, without impacting their performance
- overseeing a safe and orderly return to work, guaranteeing that the biological capacity is not exceeded and providing individual protection measures

The health crisis has also had a significant impact on labor relations and productivity, as the restrictions have prevented employees to access their work sites. This has called for rapid and urgent digitalization and the need to implement remote working arrangements. In addition, Repsol has been adapting and responding rapidly to the constant legislative and labor regulation changes emerged in the different countries.

In June, all employees were asked to complete a **global survey** to find out their views on how the COVID-19 crisis was being managed. Notably, the survey revealed widespread satisfaction with the management of the health crisis (82%), along with an improved perception of the Company and a positive assessment of the people management activity carried out over the period.

Protect employment has been a priority for Repsol within the crisis situation and under the framework of actions to accompany the Resilience Plan of the Company, guaranteeing proper management of the operations as well as productivity, and maintaining personnel costs stable.

Average staff costs[1] per employee amounted to 69.9 thousand euros in 2020 (72 thousand euros in 2019). Total spending on social benefits has been 103.6 million euros in 2020 (115.6 million euros in 2019), of which 78% took the form of healthcare and pension fund contributions.

Organizational streamlining and adoption of new ways of working

Repsol is committed to a flatter and more flexible organization to make us more agile and enable more efficient management. It is also seeking to combine on-site and remote work via a digital environment that favors productivity and a healthy work-life balance and is based on trust, collaboration and results-based recognition.

During 2020 the Company has continued with the transformation agenda focusing on the following elements:

- Supporting the deployment of transformation processes that have resulted in flatter and more flexible structures and marked an important step toward a new mentality in our approach to work. These processes have impacted 1,282 people and have led to a 72% improvement in the span of control of the transformed areas.
- Deployment of the Digital Workplace, which defines different actions to promote new ways of working on three fronts: people, workspaces and use of technologies and digitization. The mobilization of a network of drivers of the digital transformation, comprising more than 300 people from different
- departments and businesses, has been a key element.Training 1,847 people in Agile & Lean methods and practices to instill good behaviors.

1. Corresponds to staff costs/staff benefits based on the accumulated average managed workforce (including Societat Catalana de Petrolis, S.A.). Personnel expenses include social security costs and other expenses except severance pay, director's remuneration and travel expenses.

Thanks to the Company's proactive efforts a consolidated labor framework was available with a robust level of digital maturity suitable to quickly flex and combine of remote and face-to-face work in those jobs suitable for this practice.

In the last 10 years Repsol has been gradually implementing remote work by applying a mixed model that alternates physical presence and remote work for qualifying job positions. In 2020 remote work requested by employees has increased by 27%.

Strategic Talent Management

Repsol fosters talent and leadership as strategic drivers, favoring an **inspirational and entrepreneurial** style of leadership that involves motivational and anticipatory people management.

In 2020, the Company launched its executive development roadmap, which associates specific development actions for executives according to their career stage. The global Mentoring plan for 2021 has also been approved. Both actions support the Company's new Strategic Plan.

The launch of the People Analytics practice, which advocates a culture of data-driven decision-making, allows for a more strategic form of talent management. This also includes workforce planning (*Delfos*), which, based in businesses forecasting needs and strategic challenges, as well as the context and industry evolution, will enable Repsol to project and anticipate staffing needs, required profiles and future capabilities.

Repsol's development model is based on a new model of generic skills to be applied to recruitment, internal mobility, training and talent assessment processes. These processes have been reviewed and streamlined with the overriding aim of improving the **employee and manager experience**.

The Company's transformation has also entailed the need to **adapt people to the new profiles and needs of the businesses**. In doing so, the Company has relied on mobility where career opportunities have been spotted and on professional reorientation or reskilling programs.

This year, the prevailing climate has **led to an exponential increase in synchronous training** (on-line) delivered through **virtual spaces**, involving the technological adaptation of both learning content and trainers. Repsol has a digital platform where employees can create their own learning path and pick their own preferences and hear recommendations. In 2020, participation in online training activities experienced a significant increase, driven by digitalization and the prevailing climate. A significant percentage of the training was focused on learning COVID-19 safety protocols, raising awareness of the Code of Ethics and Conduct, learning about compliance requirements and cybersecurity measures, and developing skills to support the roll-out of the new ways of working, digitalization of the job and remote team management.

For business units, training has focused on supporting business continuity and deliver specific programs to adapt employees profile to new business needs (reskilling) and strengthening specific skills to create experts and specialists (upskilling).

Repsol is committed to the **employability of young talent** and has signed scholarship agreements with educational authorities and training centers in Spain to welcome dual vocational training students and interns to our industrial plants, *Technology Lab* and Campus. In November, for instance, Repsol was an ambassador of European Vocational Skills Week 2020.

Within the framework of the ***Employer Branding*** think tank, Repsol has been recognized by the *Webranking* by *Comprend* as having the best Spanish corporate website in 2020, thanks to the way it presents the Company and what working there truly means.

Repsol was also one of only five Spanish companies to make *The World's Best Employers 2020* ranking of Forbes USA.

As stated in its Code of Ethics and Conduct, Repsol is firmly committed to **equal opportunities and to diversity and inclusion** as differentiating elements on the path to becoming more competitive. These principles will be the product of mutual learning experiences based on the principle of equality and non-discrimination. The Diversity and Work-Life Balance Committee, comprising the by Company's top executives, promotes **inclusive diversity** whereby employees can unlock their full individual potential.

Repsol is committed to gender equality with the main aim of harnessing all the talent available to be found within society. This commitment extends

GSP
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2025 Objective:
Achieve a 35% increase of women in leadership positions.

GSP 2021

2025 Objective:

Go beyond the legal requirements in terms of professional opportunities for people with disabilities.

to the highest standards of the Company and translates into **a target for 2025 of 35% women in leadership positions.** Repsol continues to work toward gender parity and in reducing the gender gap through recruitment, promotions and appointments of executive leaders.

Repsol took part in last November II ClosingGap Economic Equality Summit, where challenges to fight against the gender gap were defined adopting the first toolkit to bridge the gaps gender in Spain, including about 300 good practices and presenting a tested specific roadmap focus on harnessing female talent as a driver of growth.

The energy industry is in a key moment, it is a priority to promote female talent in the technical disciplines of Science, Technology, Engineering and Mathematics (STEM), supporting initiatives such as scholarships or participation in events that serve as a reference.

For the second consecutive year Repsol has being included in the prestigious international indicator on gender equality Bloomberg Gender-Equality Index (GEI). The Company improved in inclusive culture, transparency and quality of data and support for female leadership.

In Spain, Repsol is a benchmark company when it comes to incorporating people with disabilities into the labor market through its responsible purchasing policy, accessibility policy at the work centers, and also through its employability programs. It also aims to broaden the scope of its actions in other countries.

Following the accessibility study held at the headquarter offices in 2018 with the aim of diagnosing the level of accessibility of the environment, services and management, a new project, still under implementation, for Campus Accesibility was designed for 2019-2021.

For the first time at the Company, a framework of action has been created to cover initiatives aimed at the inclusion of the LGTBI group, through the CEO's signing of the **Standards of Conduct for Business on Tackling Discrimination against LGBTI People**, promoted by the United Nations and promulgated in Spain by the Ministry of Foreign Affairs. Further highlights include the 2020-2025 Sustainability Plan for communication, awareness-raising and training initiatives to promote an LGTBI-inclusive environment, as well as the creation of the LGTBI Allies group, which in 2020 had around 40 members in Spain, Brazil and the United States, among other regions.

Repsol, in a clear show of its commitment to people, continues to implement flexibility and work-life balance measures in different countries, with the teleworking program being one of the most popular initiatives among employees. In 2020, there was a 27% increase in employees requesting telework to reach 3,847 (2,790 in 2019).

There are other measures in place such as paid and unpaid leave (prescribed by collective bargaining agreements or by country legislation) and the deployment of different assistance services to help both men and women to work-life balance.

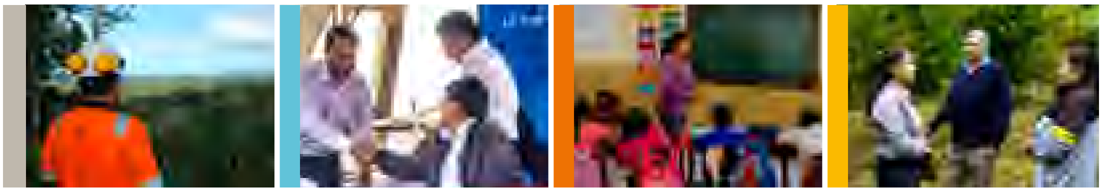
Numerous initiatives are also being developed and informative campaingns are held to reinforce the digital disconnection protocol, signed with trade union representatives and includen in the collective agreements, to encourage a reasonable use of new technologies and to promote a culture that, based on the principle of respect, continues to promote employee well-being.

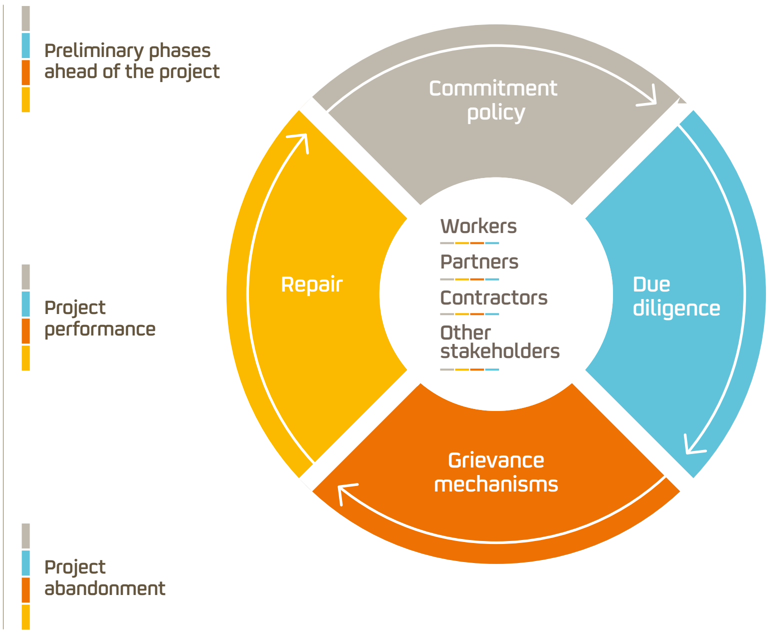
Repsol is committed to a **compensation system** that seeks outward co mpetitiveness and internal equity, based on meritocracy, and valuing performance, cooperation and teamwork. The compensation model encompasses fixed pay, an annual bonus, long-term performance-related compensation and benefits, in addition to a flexible remuneration system in some countries that include, for example, the Stock Purchase Plan and other items such as childcare, health insurance and additional contributions to the pension plan.

In 2020, the Company pegged its variable compensation scheme to the Group's adjusted net profit, balancing this impact accordingly across the various areas and businesses by defining a single Company-wide target. These adjustments to the compensation model are aligned with the 2020 Resilience Plan.

Meanwhile, a stock purchase plan was launched in 2020 for all employees ("Tu Repsol" plan), enabling all workers to become shareholders of the Company under preferential terms and conditions.

Due diligence management model





Continuous improvement of the system is ensured by learning from the different phases of the due diligence process and from its grievance mechanisms and by lessons learned from the Company's external and internal partners.

Due diligence

- Context analysis
- Risks and impacts management
  - Identification
  - Assessment
  - Mitigation and repair
  - Monitoring
- Communication of results

Grievance mechanisms

- Legitimate
- Accessible
- Predictable
- Equitable
- Transparent
- Rights-compatible
- A source of continuous learning

Repsol's policies and regulations are aligned with the United Nations Guiding Principles for Business and Human Rights.

8.4.2. Community Relations and Respect for Human rights[1]

The respect for human rights is a priority for Repsol across all 31 countries where the Group operates, with compliance with the highest international standards. Our respect for human rights is based on two central pillars: political commitment at the top level of the Company and excellent performance in day-to-day operations.

To ensure this level of performance, Repsol relies on human rights due diligence as the most suitable management model for internal processes, with the aim of identifying, preventing and mitigating the negative impacts of the Company's activities. Besides, the Group's grievance mechanisms help to spot and repair possible violations of human rights.

The Company's purpose is to build and maintain strong relationships, based on recognition, trust, mutual respect and shared value with 100% of the communities within the area of influence of its projects and assets. It has also pledged to maximize the positive impacts of its operations and minimize or mitigate any negative impacts.

Commitment policy

Repsol's Human Rights and Community Relations Policy has been fine-tuned since it was created in 2008 to keep up with the highest international standards. It represents the formal commitment of top management and steers the Company's endeavors in this area. While the policy is fundamentally based on the UN Guiding Principles on Business and Human Rights, it also complies with other relevant standards, including the OECD Guidelines for Multinational Enterprises, the International Finance Corporation (IFC) Performance Standards and the 10 Principles of the Global Compact. In the special case of indigenous

1. For more information on human rights and community relations, see www.repsol.com

GSP

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Ambition: Establish strong relations with communities in which the Company is present.

GSP

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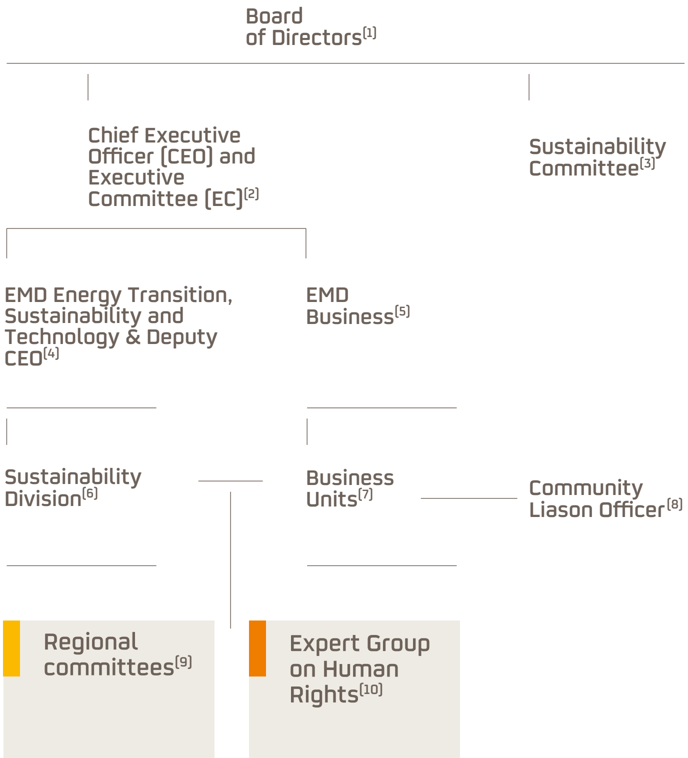
Ambition:

Guarantee people's security with full respect for human rights.

Governance

Governance in Human Rights



1. Approves the Company's human rights strategy.
2. Approve human rights policies and oversee the effective implementation of the strategy. They also manage critical claims as part of the Crisis Committee.
3. Periodic monitoring of strategy and compliance with human rights action plans and objectives..
4. Works alongside the businesses and corporate functions to coordinate and develop the sustainability strategy and monitor action plans.
5. Steers and implements the human rights strategy across the different businesses.
6. Carries out strategic analysis, coordinates and provides technical support to the businesses.
7. Deploy the strategy at each business unit.
8. Link between the communities and the Company in their operations.
9. Share good practices and address material issues in our operations.
10. Coordinates the global strategy with the businesses and cross-cutting areas.

communities, Convention 169 of the International Labour Organization (ILO) governs Repsol's actions in this field.

This commitment spans the entire life cycle of the Company's operations and promotes compliance with the highest international standards among employees, contractors, suppliers and partners. Repsol actively participate in international initiatives, such as IPIECA, in partnership with other companies in the sector. The corporate and business teams actively participate in the working groups. Notably, Repsol is vice-president of IPIECA's Social Responsibility working group.

It is worth noting that for the second straight year Repsol comes within the top quartile of companies operating in the extractives sector in the **Corporate Human Rights Benchmark (CHRB)**.

Due diligence management model

Human rights due diligence lies at the heart of Repsol's management model, which embraces the main international principles in this realm and is deployed in the Group's Community Relations and Human Rights Standard, in force since 2013 with various updates.

The Company's management model has an anticipatory approach that focuses on identifying and mitigating the risks and impacts associated with its activities and on seeking out opportunities, with a commitment to prevention and ongoing dialogue with all stakeholders. It is applied throughout all stages of the life cycle, from the prospect analysis of assets to be acquired by the Company to the abandonment phases. This process involves all stakeholders: contractors, partners, employees, etc.

The due diligence model emphasizes the economic, social and cultural context analysis in the countries in which Repsol operates. This prior analysis allows us to reach a better assessment of the potential impacts and risks and, through constant dialogue, to fulfil our commitment to maximizing the positive effects and minimize or mitigate any negative impacts. This participatory, proactive, constructive and universally accessible dialogue is the basis for building a relationship of trust with communities, sharing the identified impacts and management plans thereof with the local community to ensure total transparency.

The Social Investment Management Standard approved in 2019 and already in force at the Company consolidates the social investment strategy with the aim of assuring transparency and optimizing the positive impact of our social investment by creating shared value and contributing to sustainable development.

100% of operating assets are subject to local communities engagement strategies that lead to local development projects.

The Environmental, Social and Health Impact Assessment Standard, in force since 2011, seeks to ensure that an environmental, social and health impact assessment process is carried out for all Repsol projects and activities, in order to identify and assess potencial impacts and, if needed, deploy the necessary prevention and mitigation measures, involving stakeholders. Before starting a new project or activity, the business units run a preliminary analysis of the social, environmental and health context; legal requirements; identified potential impacts and the vulnerability of the local environment. The social impact assessment takes into account, among other matters, the right to land and its natural resources, the right to a healthy environment and the right to preserve the identity and culture of communities. Besides, Repsol has its own methodology for assessing human rights impacts since 2014.

All of the impact assessments conducted in 2020 included social and human rights aspects. There were 9 impact assessments conducted in 5 different countries during 2020.

Convention 169 of the International Labour Organization (ILO) governs the Company's actions in the special case of indigenous communities, whether or not this particular convention has been transposed into the national legislation of each country. Repsol recognizes and respects the unique nature of these communities and their right to free, prior and informed consent. Consequently, for each project, the level of consent of the indigenous peoples is evaluated. In any case, after both the potential impacts and the advisability of continuing with the project are assessed, a decision that would be taken by the Company's Executive Committee.

Operational-level grievance mechanisms

Most concerns, grievances and complaints from the Company's stakeholders relate to impacts of operations on nearby communities. It is therefore essential to have operational-level grievance mechanisms in place that are designed in collaboration with partners and other stakeholders.

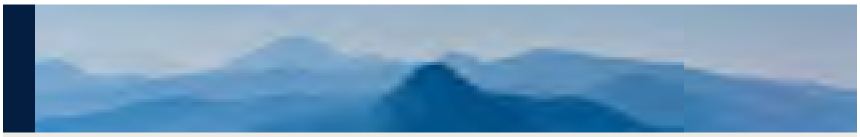
They are processes for voicing and responding to the concerns of the stakeholders affected. Such mechanisms help to reinforce a company's commitment to ensuring respect for human rights and are an essential part of the due diligence process. They also help anticipate and prevent potential negative impacts.

The nature of such mechanisms close to Repsol operations is special and unique to each setting and context. They are designed on the basis of well-informed participation, following the United Nations model.

To be considered legitimate, they must cater to the local circumstances, needs and languages of the area, thus making them accessible to all. That leads to an environment of trust and respect that makes it easier for employees, local residents and rights defenders to report complaints or grievances without fear of retaliation. Moreover, these operational mechanisms are no impediment to judicial or extra-judicial proceedings, and nor do they affect the legitimate and peaceful activities of human rights defenders.

If the operations of the Company or of its partners or contractors do generate a social or environmental impact, Repsol actively cooperates to repair it. Repsol includes human rights clauses in contracts with partners and suppliers, conducts social audits and provides support with awareness-raising activities to ensure due diligence on both human rights and grievance mechanisms.

In 2020, 72% of all complaints received during the year were resolved.



Triple-impact investment: Repsol Social Impact seeks to invest in and grow companies that are focused on energy transition and the inclusion of vulnerable groups in Spain and Portugal.

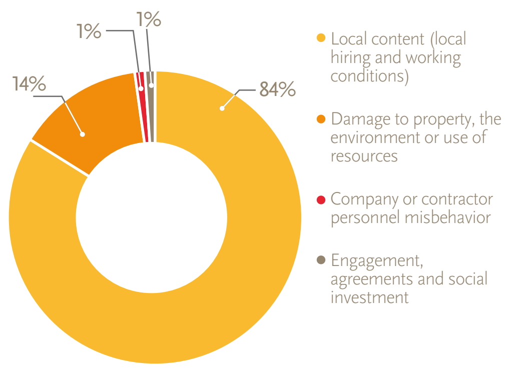
Repsol Social Impact is wholly owned by the Repsol Foundation. It seeks to support a sustainable energy transition and create opportunities for vulnerable groups through a network of economically sustainable companies that generate a social and environmental impact in Spain and Portugal. These companies focus on the following activities: emissions reduction, sustainable mobility, circular economy, energy efficiency and eco products and services. These companies must also champion social development by enabling or generating employment opportunities for vulnerable people or those at risk of exclusion.

Repsol Social Impact already holds interests in: the Sylvestris Group, dedicated to reforestation; Koiki, dedicated to sustainable last-mile delivery of packages by vulnerable people; GNE Finance, specialized in eco-sustainable urban rehabilitation in vulnerable environments; SAEMA, focused on the recovery and recycling of plastics and packaging; and, together with Ilunion, Recycling4all, which is engaged in the large-scale industrial recycling of electrical and electronic equipment.

Repsol strives to create a safe, well-protected working environment.

8 DECENT WORK AND ECONOMIC GROWTH

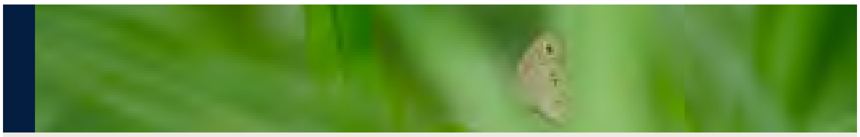
Types of complaints received in 2020



Economic impact on communities and shared value

The Company assesses opportunities that generate positive impacts and enhance the shared value when undertaking the projects, avoiding future dependencies. Sustainable socio-economic development derived from sound planning based on dialogue and consensus with local communities is a key priority and determines the scope of the investment.

In 2020, social investment came to 37.8 million euros. See *Appendix III* for more information and examples of social investment projects.



Repsol's approach local communities amid the COVID-19 pandemic

One of the Company's main objectives during the COVID-19 pandemic has been to avoid contagion among local and indigenous communities and to ensure due respect for their rights. Here are some of the extraordinary measures undertaken to address most of these vulnerable groups:

- Launching prevention campaigns in the local languages of the communities.
- Reducing the number of employees and contractors working at blocks where vulnerable indigenous communities are present.
- Carrying out comprehensive preventive health checks.
- Coordinating medical and social action with local governments and authorities.
- Reinforcing communication mechanisms and communication so that local communities can raise their concerns related to COVID-19.

Security and human rights

Since 2013, Repsol subscribes to the United Nations Voluntary Principles on Security and Human Rights to assure the security of operations in sensitive or conflict areas through working procedures that ensure respect for human rights. Repsol requires private security companies to ensure that all employees who work at Repsol facilities are trained in human rights.

Repsol contractually requires all of its supplier security companies to undergo training in human rights policies and procedures. Repsol offers corporate security courses on human rights to ensure that all contracted security personnel receive this training.

In 2020, the total number of security personnel trained by the organization amounted to 670. Of these, 547 were attached to Private Security Forces and 76 to Public Security Forces, while 47 were employees trained in specific subjects upon request. This means that 100% of the Security Forces that provide services to the Group have received training in human rights policies or procedures.

Human rights	2020	2019
Number of employees trained in human rights (online)	857	207
Number of training hours in human rights (online)	753	255
Contracts with security firms that include human rights clauses (%)	100	95
Security providers evaluated according to human rights criteria (%)	100	100

8.5. Safe operations[1]

8.5.1. Safety Management System

Repsol's Health, Safety and Environment (HSE) Policy is the main framework for action, insisting that all these components are essential values of the Company and must therefore govern all its activities. This policy sets out the commitments in this matter, that cover all areas of management: leadership and culture, proactive risk management, making health and environment concerns part of operational processes, chain of command, accountability, setting objectives and targets for improvement and communicating with stakeholders.

1. The figures and indicators in this section have been calculated in accordance with corporate standards that set out the criteria and common methodology to be applied in Safety and Environment (S&E). As a general rule, safety and environmental information includes 100% of the data from companies in which we hold a controlling interest or control over operations. In particular, in the realm of security, this includes data from contractors that provide services under a direct contract.

The safety management system is designed to meet two complementary objectives: (1) ensure compliance with common company requirements across all operations; and (2) pay particular attention to the diversity of businesses, countries, activities and business relationship models that need to apply those requirements (for more information, see *Appendix III – Safe operation*). This management system therefore comprises three core elements:

- A set of internal regulations, fully aligned with the highest international standards and good practices, which sets the requirements for Company operations throughout their life cycle and supports standard safety and environment risk management processes throughout the Group. This set of regulations comprises the HSE Policy and specific regulations for each of the key aspects of safety management: risk management, incidents, transport or asset integrity, among others.
- A process of regulatory and procedural development to all businesses and assets, which not only ensures compliance with corporate requirements but also encompasses all necessary features arising from the specific nature of each activity, business relation, commercial and trade relations models and specific legal requirements, both national and local.
- Certification, verification and assurance processes to ensure the effectiveness and efficiency of all the above. The Company has adopted the three lines of defense approach. Therefore, all these processes are deployed across all three lines with complementary objectives in sight:
  - Audits to assure the quality of operational processes (e.g. work permits) are run from the first line of defense. This also includes pertinent external certifications[1] and verification in due course (OHSAS 18001, ISO 45001, etc.) at each of the assets.
  - The second line of defense features specific assurance units, which conduct audits that focus on the degree of implementation and compliance with regulations and internal procedures.
  - The third line of defense, particularly the Audit division, performs internal audits to ensure the efficiency and effectiveness of the entire system, as well as legal compliance. The reinsurers of the assets also conduct external assessments of the safety management system.

The Company focuses heavily on safety as part of its digital strategy and treats it as area to be developed. Repsol continuously explores and incorporates technologies and tools to reduce people's exposure to risk environments, facilitate the use of mobile apps or enable extensive analysis of available data in operations. Notable examples of these technologies include InWell Center (Integrated Well Center) for drilling activities, which utilizes Digital Twin technology and AI to improve drilling operations at remote locations; Track & Trace, which geolocates product transportation at the Chemicals and LPG businesses; and the implementation of Operational Risk Management platforms at several of the Group's businesses.

Meanwhile, one of the courses of action associated with the 2025 Safety and Environment (SEN) Strategy is now under way. It involves the systematic review of all tools associated with key safety processes (work permits, change management, barrier management or safety training platforms, transport safety, inspections and leak detection, etc.). For each of these processes, the current situation at all of the Company's businesses is analyzed, a survey of available automation and digital technologies is carried out, and the need to adapt existing tools and incorporate new technologies is assessed.

Repsol representatives are actively involved in the main trade associations on safety matters, such as IPSG (International Process Safety Group), IOGP (International Oil & Gas Producers) and CCPS (Center for Chemical Process Safety). This type of collaboration results in sectoral best practice manuals and guides, which are sponsored by these organizations and subsequently applied across the wider industry. In 2020, these mutual efforts focused on defining mechanisms to learn from normal operations, on analyzing the human element as a barrier, and on how to convert the lessons learned from public inquiries into actual company practices. A particular highlight here is Repsol's involvement in building a Process Safety Incident Database (PSID), whereby participating CCPS members can share their experiences and learn from one another.

1. These certifications are in force at all of Repsol's businesses with the exception of Upstream, which, due to its business strategy, only carries them out at those assets where they are a legal requirement.

GSP

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Ambition:
Zero accidents, among both employees and contractor staff

8.5.2. Process safety

Repsol continues to deploy the Key Action Lines set out in its 2025 Safety and Environment Strategy, with actions spanning all aspects of safety management: people, facilities and processes.

In relation to the key line of process safety, Repsol has flagged operational excellence as one of the cornerstones that will enable it to achieve the goals envisioned in the Strategy. To achieve this, Repsol has been working to design, implement, manage and maintain safety barriers and critical processes to ensure the integrity of its facilities. International standards such as API, NFPA, ISO, EN, IEC, IOGP or CCPS are applied.

Repsol runs inspection and preventive maintenance programs to check the correct functioning of safety-critical systems and equipment. These programs are part of the Company's tools that help improve and reduce the industrial accident rate at its assets.

Although 2019 culminated in the completion of the task of reviewing and streamlining all corporate regulations, thus completing the Company's set of safety regulations and covering all essential aspects, these rules and regulations are continually being updated. A prime example of this is the work carried out in 2020 to review the corporate regulations governing safety and environmental risk management throughout the life cycle of the Company's activities. These regulations set tolerable risk limits for business continuity and the review process prompted the Company to add further rules to regulate its new businesses and to extend the scope of the mandatory risk assessment studies.

Process safety is managed by monitoring key performance indicators that are aligned with the main international benchmarks (IOGP, API and CCPS). In 2020, the process safety indicator has increased by 13% over the previous year, although the result is below the 2020 target. The value of the indicator is in asymptotic values since 2016. Thus, the number of Tier 1 and Tier 2 incidents decreased compared to 2019, by 29% and 6%, respectively, and there was a drop in activity of 23%, which has COVID-19 as its main cause.

Process safety indicator[1]	2020	2019
PSIR[2] TIER 1 + TIER 2	0.62	0. 55

(1) A process safety accident is one in which the first line of control has been breached, with the following happening simultaneously: i) There is a process or a chemical involved ii) It occurs at a specific location, i.e. at a facility used for production, distribution, storage, auxiliary services (utilities) or pilot plants related to the chemical process or product involved and iii) It gives rise to an unplanned or uncontrolled release of material, including non-toxic and non-flammable matter (e.g. steam, hot water, nitrogen, compressed CO_2 or compressed air, with certain levels of consequences. The process safety accident will be classified as Tier 1 or Tier 2, according to the defined thresholds.

(2) PSIR: *Process safety incident rate*. Number of Tier 1 and Tier 2 process safety accidents per million process hours worked.

8.5.3. Spill management

Spills	2020	2019
Number of hydrocarbon spills (>1 bbl) reaching the environment	23	25
Oil spills (>1 bbl) reaching the environment (t)	16	79

In 2020, there were two relevant spills during the production process at the E&P business. The first was an eight metric ton spill of untreated production water in Canada, while the second was a 6 metric ton spill of production fluid at Eagle Ford. Appropriate measures were taken for the remediation of the affected area in all cases.

If a spill occurs in spite of all the preventive measures put in place, early detection and minimization of the impact on people and the environment becomes a priority. The Company has the necessary human and technical resources. Once the spill has been brought under control and the damages have been remedied, further preventive actions are put in place to avoid any recurrence.

In the event of marine spills, and in addition to its own response resources, Repsol has contracts in effect with the world's leading companies to assure a swift response by external specialists and equipment (Oil Spills Response Limited – OSRL, including access to the Global Dispersants stockpile, Wild Well Control, Helix, etc.).

8.5.4. Occupational safety

The Company's ambition of "Zero Accidents" focuses on the safety of people when carrying out its activities. The Company works in reducing personnel accident rates alongside the most affected stakeholders: employees, contractor and suppliers (for more information, see *Appendix III Safe operation*).

Main personnel safety indicators(1)	2020	2019
Lost Time Injury Rate (LTIF) (2)	0.81	0.86
Lost Time Injury Rate for employees	0.71	0.79
Lost Time Injury Rate for contractors	0.92	0.91
Total Recordable Incident Rate (TRIR)(3)	1.11	1.24
TRIR for employees	0.85	1.02
TRIR for contractors	1.40	1.42
No. of employee fatalities	0	0
No. of contractor fatalities	0	1
Number of safety training hours	287,452	260,872

(1) A corporate standard establishes the criteria and methodology for recording incidents and is completed with a guide to incident management indicators.
(2) Number of personal consequences (fatalities and with days lost) during the year, for every million hours worked. Includes company employees and contractor staff.
(3) Total number of cases with personal consequences (fatalities, loss of days, medical treatment and restricted work) accumulated during the period, for every million hours worked. Includes company employees and contractor staff.

Repsol has a corporate standard that sets out a standard methodology for logging and managing incidents, improvement actions and lessons learned at the Company. All employees are required to report any incident they encounter or witness. All such incidents must be recorded in the corporate tool and an inquiry process is then opened to identify the root causes, propose improvement actions and lessons learned. This standard extends to 100% of the companies in which Repsol has a majority stake or control of operation. Incidents affecting contractors that provide their services under a direct contract are also recorded.

The Company has set targets for reducing TRIR since 2014.

In 2020, the TRIR indicator was down 10% on 2019, as the number of incidents counted in this indicator fell by 24%. Hours worked were down 16% versus 2019 hours due to the impact of Covid 19. The greatest impact is observed in the period that includes the most severe period of the pandemic (January to June) and the summer period, with a 53% decrase in these incidentes compared to the same period in 2019.

At Repsol, occupational safety indicators are reported in accordance with the internal Incident Management Regulation, which is based on international standards (IOGP and OSHA). Incidents are classified according to the severity of both their actual and potential consequences.

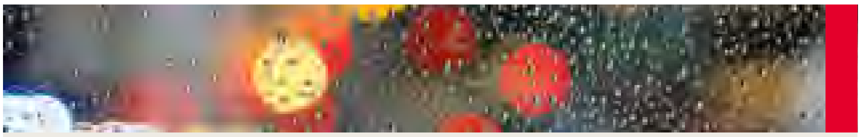
Ocuppational safety acording to severity of consequences(1)	2020			2019
	Men	Women	Total	Total
Very serious	0	0	0	1
Serious	2	0	2	1
Moderate	57	11	68	80
Minor	20	3	23	41
Trivial	2	1	3	4
OVERALL TOTAL	**81**	**15**	**96**	**127**

(1) As of 2020, the incident management system will be able to break down incidents by gender.

To minimize the risks that can cause harm to the people involved in Group operations, the Company has established 10 Basic Safety Rules. These rules are mandatory for all employees and contractors, and represent a commitment by the Company to provide our people with the necessary tools to reduce exposure to risks when performing their work.

8.5.5. Safety culture

Continuous improvement in Safety Culture is a key element in preventing major accidents and in achieving the target of ensuring "zero accidents". Therefore, the Company continues to deploy



Scaffolding safety improvements

Working at heights is one of the 10 basic safety rules put in place by Repsol to promote a safe working environment when carrying out its activities. This particular rule insists on the use of approved scaffolding, platforms and ladders, among other requirements.

Over the past two years, the Engineering Division has led a project to detect possible safety weaknesses in the design, assembly and use of scaffolding used at the Company's facilities. The main manufacturers and assemblers working for Repsol have been involved in this process.

During this time, specific risk analyses have been carried out jointly, as a result of which corrective measures have been identified and implemented to prevent incidents from occurring. These measures affect the design of the equipment and have been validated by the construction area attached to the Engineering Division and are now in the process of being developed and produced by the manufacturers; and also the development and updating of assembly instructions and related training processes, which the manufacturers themselves will provide to the personnel of the assembly companies.

This initiative is a clear example of Repsol's teamwork with contractors and in this regard the Company has played a central role as a promoter and catalyst of a safety improvement project, with a clear effect both on and off the Company's facilities.

specific safety culture diagnostics across all its different assets and businesses. Since the program's inception in 2015, more than 20 safety culture diagnostics have been carried out at different businesses of the Company. More precisely, in 2020, the areas of Supply and Distribution Peru, the Network of Licensed Service Stations in Spain and the Marcellus business unit in North America in the Upstream business were all diagnosed. In addition, diagnostics are currently under way at Eagle Ford (United States) and Canada, both in the Upstream business.

These diagnostics will generate aggregated information at company level and at the same time lead to the implementation of specific improvement actions at the diagnosed asset or business. These findings can then be used to identify common weaknesses and improve the way they are managed.

A prime example of this is where the Company identifies the need to train key personnel, focusing on the need to consider human and organizational factors in security-related processes (e.g. incident investigations or design of critical procedures and tasks). The following line of action is therefore being pursued to identify and train these key personnel:

- Incorporation of Human Factor Analysis Tools (HFAT). In 2020, 23 experts received training and therefore already have new skills in how to make the human factor part of the investigation process.
- Agreement with the EI/CIEHF (Energy Institute / Chartered Institute of Ergonomics & Human Factors) to certify qualifying technicians as human factor specialists. So far, 300 licenses have been arranged for the introductory course titled "Human Performance for All". Some of these technicians will continue their training until they are certified as specialists.

In the firm belief that leaders have a key role to play in the positive evolution of the Safety Culture, an ambitious global training program known as "Safety Leap" was launched in 2019. Despite the difficulties caused by the pandemic and the impossibility of holding face-to-face training events, the initial phase of the program was successfully completed in 2020, covering a group of more than 2,300 people (99.4% of the total number of leaders at the Company). To achieve this result, it was necessary to deploy virtual training sessions that faithfully reproduce the participant's experience. A total of 112 sessions were held during the period (91 face-to-face and 21 virtual), with editions held in 16 countries and a satisfaction rate of 4.64 out of 5.

The success of the program has prompted Repsol to extend its scope to other segments within the organization and to create a shortened online version available to all employees. Work has also been carried out to create bespoke versions for the different businesses.

8.5.6. Emergencies and crisis management

The Company does its utmost to prevent accidents, as described above. However, it must be prepared in the event that such incidents actually occur. Therefore, in addition to its prevention activities, the Company works on mechanisms to enable early detection and rapid, effective management of emergency situations.

Repsol continues to make progress in deploying and improving a comprehensive emergency and crisis response model that encompasses industry best practices and involves emergency management at facilities, businesses and senior management for the most serious cases, with specific support teams in place to ensure that the incidents are prioritized accordingly in each case and 24x7 coverage, if necessary.

The operation of this model is supported through the internal Standard on Crisis and Emergency Management, which requires frequent training activities, drills and exercises at all levels, including at least one annual crisis management drill at the highest level of the Company. Repsol has resources, technology and departments that are dedicated to crisis management support and training at its headquarters and at its offices in the various countries in which it operates.

The development of crisis response plans has proved to be invaluable in dealing with the COVID-19 pandemic, through the various methodologies and tools put in place and through the lessons learned during crisis management drills and exercises. They have also revealed new approaches and future courses of action that can be undertaken to ensure the continuous improvement of the Crisis and Emergency Response model. Although it has not been possible to have teams such as the Support Group meet face-to-face in the emergency and crisis response rooms, remote training activities and drills have been carried out to improve the remote management of crisis situations.

8.6. Responsible tax policy

Repsol is aware of its responsibility for the well-being and social and economic development of the countries where it operates and knows full well that the taxes it pays support development and welfare.

Therefore, Repsol has a tax policy that insists on responsible payment of taxes through good practices when managing its tax affairs, along with transparent action and cooperative relations with governments, while avoiding material risks and unnecessary disputes.

This tax policy, which is aligned with the mission and values of the Company and the Sustainable Development Goals, allows us to be recognized as a company that practices integrity and transparency in our tax affairs.

Tax contribution and impact

In 2020, Repsol paid more than 9,180 million euros in taxes and similar government charges and filed close to 38,000 tax returns in more than 35 countries.

The global COVID-19 crisis has pushed down Repsol's income and business profitability, triggering a significant reduction in taxes paid in 2020. Details of payments by country, a summary of which is attached below, can be found in *Appendix III* to this report and at www.repsol.com:

€9,180mn

taxes paid by Repsol in the countries where it operates.

Taxes paid in 2020[1]

Million euros	Taxes paid [2]		Tax burden			Taxes collected				Profit	
	2020	2019	**TOTAL**	Income tax	Other income taxes	**TOTAL**	VAT	Hydrocarbons tax[3]	Others	**2020**	2019
Europe	**7.788**	10.554	**608**	111	497	**7.179**	2.234	4.521	425	**(854)**	881
Latam & Caribbean	**737**	1.163	**267**	43	224	**470**	176	244	50	**(362)**	12
Asia and Oceania	**337**	633	**302**	126	176	**34**	10	-	24	**(301)**	(331)
North America	**163**	167	**103**	5	97	**60**	(4)	-	64	**(1.723)**	(4.525)
Africa	**156**	535	**151**	127	24	**5**	-	-	5	**(48)**	146
TOTAL	**9.180**	13.052	**1.431**	412	1.018	**7.749**	2.417	4.765	568	**(3.289)**	(3.816)

(1) The information contained in this section on taxation and tax impact has been prepared as per the scope used in the Group's reporting model, as described in Note 4 "*Business information*" of the consolidated Annual Accounts for 2020, i.e. including joint ventures and other companies that are jointly managed in accordance with the Group's investment percentage, considering operational and economic indicators in the same perspective and subject to the same degree of detail as those for companies consolidated under the full consolidation method.

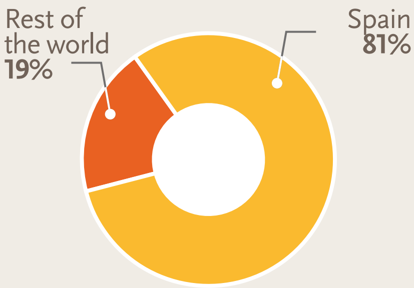
(2) Only taxes actually paid during the year are counted. For instance, taxes accrued during the period but that will be paid in the future are not included. Refunds from previous years are not included.

(3) Hydrocarbon tax. It includes what is received through the logistic operators when the Company is the ultimate responsible for the payment.

Important tax contribution by Repsol when it comes to environmental protection.[1]

€4,911 MN in 2020

€6,613 MN in 2019



(1) Includes both the tax burden borne by the company (taxes on electricity, contribution to the energy efficiency fund, hydro tax, taxes on electricity production in Spain –according to Eurostat criteria–, and the cost of CO2 emission allowances), as well as taxes collected from third parties (taxes on fuel consumption –according to Eurostat criteria–, some of which have a partial environmental component).

Repsol applies responsible tax policies and practices.

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

17 PARTNERSHIPS FOR THE GOALS

Transparency: Publication of the Country by Country Report

We voluntarily publish the Country by Country report (*CbCR*), which explains how we pay corporate income tax in the countries in which we operate. We also publish an extensive *Tax Contribution Report*, in which we explain all taxes paid.

In line with our commitment to transparency, further tax information can be found under "*Responsible tax policy*" at www.repsol.com

Accredited good tax practices

Repsol is compliant with GRI 2017 (see Appendix III) and has been named a radically transparent multinational (B-Team).

Good tax practices

Repsol is committed to effectively complying with best practices of responsible taxation and tax governance, through voluntary adherence to internationally accepted principles, guidelines and recommendations (B Team, GRI 207, or the OECD standard for tax risk control):

RESPONSIBLE TAXATION PRINCIPLES[1]		GRI 207
1 Responsibility and governance: Taxation is a crucial part of corporate responsibility and is supervised by the Board of Directors.	• The Board of Directors approves the Tax Policy. • The Board of Directors monitors enforcement of the strategy and tax risk management at least once a year. • The tax strategy can be found on the corporate website. • Compliance with the letter and spirit of the law. • The GSP includes tax objectives.	GRI 207-1
2 Compliance: Compliance with tax legislation and payment in due time in the countries where we create value.	• Regulations, internal control processes and whistleblowing channel to ensure compliance with tax obligations. • Tax Control Framework compliant with best standards and validated by an independent expert. • Tax risks part of the Enterprise Risk Management System, with medium low tolerance. • Internal procedure for setting transfer prices aligned with the creation of value and the arm's length principle. • Appropriate organizational structure and resources. • Professional team undergoing continuous training, subject to a common compensation policy and with a contingency plan for key positions.	GRI 207-2
3 Corporate structure: On commercial grounds and with genuine substance. We do not seek abusive tax advantages.	• Corporate structure aligned with the business and adapted to legal requirements and corporate governance standards. • Removing dormant companies from the corporate structure. • Non-use of special purpose entities in tax havens.	GRI 207-1
4 Cooperative relations [2]: Development of corporate relations with tax authorities, grounded in mutual respect, transparency, and trust.	• Application of the Spanish Code of Best Tax Practices. • Voluntary submission of the report on tax transparency to the Spanish tax office. • Voluntary participation in the *ICAP*[3] of the OECD. • Classified as an Authorized Economic Operator in the EU and in Peru.	GRI 207-3
5 Seeking and accepting tax incentives: With a view to obtaining safeguards that they are transparent and consistent with the legislative and regulatory framework.	• Claiming and using tax benefits in compliance with the letter and spirit of the regulations. • Verifying that the incentives applied are widely available to all economic operators. • Supporting the publication of oil contract tax incentives.	GRI 207-2
6 Supporting an effective tax system[4]: National and international dialog with governments, business groups and civil society to support the development of an effective taxation system.	• Founding member of the *EITI*[5] and adherence to its standards. • Collaboration with international organizations (OECD, UN and EU), governments and NGOs, taking part in debates and public consultation processes. • Participation in international responsible taxation and tax governance initiatives (B Team).	GRI 207-3
7 Transparency: Disclosing information on tax strategy and taxes paid.	• Pacesetters in Spain in terms of tax transparency according to various third-party reports. • Publication of tax payments by country. • Publication of the Country by Country Report following OECD criteria. • Detailed tax information available at www.repsol.com and in the annual reports.	GRI 207-1 GRI 207-4

(1) In line with the Principles defined by the B Team (group of companies that seek to catalyze sustainable development and, in particular, responsible taxation and good governance in tax matters. For further information, see www.bteam.org). GRI-207 (Tax) guidelines have been taken into account.
(2) Repsol maintains a good relationship with the main tax administrations in the countries where it pays tax (Canada, Spain, Netherlands, Portugal, United Kingdom, Singapore, etc.), participating at different forums to promote transparent collaboration with the mutual objective of facilitating and improving the application of the taxation system, improving fiscal certainty and reducing litigation. For further information, see www.repsol.com
(3) International Compliance Assurance Programme: OECD initiative that seeks to enhance cooperation between the tax authorities to supervise tax risks at multinational groups, mainly in terms of transparency and permanent establishments. The first *ICAP* program (pilot) covered financial year 2016 and lasted until 2018. The tax authorities of Spain, the United States, the Netherlands and the United Kingdom all supervise Repsol.
(4) Repsol is a member of several of the subcommittees created by the UN's Committee of Experts on International Cooperation in Tax Matters. Repsol also sits on the tax committee of the OECD's Business and Industry Advisory Committee (BIAC).
(5) Extractive Industries Transparency Initiative: initiative that seeks to ensure transparency within extractive industries. The *EITI* is the global standard for the good governance of oil, gas and mining resources. It ensures transparency with respect to how a country's natural resources are governed.

GSP
2023

Objective:
Reduce presence in non-cooperative jurisdictions.

Presence in non-cooperative jurisdictions

Repsol is firmly committed to having no presence in non-cooperative jurisdictions, except for legitimate business reasons. Repsol's presence in these territories is immaterial (revenues accounting for less than 0.02% of the Group's turnover) and is not intended to hide its business activities or make them less transparent.

As part of its commitment to transparency, Repsol releases detailed information on its presence and activities not only in tax havens and non-cooperative tax jurisdictions, but also in other territories considered contentious for tax purposes by civil organizations, even though they may not be included on official lists. For further information, see *Appendix III* to this Report, or visit www.repsol.com.

8.7. Ethics and compliance[1]

Integrated Management at Repsol

Stages:

Prevention	Monitoring	Correction
Anticipating risks	Overseeing the model	Reacting to non-compliances
Through a risk identification and assessment methodology that enables us to prevent risks and roll out mitigation measures.	Ensuring its effectiveness across all the different business processes and countries.	By establishing and monitoring improvement plans and conducting investigations and/or audits.

Issues:

- Anti-corruption
- Crime prevention
- Data protection
- Competition
- Sanctions and embargoes
- Anti-money laundering and counter terrorist financing

Having a **self-surveillance model** prevents or mitigates potential liability in the event of a lega l breach

Repsol has in place a range of procedures and an overarching action framework designed to ensure that internal and external duties and obligations are properly fulfilled. The Company's compliance function reinforces compliance culture across the Group and improves our ability to identify ethics and compliance risks. We focus especially on anti-corruption measures, money laundering and terrorist financing prevention, crime prevention, international sanctions, antitrust rules and personal data protection.

Ethics and Conduct Code

Repsol's Code of Ethics and Conduct is approved by the Board, and applies to all Repsol directors, executive and employees, whatever the nature of their contractual relationship with Repsol. Our business partners, including non-operated joint ventures, contractors, suppliers and other third parties are an extension of Repsol, and for this reason they should act consistently with our Code, as well as any applicable contractual provisions, when working on our behalf or in collaboration with us. These business partners are also encouraged to develop and implement ethics programs that are consistent with our standards. The Code creates a frame of reference for understanding and putting into practice the Company's expectations as to each person's behavior, in light of the Group's principles of action.

This year, Repsol ran a new training action on the Code of Ethics and Conduct for all employees, in a web series format and focusing on anti-corruption, competition, crime prevention, data protection and workplace harassment. It also deployed a global training plan on basic ethics and compliance regulations that includes microlearnings on gifts and entertainment, conflicts of interest, anti-corruption and due diligence with third parties. The plan also included face-to-face or synchronous training sessions for the most exposed groups and further virtual sessions to optimize the use of the screening tool and to ensure a uniform and standard approach in accordance with the rules and regulations governing third-party due diligence norm.

Repsol has pressed on with its internal plan to raise awareness of the Code of Ethics and Conduct, and other Compliance matters, so as to continue reinforcing the global culture of compliance across the Group.

The Code of Ethics and Conduct is available at www.repsol.com.

The Company has an Ethics and Compliance Committee tasked with managing the system for monitoring and ensuring compliance with the Repsol Group's Code of Ethics and Conduct. In accordance with the committee's own internal regulations, it is multidisciplinary in nature and comprises representatives from EMD Legal Affairs, People and Organization Corporate Division, EMD Communication and Institutional Relations and Chairman´s Office, the Audit, Control and Risk Division, Legal Services and CCO Corporate Division, and the Labor Relations, Labor Legal Affair and Occupational Health Division.

The Company also has an Ethics and Compliance Channel (ethicscompliancechannel.repsol.com), which is available 24 hours a day, seven days a week, and is managed by an external service provider. The channel allows employees or any third party to raise queries and/or report possible breaches of the Code of Ethics and Conduct or the Crime Prevention Model to the Ethics and Compliance Committee directly, doing so with absolute confidentiality or anonymity if they so wish and in any language. Specifically this year, 59 communications have been received through the Ethics and Compliance channel, of which 45 have resulted in an investigation, having been confirmed at the end of the year, 2 cases of minor significance under the type of harassment, which after the investigations have not been accredited, being really conflicts between employees and none of discrimination, corruption or violation of human rights.

Ethics and Compliance	**2020**	**2019**
Number of employees to have received online training in the Code of Ethics and Conduct[(1)]	19,688	18,395
Number of communications received through the ethics and compliance channel	59	66
Number of corruption mitigation controls (CPM)	438	432
Number of audit projects related to compliance with the Ethics and Conduct Code[(2)]	32	25
Number of ICFR controls to mitigate fraud	1,054	1,046
Number of serious and very serious offenses due to breach of the Code of Ethics and Conduct	169	373
Written warnings	5	10
Employment and wage suspensions	123	294
Resignations	-	-
Number of dismissals due to breaches of the Code of Ethics and Conduct	41	69

(1) Includes anti-corruption training.

(2) Generally speaking, in all Internal Audit projects matters related to compliance with the Ethics and Conduct Code (ECC) are reviewed, although specific reviews of Code-related or corporate social responsibility-related matters were conducted for a total of 32 projects in 2020.

Fight against corruption and bribery

In its Anti-Corruption Policy, Repsol commits to preventing corruption and bribery by conducting its affairs in accordance with prevailing laws and regulations in all respects and in all countries where it operates, rejecting corruption in any form.

The Ethics and Compliance Committee is also Repsol's Crime Prevention Unit for the purposes of Article 31 bis (2)(2) of the Spanish Criminal Code. Repsol's prevention framework and response mechanisms facing breaches of the Code of Ethics and Conduct or suspected or confirmed criminal offenses within the scope of the Repsol Crime Prevention Model are structured around its policies titled "Crime Prevention Model Management" and "Internal Investigations by the Ethics and Compliance Committee".

Repsol also has a Crime Prevention Manual to provide a clearer understanding of crime risk and explain the behavior expected of all employees, together with a global training plan, which in 2020 included face-to-face or synchronous training events for new executives, heads of industrial facilities and key personnel in different countries, as well as an online course aimed at those responsible for running and managing Crime Prevention Model controls and the whistleblowing channels for raising queries and reporting breaches in relation to the Crime Prevention Model.

Protection of fair competition

Repsol is firmly committed to complying with anti-trust regulations in all its spheres of action and in all countries in which it operates, making this a core element of Repsol's Ethics and Conduct Code. The Company believes in fair and effective competition on the market and we do not engage in inappropriate practices that might distort or restrict free competition. Nor do we seek to obtain competitive advantages through the use of unethical or illegal business practices.

Furthermore, the Company has opted to implement a competition compliance program to create a compliance culture by preparing materials, such as policies and protocols, developing a specific online course and delivering synchronous and face-toface training on anti-trust issues.

In addition, Repsol has an Ethics and Compliance Channel as already mentioned, among other resources, where any employee or third party can express its concerns or send any query regarding compliance with competition laws.

8.8. Supply chain and customers

8.8.1. Supply chain[1]

The sustainability of Repsol's supply chain necessarily responds to the expectations of stakeholders and compliance with ethical, labor, environmental, safety and social standards. It also fosters employability and worker rights among local communities and nurtures local economic development.

It is precisely this sustainable supply chain management that calls for greater transparency in the information disclosed in response to consumer demand, as well as the promotion of good practices among suppliers and contractors, who are required by the Company to comply with its Anti-Corruption Policy and minimum standards of human rights.

Suppliers and contractors must also observe prevailing law and regulations and the Group's good practices when working at Repsol work centers and facilities.

To anticipate risks and ensure efficient supply chain management, the following process is followed:

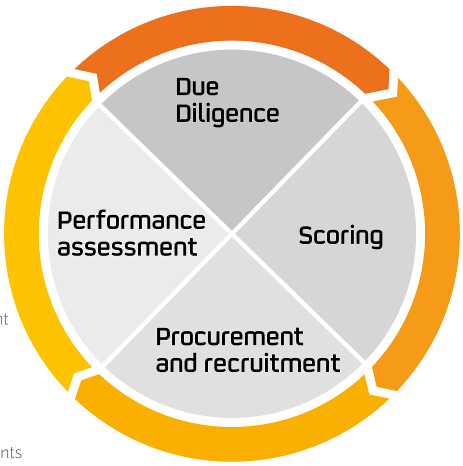
Supply chain risk management

Due Diligence

- Conducting exhaustive analyses of sustainability aspects during new supplier selection processes.
- Insisting that suppliers accept and comply with the Ethics and Conduct Code for Suppliers, as well as Repsol's Anti-Corruption Policy.

Performance assessment

- Assessing performance in the management of human rights and environmental and safety concerns over the term of the contracts signed with suppliers and upon termination.
- Applying corrective action if the required standards are not met or if the commitments assumed are not honored.



Scoring

- Periodic certification of suppliers
- Additional assessment of economic and technical aspects and quality, safety and environment concerns in high-risk activities
- Carrying out supplier assessment audits and social audits

Procurement and recruitment

- Relying more on safety and environmental criteria when appraising bids in relation to high-risk activities.
- Insisting that suppliers accept the general terms of contract of Repsol.

Environmental and social assessment of suppliers

In 2020, integrity, corruption and bribery aspects were assessed at 4,297 suppliers (5.733 in 2019) worldwide using the World Check One tool by Refinitiv (formerly by Thomson Reuters). These assessments revealed material information on 18 companies relating to international sanctions, judicial investigations for fraud and/or bribery, fines for anti-competitive activities or environmental damage, and relationships with politically exposed persons. Based on the results obtained, the purchasing areas conduct due diligence processes through specific analyses defined in Repsol's internal regulations, in order to mitigate potential compliance risks.

In 2020, a total of 28 assessment audits were conducted at suppliers located in Spain and Portugal to analyze matters relating to quality, ethics and conduct, safety and the environment. Due respect for human rights was also confirmed through on-site inspections, which revealed that the companies operating in Spain and Portugal do not present any major non-conformities, but are earnest and reliable companies with which a business relationship can be safely established.

Two social audits were carried out in 2020. According to the findings of these audits, no contracts were terminated during the year. Meanwhile, a total of 2,007 performance assessments at 1,056 suppliers and contractors were completed in 2020, appraising environmental, labor, social and integrity aspects.

1. This includes information on all Repsol Group purchases, except exceptional or special items that are already governed by the areas or departments concerned: Trading purchases, transactions between Group companies and engagement of the external auditor.

Risk management

Indirect economic impact

Local suppliers have the advantage of geographic proximity in supplying the Company's operations, thus allowing for greater flexibility and a shorter response time for all needs that are identified. Repsol creates indirect job opportunities on construction projects for new plants or extensions of existing facilities, as well as during drilling campaigns and when shutting down industrial complexes. The percentage of local labor, goods and services procured[1] accounted for 84% of total procurement in 2020. These purchases focused on medical services, logistics services (civil engineering, catering, accommodation, vehicle rentals and driver rental); warehouse and office lease service; IT support services, waste management and courier services.

Average payment period to suppliers

The average period for payment to suppliers for the Group's Spanish companies in 2020 was 28 days, below the maximum statutory period of 60 days established in Law 15/2010 of 5 July (amended by the second final provision of Law 31/2014), which establishes measures to combat late payment in commercial transactions. For further information, see *Note 18 "Trade and other payables"* to the Consolidated Annual Financial Statements.

8.8.2. Responsible management of customers

Safety across the product life cycle

The Company is committed to product safety as one of the cornerstones underpinning its actions. Safety is a constant present from the design and procurement stage through to the time the product is ultimately launched on the market and made available to consumers. Repsol relies on technology and digitalization to optimize process safety and design new consumer strategies, taking into account customer preferences and given that consumers are becoming increasingly knowledgeable about and interested in the source and manufacture of the products they acquire.

The starting point is to identify the possible adverse effects for people and the environment and to understand all possible uses of the product. From there, potential risks are assessed and the most appropriate measures decided upon so that the product is safe to handle and has no negative impact on customers, contractors and Repsol employees exposed to the risks of hazardous products.

1. In Repsol's view, a "local supplier" is a company established or nationalized under the laws of the country in which Repsol undertakes operations as part of which the supply will be made or service provided.

Risk management

The Company's internal rules and regulations contain requirements and ascribe responsibilities to ensure the appropriate management of risks during the design and supply of produc ts, as well as those risks associated with the manufacture, handling, marketing and end use of the products, as these may affect the health and safety of people, facilities and the environment.

Communication also plays a key role in product safety. The Company is also responsible for ensuring the effective communication of product safety information to all interested parties. This communication mainly takes the form of digital or electronic documents drawn up by Repsol to communicate the risks of hazardous products.

Customer value management. Customer privacy[1]

Since the entry into force in 2016 of the General Data Protection Regulation (GDPR) and its effectiveness in 2018 within the European Union, Repsol has drawn up a map of theoretical data protection risks to the which the Company is exposed and has assigned the Group's Chief Compliance Officer to the position of Data Protection Officer (DPO).

In 2019, the DPO set up the Repsol Privacy Group, comprising representatives from business units and corporate areas, with the aim of championing and steering the necessary measures to achieve due compliance in relation to data protection and guarantee sustainable conduct over time.

The commitment to protect the privacy of customers, employees and business partners goes a step further at the Company. In compliance with the General Data Protection Regulation, a new Privacy and Personal Data Protection Policy was approved in 2020, along with a Personal Data Management Procedure to regulate the principles enshrined in the policy.

This new policy guarantees the fundamental right that the personal data of any person with whom Repsol has dealings be duly protected, ensuring respect for the right to honor, privacy and other fundamental rights and public freedoms throughout their life cycle.

Also in 2020, the OneTrust software suite was acquired as a platform for complying with data privacy regulations across all sectors and jurisdictions, including the EU GDPR and Privacy Shield.

1. This includes information on breaches of customer privacy and loss of customer data at Group companies operating in Spain and Portugal.

Substantiated complaints regarding violations of customer privacy and loss of customer data:

	2020
Total number of substantiated complaints relating to breaches of customer privacy	3
Complaints received from third parties and substantiated by the organization	0
Claims raised by regulatory authorities	3
Total number of identified cases of leakage, theft or loss of customer data	3

Managing customer claims and grievances

At Repsol, each Company areas that has commercial relations with customers has procedures in place for hearing and managing claims and queries so that they can be resolved in due course. Customers can be commercial (business to business) or household (business to consumer).

No matter the type of customer, claims or queries relating to sustainability issues are handled with the aim of minimizing or mitigating potential environmental and/or social impacts. The process for handling claims is as follows:

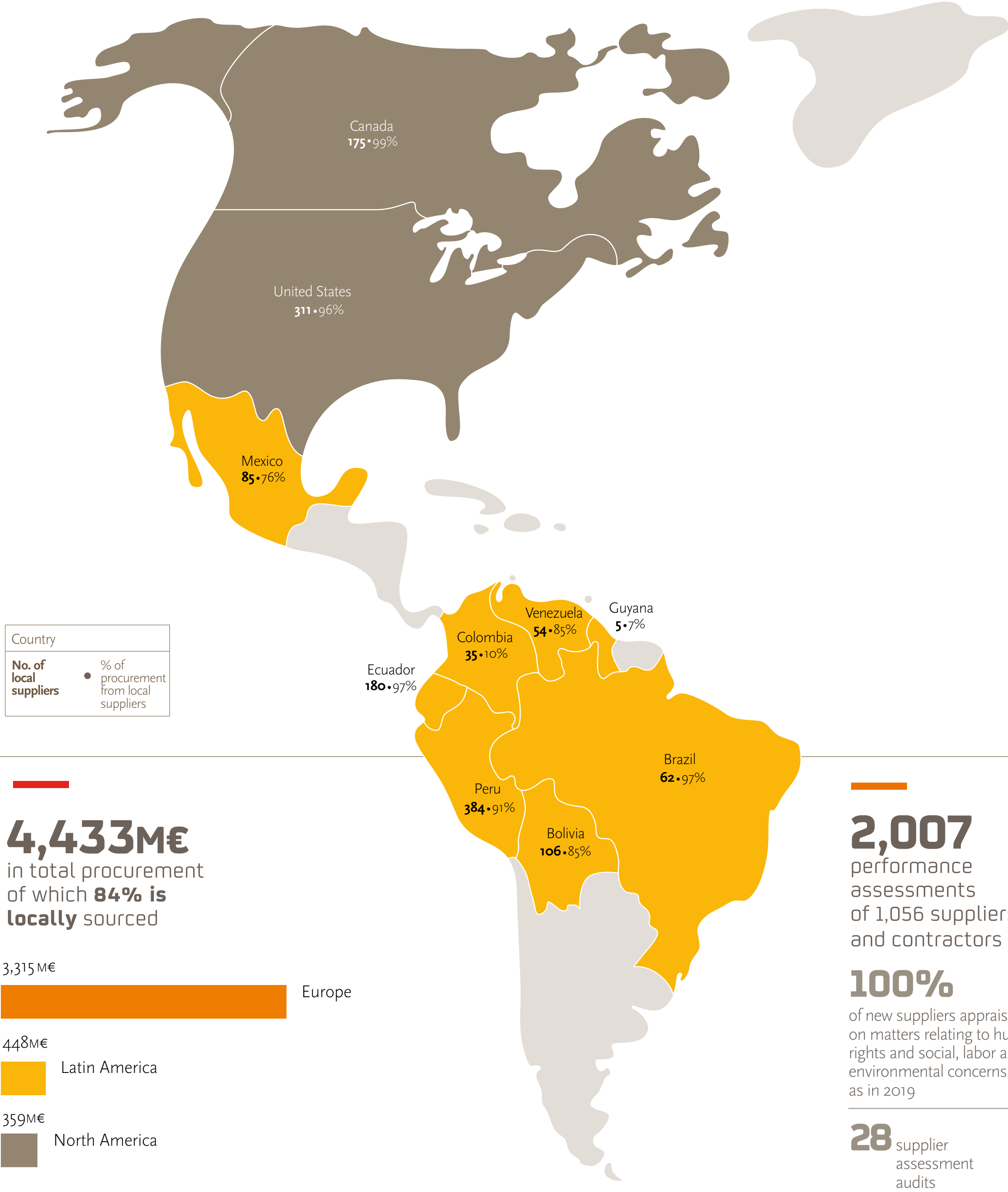
- Claim received through one of the various available channels: Customer Service, TSD (Technical Support and Development) technicians, sales department, etc.
- Claim recorded and assigned to the area responsible for handling and follow-up.
- Handling process: request for information made to the customer, analysis of the root cause, proposal and start-up of control, corrective and improvement actions.
- Verification of effectiveness of actions undertaken and closing of the claim.

Environmental Product Declarations (EPDs) for Asphalts

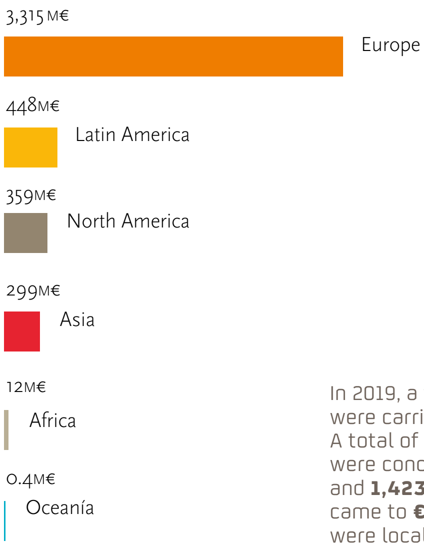
Repsol is the first European manufacturer of bitumen and bituminous emulsions to have obtained Environmental Product Declarations for its conventional bitumens, polymer-modified bitumens and bitumens with rubber dust from end-of-life tires, as well as for its cationic and anionic emulsions.

AENOR verified, in accordance with UNE-EN 15804 and UNE-EN ISO-14025, the analysis of the life cycle needed to obtain the environmental declarations for asphalt products.

The Environmental Product Declarations for asphalts are a response to the concerns of the Company's customers when it comes to meeting the new environmental challenges that society demands.



4,433M€
in total procurement of which **84% is locally** sourced



2,007
performance assessments of 1,056 suppliers and contractors

100%
of new suppliers appraised on matters relating to human rights and social, labor and environmental concerns; the same as in 2019

28 supplier assessment audits

2 social audits

100%
of contracts include clauses on human rights, anti-corruption and the environment; the same as in 2019

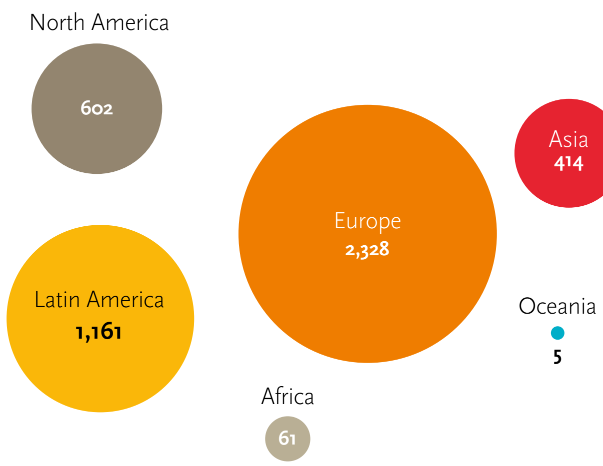
0 breaches of contract due to safety concerns; the same as in 2019

In 2019, a total of **67** supplier assessment audits were carried out, **2** of them being social audits. A total of **2,605** performance assessments were conducted among **1,248** suppliers and contractors and **1,423** suppliers were scored. In 2019, total procurement came to **€6.39 billion** from **4,888** suppliers, **74%** of which were local, and **81%** of total expenditure went to local suppliers.

1,541
suppliers
scored[1]

4,864
suppliers
worldwide,
of which
78% are local[2]

Assessment of the impacts
on health and safety
for **100% of significant products**
and services



1. In 2020, as was the case in 2019, the supplier assessment and audit processes found that no supplier had breached the rights of freedom of association or collective bargaining of its employees; been complicit in child labor; or forced its employees to engage in forced labor in any shape or form.
2. Repsol considers "local suppliers" as companies established or nationalized under the laws of the country in which Repsol undertakes operations as part of which the supply will be made or service provided.

9. Outlook

-3.5%

Estimated decline in global GDP in 2020

9.1. Outlook

Macroeconomic outlook

It is estimated that global GDP saw a notable decline (-3.5%) in 2020 due to the COVID-19. The evolution of this pandemic will continue to shape economy activity in the future.

The economic impact of both the pandemic and the lockdown measures has varied over time. The adverse economic impact of the restrictions now seems to be far less than in April and May of 2020, due to various factors: (i) the more recent restrictions are not as severe as during the first wave. The key difference is that most workplaces -including manufacturing- and most schools remain open; ii) supply disruptions in global supply chains were overcome; iii) individuals and organizations have adapted to working from home and other habits, with increased online shopping, etc; iv) orders previously delayed and demand from some countries that successfully controlled the pandemic, such as China, have helped sustain trade and activity within the manufacturing sector.

Meanwhile, the progress made in vaccinating the population could mean that we are beginning to see the light at the end of the tunnel. In developed countries, where vaccination will be quicker, restrictions could begin to ease from the second quarter of 2021, or by the third quarter at the latest. Following on, the economic recovery should pick up pace on the back of demand and the increased rate of precautionary savings seen during the pandemic should steadily normalize as well. However, the new waves of the pandemic and the risks posed by the new, more contagious strains mean that the start of 2021 will be even more complicated, calling for even tighter restrictions in many countries.

Against this backdrop, forecasts and projections will be fraught with uncertainty. The IMF's baseline scenario expects global GDP to grow by 5.5% in 2021, followed by 4.2% in 2022. However, trends will vary widely across countries and regions, as shown in the table below:

IMF macroeconomic Outlook

	Real GDP growth (%)		Average inflation (%)	
	2021	**2020**	**2021**	**2020**
Global economy	5,5	(3,5)	3,4	3,2
Advanced countries	4,3	(4,9)	1,3	0,7
Spain	5,9	(11,1)	0,8	(0,3)
Emerging countries	6,3	(2,4)	4,2	5,0

Source: IMF (World Economic Outlook January 2021) and Repsol´s Division of Business Studies & Analysis.

The following uncertainties will persist in the mid-term: The adverse effects of the pandemic on the economy may be mitigated if faster adoption of digital technologies and new forms of organization leads to a swifter rise in productivity. Conversely, productivity could be hurt by an increase in protectionism and a shake-up in international supply chains.

Energy sector outlook

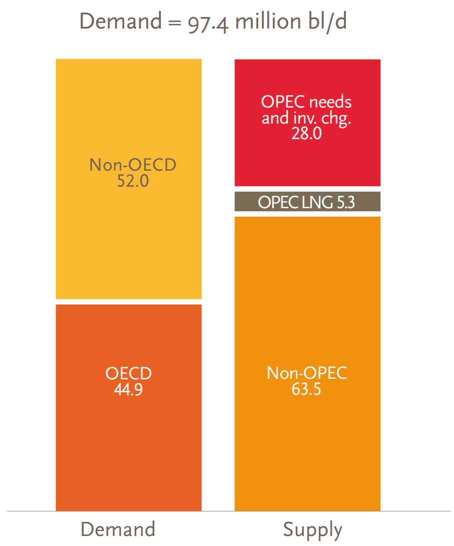
Short-term energy sector outlook

Oil is one of the energy sectors that most felt the impact of COVID-19; the short-term outlook for supply-demand fundamentals has undergone constant review.

The International Energy Agency (IEA), after publishing an initial estimate in March of an increase in average global demand in 2021 of +2.1 million bbl/d to 102 million bbl/d, now estimates an increase of +6.2 million bbl/d to 96.91 million bbl/d for December. This means that in 2021 global demand will not return to pre-crisis levels due to the sharp drop in consumption of -8.8 million bbl/d in 2020.

Consumption among non-OECD and OECD countries looks set to increase by +5.9 million bbl/d and -6.6 million bbl/d, respectively, in 2021. The IEA expects non-OPEC countries to increase production by only 540 thousand bbl/d in 2021, with US supply shrinking by 510 thousand bbl/d. On the OPEC+ side, the market will be watching closely to see if cuts are implemented to mitigate the impact of COVID-19 on demand.

Global supply/demand balance 2021



Source: *International Energy Agency (IEA) and Repsol´s Division of Business Studies & Analysis.*

In 2021, Henry Hub is expected to trade on average above the levels seen in 2020, reflecting a further adjustment of the supply-demand balance in response to the continued strength of LNG exports and the sharp contraction of domestic production growth relative to previous years.

On the supply side, the short-term dynamics of gas producers will shape natural gas prices in 2021. Given the financial and regulatory pressure faced by the industry, production growth rates are expected to be moderate, with a possible decline in associated gas production from the Permian basin. However, dry gas production is expected to recover as prices stabilize and rise in Appalachia and Haynesville during the first half of the year.

On the demand side, the strong performance of consumption for electricity generation and the maintenance of high volumes of LNG for export may offset the weakness shown by consumption in the industrial segment, which would remain unchanged, and the residential/commercial segment, impacted by seasonality. If winter weather is colder than usual, the adjustment will speed up, providing additional price flexibility in the face of a potential upturn in production. Meanwhile, the impact on demand of a continuing pandemic and the energy/climate policies rolled out by the new US administration will both be critical concerns.

Long-term energy sector outlook

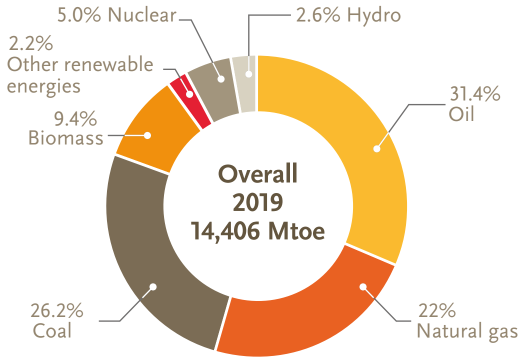
On a global scale, hydrocarbons account for over half of the primary energy consumed. Specifically, 31% of global primary energy consumption is derived from oil, which is the most commonly used energy source, followed by coal (26%) and natural gas (23%). Other renewable sources besides hydropower contribute barely 2%.

In the coming years, the world should move toward a more sustainable scenario in which all energies are involved in the global energy matrix, hand in hand with technology and innovation. The International Energy Agency (IEA), a benchmark institution in the energy sector as to market analysis and outlook in the short, medium and long term, in its World Energy Outlook for 2020 presented a baseline scenario of declared policies in which primary energy demand would grow at an average rate of 1% per year until 2040. In that year, oil would continue to be the most widely used energy source, comprising 28% of the global matrix, followed by natural gas with 25%, coal with 19%, and other renewable sources different from hydro with 8%.

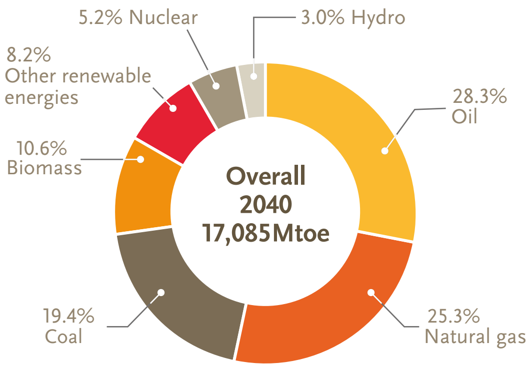
Besides the baseline scenario, in its WEO 2020 the IEA proposes a 2040 sustainable development scenario. In this scenario, oil and gas continue to lead world energy consumption, but renewables (ex hydro) would already be the third most widely used source.

Oil and gas the most consumed primary energy sources by 2040 (28% and 25%, respectively)

World primary energy matrix in the IEA's STEPS scenario



Source: *IEA* and Repsol´s Division of Business Studies & Analysis.



Source: *IEA* and Repsol´s Division of Business Studies & Analysis.

9.2. Outlook by business

The Strategic Plan (the "Plan") unveiled in late 2020, which will steer the transformation of the Company and accelerate the energy transition, ensuring profitability and maximum value creation for stockholders, clearly differentiates two periods; the first (2021-2022) and the second (2023-2025), once the impact of the pandemic is behind us (*see Section 3. New Strategic Plan*). In 2021, the first year of the Plan, in light of uncertainty in the economic and raw materials market landscape, priority will be given to efficiency and capital discipline, investment containment and prudent financial policy to preserve our current credit rating.

The new Strategic Plan sets up four pillars for crystallizing value.

The ***Upstream*** business will prioritize cash flow generation and creating value, focusing on the rotation and active management of its portfolio so as to achieve high-quality barrels and cash generation.

Investment in 2021 will be close to 1,200 million dollars, to implement key projects under the Plan and, to a lesser extent, production assets. By country, investment will focus on the United States, Norway, the UK, Trinidad & Tobago and Brazil.

The ***Industrial*** division will move forward in the decarbonization program through projects supporting the energy transition, such as the advanced biofuels plant. At industrial facilities, the division will continue increasing plant reliability and flexibility, high-value product differentiation and energy efficient measures, seeking continuous improvement of margins. Investment will come to 700 million euros.

The ***Commercial (Customer-Centric)*** business will focus on optimizing operations and supporting our customers through the energy transition to become their multi-energy supplier. We shall place the customer at the center of our decisions, based on digital solutions, with an end-to-end differentiated value proposition, thus maximizing the value of the business and bolstering our competitive position. The planned investment is approximately 200 million euros.

The ***Renewables*** business is a core pillar in the energy transition. To increase renewable generation capacity, we shall launch current development projects in Spain and Chile, move forward with new portfolio projects and expand internationally. Planned investment in this division is approximately 500 million euros.

In 2021, the focus will stay on efficiency in **corporate areas**, automating processes and contributing to the profitability of the entire organization.

In accordance with the Plan's shareholder remuneration commitment, the dividend is expected to be 0.6 euros per share in 2021. The January 2021 payment was made using the scrip dividend formula. A capital reduction will follow, through redemption of treasury shares to avoid dilution shareholders choosing to receive their remuneration in cash. The July payment will be made in cash.

In the current environment, Repsol expects that in 2021 it will be able to generate cash to finance its investment needs and reward its shareholders.

Repsol's Digital Program will drive forward the digital transformation as a lever to boost the energy transition and business efficiency by implementing new models, digital products and disruptive technologies. The main levers for the Industrial and Upstream businesses are Smart Assets that maximize efficiency, reliability and security, combined with increasing decarbonization. In the commercial business, we shall continue to work on advanced analytical and multi-channel customer-centered models that offer multi-energy solutions adapted to customer needs, combined with strategic price analysis to attract new customers and enhance the loyalty of existing ones. Corporate areas will continue to develop solutions that enhance efficiency, employee satisfaction and business value through robotic process automation (RPA), an improved user experience, use of Big Data and Advanced Analytics, and cloud deployment strategy. The overall focus is on improving sustainability, achieving the goal of zero net carbon emissions by 2050, and investing in new internal digital capabilities and new ways of working.

As an additional lever, our Technology strategy will allow us to have the best alliances and partners in innovative disciplines, giving support to businesses to improve their competitiveness in the medium and long term and providing agility and efficiency.

9.3. Highlights of 2021

In January, the discovery of new volumes of gas from the Caipipendi contract in Bolivia was confirmed, after finishing the Boicobo Sur X1 exploratory well tests (*see Section 7.1*).

In January, Repsol also continued developing and implementing decarbonization technology initiatives (*see Section 8.3.1*), reaching the following milestones:

- Production of the first batch of biofuel for aviation at the Tarragona industrial complex.
- Joining an international consortium to develop cutting-edge renewable hydrogen technology to create Europe's first 100 megawatt (MW) alkaline electrolyzer plant, which will be connected to a Repsol industrial site.

On February 3, 2021, Repsol International Finance B.V. notified the bondholders of the subordinated bonds issued in March 2015 (*see Note 6.4 to the consolidated Financial Statements*) of its decision to redeem the remaining balance of the issue (a nominal amount of 406 million euros) on March 25, which will entail an estimated payment of 422 million euros (including the nominal amount and any unpaid interest accrued to date).

10. Risks

Risk management

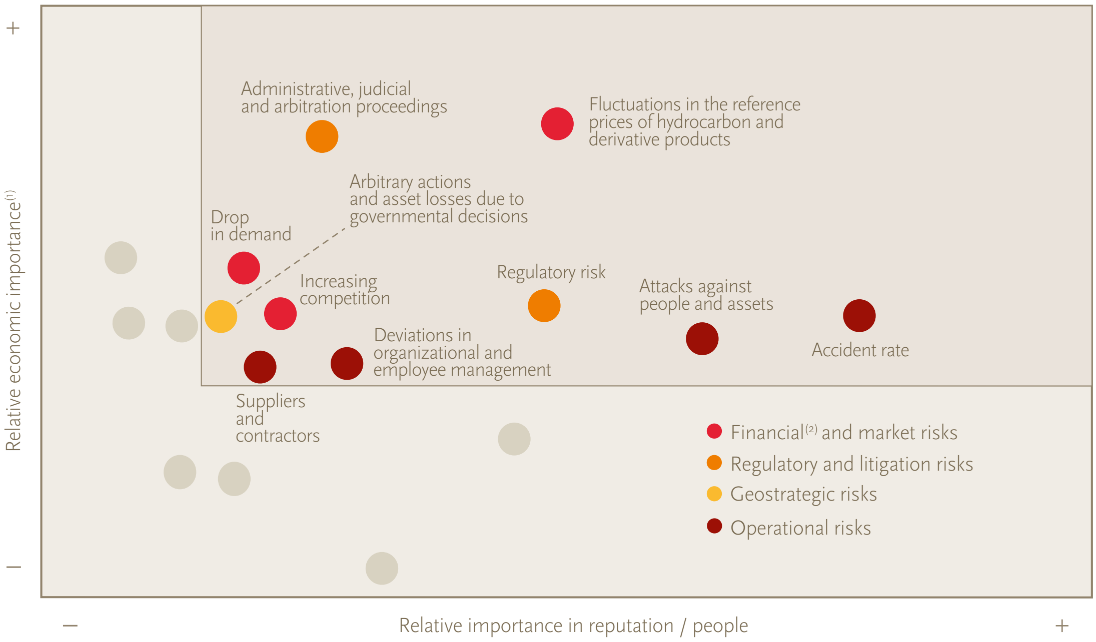
More information can be found in Appendix II "*Risks*".

As a global integrated energy company, Repsol is exposed to risks that can affect its future performance. Such risks must be managed effectively in accordance with the established Risk Management Policy. This policy was revised in 2020 to comply with the latest recommendations of the CNMV's Code of Good Governance, which was in turn revised in June 2020.

The Company has an organization, procedures and systems that allow it to reasonably manage the risks to which the group is exposed, such that risk management is an integral part of decision-making processes in both corporate governance bodies and business management. The Enterprise Risk Management System provides a comprehensive and reliable view of the risks that might affect the Company, which allows their joint management.

The Group's[1] main risks are showed below based on their importance in terms of economic, reputation and people, taking into account a timeframe of 5 years:

Main Risks



Note: The risks shown in the diagram are described in *Appendix II "Risks"*.
(1) Relative economic importance is measured in terms of loss at the 95th percentile (potential loss in acid scenario) according to the probability distribution of losses for each of the risks.
(2) *See Note 11 to the consolidated Financial Statements for 2020.*

Some of these risks are sensitive to the phenomenon of climate change and to the scenarios of transition to a low carbon economy, particularly those associated with regulation, future trends in demand, fluctuations in hydrocarbon and other commodity prices and the potential upswing in competition. Given the emerging nature of the climate change risks in the current energy context, and consistently with the commitments made, the Group is extending the scope of the analysis of these risks –alongside other emerging risks– according to a long-term time horizon. This risk map is regularly updated and the Sustainability Committee and the Audit and Control Committee are informed of the methodology used and the risk profile. For further information on emerging risks and climate change, *see Section 8.1 Climate Change*.

1. The Group has a methodology that, by applying common metrics, allows it to obtain an overview of the key risks, classify them according to their materiality, characterize them in an understandable and robust manner, quantify the potential economic, reputational and human impact that each business unit or corporate area may sustain, including Repsol as a whole, should it materialize, and identify, where appropriate, effective mitigation measures.

Índex

Appendix

Appendix

Appendix I. 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.

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 more historical quarterly APM information, see www.repsol.com.

1. Financial performance measurements

Adjusted net income

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

Repsol presents its segment[1] results 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. 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.

Adjusted net income is calculated as ***Net income from continuing operations at Current Cost of Supply*** (or CCS) net of taxes and non-controlling interests. It excludes certain income and expenses (***Special items***) and the Inventory effect. ***Financial income*** is allocated to the adjusted net income of the "Corporate and Others" segment.

Adjusted net 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 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.[2] The difference between CCS earnings and earnings at weighted average cost 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 minority interests. This Inventory Effect largely affects the Industrial segment. Repsol management considers that this measurement is useful for investors, considering the significant variations arising in the prices of inventories between periods.

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.

1. In 2020, Repsol updated the definition of its segments as described in Section 2.3 of the interim Management report for the first half of 2020.

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.

Special Items

Significant items for which separate presentation is considered desirable to facilitate the task of monitoring the ordinary management of business operations. This heading includes capital gains/losses arising from divestment, restructuring costs, impairments, provisions for risks and expenses and other major income or expense items outside the ordinary management of the businesses. Special items are presented net of taxes and minority interests.

	January – December		Fourth Quarter	
Million euros	**2020**	**2019**	**2020**	**2019**
Divestments	174	49	104	4
Indemnities and workforce restructuring	(124)	(64)	(51)	(31)
Impairment of assets	(2,812)	(4,867)	(1,513)	(4,863)
Provisions and others	(149)	(941)	275	(822)
Total	**(2,911)**	**(5,823)**	**(1,185)**	**(5,712)**

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

	Fourth Quarter											
			Adjustments									
	Adjusted net income		Reclassification of Joint Ventures		Special items		Inventory Effect[2]		Total Adjustments		IFRS-EUS profit/loss	
Million euros	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**
Operating income	464 [1]	765 [1]	(184)	124	(1,374)	(6,408)	99	37	(1,459)	(6,247)	(995)	(5,482)
Financial result	26	(148)	16	21	92	(2)	-	-	108	19	134	(129)
Net income of companies accounted for using the equity method - net of tax	2	6	401	70	(1)	6	-	-	400	76	402	82
Income before tax	**492**	**623**	**233**	**215**	**(1,283)**	**(6,404)**	**99**	**37**	**(951)**	**(6,152)**	**(459)**	**(5,529)**
Income tax	(88)	(211)	(233)	(215)	97	691	(25)	(10)	(161)	466	(249)	255
Consolidated income for the year	**404**	**412**	**-**	**-**	**(1,186)**	**(5,713)**	**74**	**27**	**(1,112)**	**(5,686)**	**(708)**	**(5,274)**
Net income attributed to non-controlling interests	-	(7)	-	-	1	1	(4)	(2)	(3)	(1)	(3)	(8)
TOTAL NET INCOME ATTRIBUTABLE TO THE PARENT COMPANY	**404**	**405**	**-**	**-**	**(1,185)**	**(5,712)**	**70**	**25**	**(1,115)**	**(5,687)**	**(711)**	**(5,282)**

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

Million euros	January – December											
			Adjustments									
	Adjusted net income		Reclassification of Joint Ventures		Special items		Inventory Effect[2]		Total Adjustments		IFRS-EU profit/loss	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Operating income	1,135 [1]	3,661 [1]	682	(529)	(3,017)	(6,343)	(1,354)	(40)	(3,689)	(6,912)	(2,554)	(3,251)
Financial result	(238)	(390)	60	111	37	(22)	-	-	97	89	(141)	(301)
Net income of companies accounted for using the equity method - net of tax	6	22	(618)	324	3	5	-	-	(615)	329	(609)	351
Income before tax	**903**	**3,293**	**124**	**(94)**	**(2,977)**	**(6,360)**	**(1,354)**	**(40)**	**(4,207)**	**(6,494)**	**(3,304)**	**(3,201)**
Income tax	(299)	(1,227)	(124)	94	63	536	344	9	283	639	(16)	(588)
Consolidated income for the year	**604**	**2,066**	**-**	**-**	**(2,914)**	**(5,824)**	**(1,010)**	**(31)**	**(3,924)**	**(5,855)**	**(3,320)**	**(3,789)**
Net income attributed to non-controlling interests	(4)	(24)	-	-	3	1	32	(4)	35	(3)	31	(27)
TOTAL NET INCOME ATTRIBUTABLE TO THE PARENT COMPANY	**600**	**2,042**	**-**	**-**	**(2,911)**	**(5,823)**	**(978)**	**(35)**	**(3,889)**	**(5,858)**	**(3,289)**	**(3,816)**

(1) Net income from continuing operations at current cost of supply (CCS).
(2) The Inventory effect represents an adjustment to "*Procurements*" and "*Changes in inventory 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 which determines the operating margin of a company prior to deducting interest, taxes, impairment, restructuring costs, 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 + Amortization + Impairment as well as other items which do not represent cash inflows or outflows from transactions (restructuring, capital gains/losses from divestment, provisions etc.). Operating income corresponds to the result from continuing operations at weighted average cost (WAC). Where ***Net income from continuing operations at Current Cost of Supply*** (CCS) is used, it is known as CCS EBITDA.

Million euros	Fourth Quarter							
	Group Reporting Model		Joint venture reclassification and other		Inventory Effect		IFRS-EU[2]	
	2020	2019	2020	2019	2020	2019	2020	2019
Upstream	643	1,058	(246)	(348)	-	-	397	710
Industrial	363	563	(9)	(5)	93	31	354	558
Commercial and Renewables	294	255	(5)	(4)	6	6	289	251
Corporate and Others	(41)	(24)	(23)	(18)	-	-	(64)	(42)
EBITDA	**1,259**	**1,852**	**(283)**	**(375)**	**99**	**37**	**976**	**1,477**
Inventory effect [1]	(99)	(37)						
CCS EBITDA	**1,160**	**1,815**	**(283)**	**(375)**	**99**	**37**	**976**	**1,477**

(1) Before tax.
(2) Corresponds to "*Income before tax*" and "*Adjustments to income*" in the consolidated Cash Flow Statements prepared under IFRS-EU.

	January – December							
	Group Reporting Model		Joint venture reclassification and others		Inventory Effect		IFRS-EU[2]	
Million euros	2020	2019	2020	2019	2020	2019	2020	2019
Upstream	2,090	4,255	(930)	(1,664)		-	1,160	2,591
Industrial	(161)	1,997	(32)	(33)	(1,332)	(31)	(193)	1,964
Commercial and Renewables	970	1,059	(10)	(14)	(22)	(9)	960	1,045
Corporate and Others	(169)	(150)	12	(21)		-	(157)	(171)
EBITDA	**2,730**	**7,161**	**(960)**	**(1,732)**		**-**	**1,770**	**5,429**
Inventory effect [1]	1,354	40						
EBITDA at CCS	**4,084**	**7,201**	**(960)**	**(1,732)**	**(1,354)**	**(40)**	**1,770**	**5,429**

(1) Before tax.
(2) Corresponds to "*Income before tax*" and "*Adjustments to income*" on the consolidated statement of cash flows under IFRS-EU.

	Fourth Quarter					
	Group Reporting Model		Joint venture reclassification and others		IFRS-EU[1]	
Million euros	2020	2019	2020	2019	2020	2019
Net income before tax	(693)	(4,907)	234	(622)	(459)	(5,529)
Adjusted result:					-	-
Depreciation of property, plant and equipment	677	893	(143)	(202)	534	691
Operating provisions	1,439	5,826	44	543	1,483	6,369
Other items	(164)	40	(418)	(94)	(582)	(54)
EBITDA	**1,259**	**1,852**	**(283)**	**(375)**	**976**	**1,477**

(1) Corresponds to "*Income before tax*" and "*Adjustments to income*" in the consolidated Cash Flow Statements prepared under IFRS-EU.

	January – December					
	Group Reporting Model		Joint venture reclassification and other		IFRS-EU[1]	
Million euros	2020	2019	2020	2019	2020	2019
Net income before tax	(3,428)	(2,270)	124	(931)	(3,304)	(3,201)
Adjusted result:					-	-
Depreciation of property, plant and equipment	2,880	3,289	(673)	(855)	2,207	2,434
Operating provisions	3,177	6,115	(973)	485	2,204	6,600
Other items	101	27	562	(431)	663	(404)
EBITDA	**2,730**	**7,161**	**(960)**	**(1,732)**	**1,770**	**5,429**

(1) Corresponds to "*Net income before tax*" and "*Adjustments to income*" in the consolidated Statement of Cash Flows prepared 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 Net Income –taking the expense for operating leases as the instalments specified in the contracts, instead of the amortization of the right of use recognized under IFRS 16–, before non-controlling and excluding Finance 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***). This includes capital employed in 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 (*Millions of euros*)	**2020**	**2019**
Operating income (IFRS-EU)	**(2,554)**	**(3,251)**
Joint Ventures reclassification	(682)	529
Income tax[1]	97	(780)
Net income of companies accounted for using the equity method - net of tax	9	27
Impact IFRS 16	(55)	(46)
I. ROACE result at weighted average cost	**(3,185)**	**(3,521)**

DENOMINATOR (*Millions of euros*)	**2020**	**2019**
Total equity	20,723	25,337
Net Debt	3,042	4,220
Capital employed at period-end	**23,765**	**29,556**
II. Average capital employed [2]	**26,661**	**31,955**
ROACE (I/II)	**(11.9)**	**(11.0)**

(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 year.

ROACE with leases is calculated as: (Adjusted Net Income, before non-controlling and excluding Financial income + Inventory Effect + Special Items) / (Average capital employed in continuing operations during the period, which equals Total Equity + ***Net Debt with leases***). It includes the return pertaining to joint ventures or other companies operationally managed as such.

NUMERATOR (*Millions of euros*)	**2020**	**2019**
Operating income IFRS-EU	**(2,554)**	**(3,251)**
Reclassification of joint ventures	(682)	529
Income tax[1]	97	(780)
Net income of companies accounted for using the equity method - net of tax	9	27
I. ROACE result at weighted average cost	**(3,130)**	**(3,475)**

DENOMINATOR (*Millions of euros*)	**2020**	**2019**
Total equity	20,539	25,209
Net debt with leases	6,778	8,083
Capital employed at year-end (with leases)	**27,317**	**33,292**
II. Average capital employed [2]	**30,304**	**35,685**
ROACE with leases (I/II) [3]	**(10.3)**	**(9.7)**

(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 year.
(3) CCS ROACE (without taking into account the Inventory Effect) amounts to (7.1%).

2. Cash flow measurements

Cash flow from operations:

Cash flow from operations measures the generation of cash flow corresponding to operations and is calculated as: EBITDA +/- Changes in working capital + Collection of dividends + Collection / - payment of income tax + Other collections / - payments relating to operating activities.

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 generated is ***free cash flow*** less dividend payments, payment of remuneration for other equity instruments, 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).

	Fourth quarter					
	Adjusted cash flow		Reclassification of joint ventures and others		IFRS-EU statement of cash flow	
Million euros	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**
I. Cash flows from / (used in) operating activities (cash flow from operations)	1,075	1,763	(71)	(21)	1,004	1,742
II. Cash flows from / (used in) investing activities	(408)	(1,515)	(734)	7	(1,142)	(1,508)
Free cash flow (I+II)	**667**	**248**	**(805)**	**(14)**	**(138)**	**234**
Cash flow generated	**351**	**(502)**	**(806)**	**(6)**	**(455)**	**(508)**
III. Cash flows from/(used in) financing activities and others(1)	(1,311)	(996)	801	38	(510)	(958)
Net increase/(decrease) in cash and cash equivalents (I+II+III)	**(644)**	**(748)**	**(4)**	**24**	**(648)**	**(724)**
Cash and cash equivalents at the beginning of the period	5,222	3,966	(253)	(263)	4,969	3,703
Cash and cash equivalents at the end of the period	4,578	3,218	(257)	(239)	4,321	2,979

(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 and the exchange rate fluctuations effect.

	January – December					
	Adjusted cash flow		Reclassification of joint ventures and others		IFRS-EU statement of cash flow	
Million euros	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**
I. Cash flows from / (used in) operating activities (cash flow from operations)	3,197	5,837	(459)	(988)	2,738	4,849
II. Cash flows from / (used in) investing activities	(1,218)	(3,777)	1,440	(630)	222	(4,407)
Free cash flow (I+II)	**1,979**	**2,060**	**981**	**(1,618)**	**2,960**	**442**
Cash flow generated	**811**	**(687)**	**1,008**	**(1,578)**	**1,819**	**(2,265)**
III. Cash flows from/(used in) financing activities and others(1)	(619)	(3,863)	(999)	1,614	(1,618)	(2,249)
Net increase/(decrease) in cash and cash equivalents (I+II+III)	**1,360**	**(1,803)**	**(18)**	**(4)**	**1,342**	**(1,807)**
Cash and cash equivalents at the beginning of the period	3,218	5,021	(239)	(235)	2,979	4,786
Cash and cash equivalents at the end of the period	4,578	3,218	(257)	(239)	4,321	2,979

The Group measures ***liquidity*** as the sum of "Cash and cash equivalents" on-demand cash deposits at financial institutions, and short and long-term credit facilities that remain undrawn at the end of the period, i.e., credit facilities granted by financial institutions that may be drawn on by the Company on the terms, in the amount and subject to the other conditions agreed in the contract.

	January – December					
	Group Reporting Model		Joint arrangements reclassification and others		IFRS-EU	
Million euros	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**
Cash and cash equivalents	4,578	3,218	(257)	(239)	4,321	2,979
Undrawn credit lines	3,436	1,818	(11)	(10)	3,425	1,808
Deposits of immediate availability (1)	1,181	2,631	-	-	1,181	2,631
Liquidity	**9,195**	**7,667**	**(268)**	**(249)**	**8,926**	**7,418**

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

Operating 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. The figure includes joint ventures or other companies managed operationally as joint ventures.

Investments may be presented as organic (acquisition of projects, assets or companies for the expansion of the Group's activities) or inorganic (funds invested in the development or maintenance of the Group's projects and assets). 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.

	Fourth Quarter					
	Operating investments		Joint venture reclassification and other		IFRS-EU(1)	
Million euros	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**
Upstream	182	915	(85)	(116)	97	799
Industrial	225	389	(10)	(6)	215	383
Commercial and Renewables	339	238	(42)	(3)	297	235
Corporate and Others	23	14	-	-	23	14
Total	**769**	**1.556**	**(137)**	**(125)**	**632**	**1.431**

	January – December					
	Operating investments		Joint venture reclassification and other		IFRS-EU(1)	
Million euros	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**
Upstream	948	2,429	(230)	(499)	718	1,930
Industrial	565	885	(14)	(16)	551	869
Commercial and Renewables	739	491	(46)	(12)	693	479
Corporate and Others	56	56	-	-	56	56
Total	**2,308**	**3,861**	**(290)**	**(527)**	**2,018**	**3,334**

(1) This corresponds 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[1]

Net Debt and ***Net Debt with leases*** are the main APMs used by Management to measure the Company's level of debt. The figure is made up of financial liabilities (including lease liabilities, as the case may be) less financial assets, cash and cash equivalents, and the effect arising from the mark-to-market of financial derivatives (excluding interest rates). It also includes the net debt of joint ventures and other companies operationally managed as such.

Million euros	Net Debt Dec-20	Reclassification of joint ventures [1] Dec-20	IFRS-EU balance sheet Dec-20
Non-current assets			
Non-current financial instruments[2]	10	767	777
Current assets			
Other current financial assets	1,418	159	1,577
Cash and cash equivalents	4,578	(257)	4,321
Non-current liabilities			
Non-current financial liabilities[3]	(6,373)	(3,246)	(9,619)
Current liabilities			
Current financial liabilities[3]	(3,030)	(364)	(3,394)
Items not included on the balance sheet			
Net mark to market valuation of financial derivatives (ex: exchange rate)[4]	355	(290)	65
NET DEBT[5]	**(3,042)**	**(3,231)**	**(6,273)**
Non-current net leases liabilities [6]	(3,153)	664	(2,489)
Current lease liabilities [6]	(583)	105	(478)
NET DEBT with leases	**(6,778)**		**(9,240)**

(1) Mainly includes the net financing of the Repsol Sinopec Brazil Group, broken down in the following sections: Cash and cash equivalents of 79 million euros, current financial liabilities from an intra-group loans of 2,768 million euros and 674 million euros from leases.
(2) Corresponds to the consolidated balance sheet heading, "*Non-current financial assets*" without including equity instruments.
(3) Does not include lease liabilities.
(4) The net market value of interest rate derivatives has been eliminated from this section.
(5) Reconciliations of this figure for previous periods are available at www.repsol.com
(6) Includes collection rights from sub-leases amounting to 24 million euros (16 million euros long term and 8 million euros short term).

1. In 2020, the interest coverage ratio (interest on debt -financial income and expenses- divided by EBITDA) is no longer reported, as it is no longer a measure used by Management to assess the financial position.

Gross Debt and ***Gross Debt*** with leases are measures used to analyze the Group's solvency and include financial liabilities (including lease liabilities as the case may be) and the mark-to-market value of exchange rate derivatives. It also includes the net debt of joint ventures and other companies operationally managed as such.

	Gross debt	**Reclassification of joint ventures and others**	**IFRS-EU balance sheet**
Million euros	**Dec-20**	**Dec-20**	**Dec-20**
Current financial liabilities [(1)]	(2,786)	(363)	(3,149)
Net valuation at the market rates of financial derivative, such as current exchange rate	(64)	-	(64)
Current gross debt	**(2,850)**	**(363)**	**(3,213)**
Non-current financial liabilities[(1)]	(6,272)	(3,245)	(9,517)
Net mark-to-market valuation of non-current foreign exchange derivatives	24	-	24
Non-current gross debt	**(6,248)**	**(3,245)**	**(9,493)**
GROSS DEBT[(2)]	**(9,098)**	**(3,609)**	**(12,706)**
Current lease liabilities	(590)	104	(486)
Non-current lease liabilities	(3,175)	620	(2,505)
GROSS DEBT with leases	**(12,863)**	**(2,835)**	**(15,697)**

(1) Does not include lease liabilities.

(2) Reconciliations of this figure for previous periods 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.

	January – December					
	Group Reporting Model		Joint venture reclassification		IFRS - EU Balance sheet	
Million euros	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**
Net debt	(3,042)	(4,220)	(3,231)	(3,342)	(6,273)	(7,562)
Capital employed	23,765	29,556	3,231	3,342	26,996	32,898
Leverage	**-12.8%**	**-14.3%**			**-23.2%**	**-23.0%**

	January – December					
	Group Reporting Model		Joint venture reclassification		IFRS - EU Balance sheet	
Million euros	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**
Net debt with leases	(6,778)	(8,083)	(2,462)	(2,583)	(9,240)	(10,666)
Capital employed	27,317	33,292	2,462	2,583	29,779	35,875
Leverage with leases	**-24.8%**	**-24.3%**			**-31.0%**	**-29.8%**

	January – December					
	Group Reporting Model		Joint venture reclassification		IFRS - EU Balance sheet	
Million euros	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**
Liquidity	9,195	7,667	(269)	(249)	8,926	7,418
Current gross debt	2,850	5,219	822	(10)	3,213	6,022
Solvency	**3.2**	**1.5**			**2.8**	**1.2**

Appendix II. Risks

Risk management

Repsol's Enterprise Risk Management System - [ERMS]

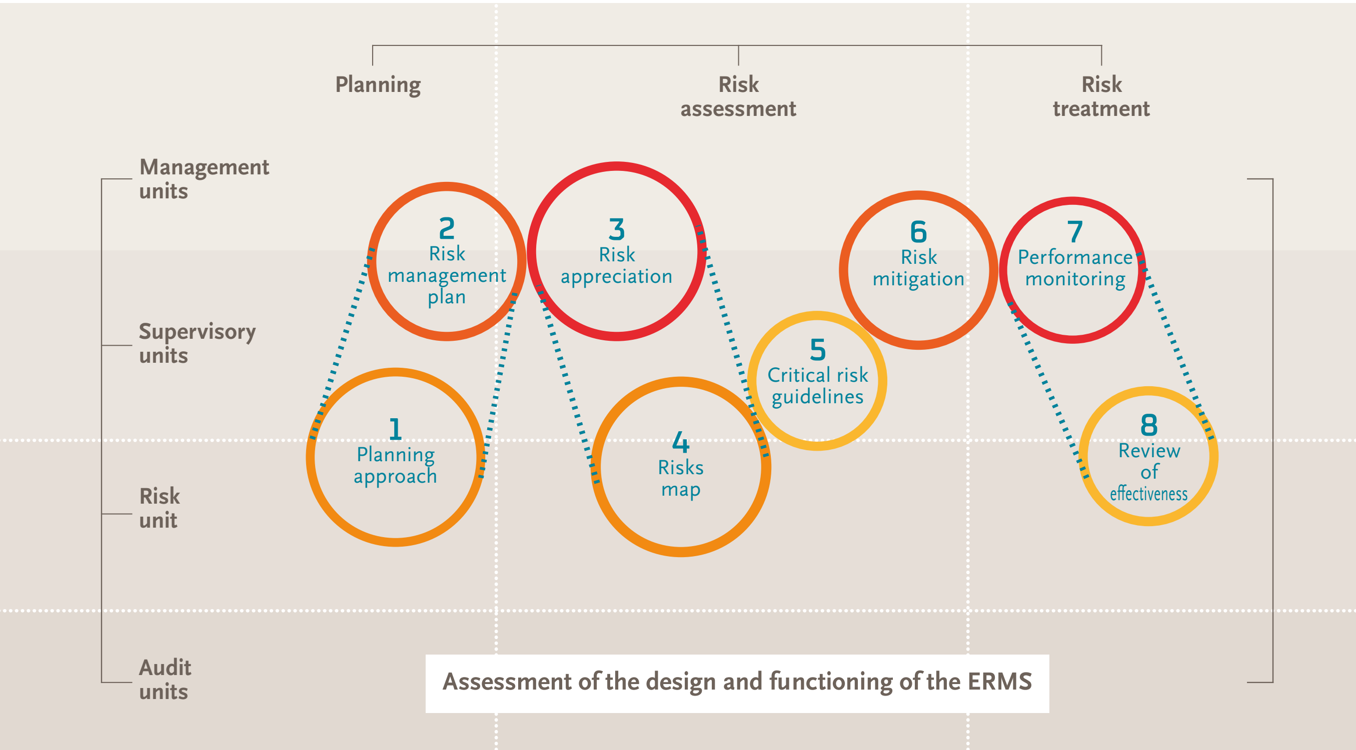
Repsol has an Enterprise Risk Management System that, through the coordinated action of all units involved, allows the main risks associated with the Group's activities to be identified, measured, managed and supervised in a manner consistent with the risk policy, and monitors whether the management systems effectively mitigate these risks to the established levels. Repsol's Enterprise Risk Management System (ERMS) provides a comprehensive and reliable vision of all risks that may affect the Company, and is based on a Risk Management policy approved by the Board of Directors, the principles of which are set out in an Enterprise Risk Management standard approved by the Executive Committee.

The core pillars of the ERMS are:

- Senior Management leads enterprise risk management.
- The risk perspective is integrated into management and decision-making processes.
- Businesses and corporate areas play a role in the implementation of the model with different levels of responsibility and specialization (risk management units, supervisory units and audit units, in accordance with the Three Lines model) as well as the Risks Division, which governs and coordinates the system.
- Risks are identified, assessed and addressed in accordance with the guidelines of ISO 31000.
- Promotion of continuous improvement to gain efficiency and responsiveness.

Another key element is the risk tolerance statement which, together with the above principles, is included in the Risk Management policy. Repsol aspires to a low-to-medium risk profile that is appropriate for an integrated and diversified energy company, differentiating between risks in which the Company is ready to accept exposure within its overall tolerance threshold, and others in which it seeks to reduce exposure to levels as low as reasonably possible. The latter type would include accident, environmental, health, safety, ethics and conduct, image and reputation and compliance risks.

ISO 31000 Risk Management - Principles and guidelines



Below are details on the Company bodies involved in the definition, implementation, monitoring and supervision of the SIGR, as well as their responsibilities:

Board of Directors

Board of Directors

Approves the general **policies and strategies of the Company,** which includes the risk control and management policy and the oversight of internal information and control systems.

Audit and Control Committee

Periodically **verifies** the **effectiveness** of internal control systems, Internal Audit and risk management systems so that the main risks are properly identified, managed and disclosed.

Sustainability Committee

Reviews and **evaluates** systems for the management and control of risks in non-financial matters, in particular those related to matters that fall within its remit.

Executive Committee

Approves **governance elements** in the field of risk management, monitors the **correctness** of the risk management implementation and monitors the Company's risk performance, including the integration of the risk perspective in the decision-making process.

Risk Management Units

Directly responsible for risk in daily operations (risk identification, analysis, assessment and treatment).

Supervisory Risk Units

Supervisory Units: governance units that specialize in certain risk classes and support and oversee the implementation of **effective risk** management practices at the Management Units by providing ongoing advice.

Risk Units: guarantee the sound functioning of the risk control and management systems and ensure, in particular, that all material risks affecting the Company are identified, managed and quantified. They also see to it that risk factors have an effective influence on **decision-making processes** and ensure that risk management and control systems adequately mitigate the risks within the framework of the policy defined by the Board of Directors.

Risk Audit Units

Assess the design and operation of risk management systems to ensure that they are properly identified, measured, prioritized and controlled according to current standards and good industry practice.

In accordance with the ERMS, the risk profile of each management unit is reported at least once a year to the head of the unit for formal validation. However, if at any time it is thought that the Group's risk profile may have changed substantially due to a change in exposure to an especially significant risk, the analysis of such risks is updated.

Where appropriate, the head of the management unit sets in motion appropriate actions or control mechanisms[1] to align the risk profile with the organization's expectations, in line with the risk tolerance declaration set out in the Risk Management Policy.

The Risks Division consolidates individual risk maps to obtain the consolidated Risk Map for the Repsol Group, and any partial consolidation agreed to be reported to the executive and governing bodies, which, where appropriate, provide guidelines on the treatment of certain risks, in view of the risk profile, the maturity of risk management systems and the risk tolerance declaration set out in the Risk Management Policy.

The resulting mitigation actions are driven forward by the supervisor units[2] and, when they involve management units, converge with those units' own strategies.

In the course of these activities, the Risks Division collects information from the management and supervisor units on their performance and expectations in relation to achieving the objectives of the ERMS. This information collection is supplemented, when appropriate, with campaigns specifically designed to obtain certain data, such as surveys, backtesting studies and others. By reference to this information, the area responsible for the ERMS reviews effectiveness and ensures that the findings result in continuous improvement of the ERMS.

At all stages of the enterprise risk management process, in accordance with their planning, the audit units evaluate the reasonableness and adequacy of the design and operation of the Repsol Group's risk control and management systems, to ensure that risks are properly identified, prioritized, measured and controlled within the tolerance levels set by the Board in its Risk Management Policy, looking to prevailing standards and good industry practices. The audit units plan their engagements annually, based on the state of the risks and other considerations, with a focus on the key risks.

The variables in the economic models on which key decision-making processes are based, such as the preparation of the annual budget and the preparation and regular updating of the strategic plan, are subject to risk analysis, and information is received from the ERMS accordingly. Going beyond single-scenario approaches, these analyses provide a probabilistic view of the achievable result by simulating multiple scenarios in which these variables, correlated to some extent or another, take different values depending on their prior statistical modeling.

System of Internal Control over Financial Reporting (ICFR)

The Repsol Group has a System of Internal Control over Financial Reporting (ICFR) whose correct functioning can reasonably ensure the reliability of the Group's financial reporting. The ICFR model is based on the methodological framework of COSO 2013 (*Committee of Sponsoring Organizations of the Treadway Commission*) as set out in their report *Internal Control-Integrated Framework*, which provides an integrated framework for internal control over financial reporting that is designed to ensure that transactions are recorded faithfully, in conformity with the applicable accounting framework, providing reasonable assurance in the prevention or detection of errors that might have a material impact on the information contained in consolidated financial statements. The Audit, Control and Risks department annually evaluates the design and functioning of the Group ICFR and draws conclusions on its effectiveness.

Main risks

The main risks identified in Section 10 of this document are detailed below:

1. Repsol has in place an Integrated Internal Control model that follows the COSO framework and includes the Group's formally developed Internal Control and Compliance Systems, highlights being the System of Internal Control over Financial Reporting and the Crime Prevention Model of the Group's Spanish entities.
2. The following areas are key: Sustainability, Corporate Security, Legal Counsel, External Relationships, CIO and CDO, Institutional Relationships, Strategy and Planning, Economic and Tax Matters, Financial Risks, Planning and Rating Agencies, Technology and Corporate Venturing, Corporate Governance, People and Organization, Purchasing and Contracting, Quality Assurance & Quality Control E&P, Technical Industrial Area, Engineering, Projects & Facilities E&P, Internal Control and Reserves Control.

Financial and market risks	
Fluctuations in the reference price of hydrocarbons, derivative products and other commodities (electricity and the price of CO_2 emission allowances)	Crude oil and gas prices are subject to exogenous factors and, therefore, to volatility, as a result of fluctuations in international supply and demand, impacted by the geopolitical and macroeconomic environment -as demonstrated in 2020 by the impact of the COVID-19 pandemic-, OPEC influence, technological changes, the energy transition process or natural disasters. On average, the Brent crude oil price stood at $41.8/bbl in 2020, down 34.9% on the 2019 average. On average, the Henry Hub gas price stood at $2.1/Mbtu in 2020, down 19.2% on the 2019 average. For more information on changes in hydrocarbon prices in 2020, *see Section 5.2. of the report*, and for their likely performance in 2021, see *Section 9.1*. The reduction in crude and gas oil prices adversely affects the profitability of Upstream activity, the valuation of its assets, its capacity to generate cash and its investment plans. For more information on the impacts that the price reduction has had on activities, valuation and profitability of this business, *see sections 2, 6, and 7.1*. A significant drop in capital investment could negatively affect Repsol's ability to replace its crude oil and gas reserves. In turn, international prices for crude oil and oil derivatives may impact the value of stored inventories of the Industrial segment. In 2020 the impact of price fluctuations on inventories is reflected in the so-called Equity Effect (*see Section 6*). The price of finished products can also affect their demand. In addition to the macroeconomic environment, dependent in the short term on the development of the pandemic, the scenarios associated with the energy transition process and the effects of climate change can affect the price of other commodities such as electricity and CO_2 emission allowances. Finally, note that any potential deviations in price with regard to the Group's forecasts may also be beneficial.
Competitive de-positioning	The activity of the energy industry takes place in the context of a highly competitive sector. Such competition may be increased by a number of factors, including the entry of new competitors, changes in market conditions, expiry of administrative concessions, technological obsolescence or insufficient differentiation, acceleration of the energy transition process and increasing competition for access to low-carbon resources. The combined effect of these factors may affect market share and margins.
Drop in demand	Demand for crude oil, gas, electricity or oil products below the Group's forecast has a negative impact on the results of its main businesses (E&P, Refining, Commercial, Chemicals, Trading, LPG, Electricity and Gas, etc.) as activity volumes are affected. In 2020, the outbreak of the international COVID-19 pandemic has significantly reduced the demand for several of our products, as a result of the drop in economic activity and, in particular, mobility restriction measures to combat the spread of the pandemic. For more information on the impact on business activity and profitability, *see Sections 2 and 6*. The future progression of the pandemic adds uncertainty to the demand forecast, because of the difficulty in predicting the timeframe in which demand will return to pre-COVID levels. Other factors that may affect demand include slower growth in countries to which the Group is most exposed, trade tensions between the major powers, and climate change and energy transition scenarios.
Regulatory and litigation risks	
Administrative, judicial and arbitration proceedings	The Repsol Group is exposed to administrative, legal and arbitration proceedings arising as a result of carrying out its activities, the scope, content or outcome of which cannot be accurately predicted. For more information, *see Notes 15.2 and 23.4 of the consolidated Financial Statements*.
Regulatory risks	The energy industry and the Group's activity are heavily regulated. The current regulatory framework affects aspects such as the environment, competition, taxation, employment, industrial safety and IT security, among others. Any changes that may be made to the applicable standards or their interpretation or any disputes in terms of compliance therewith, may adversely affect the business, results and financial position of the Repsol Group. In particular, the regulatory aspects that generate this exposure include tax regulations and their interpretation, the wide variety of environmental and safety regulations (environmental product quality, air emissions, climate change and energy efficiency, extraction technologies, water discharges, remediation of soil and groundwater and the generation, storage, transport, treatment and final disposal of waste materials), accounting and transparency regulations, competition rules, legal occupational regulations and data protection provisions. Furthermore, Repsol reports on proven oil and gas reserve estimates that involve inherent uncertainty in the assessment process that is subject to judgements and estimates (*see Note 3 of the consolidated Financial Statements*). In addition, Repsol may be affected by the existence of sanctions and trade embargo regimes adopted by the EU, its Member States, the US or other countries, as well as supranational bodies such as the United Nations, on certain countries in which it operates and/or companies or individuals based in them.
Geostrategic risks	
Arbitrary actions and loss of assets due to government decisions	Part of Repsol's activities are carried out in countries that present or may present scenarios of social, political or economic instability that could lead to situations such as the increase of taxes and royalties, the establishment of production limits and volumes for exports, mandatory renegotiations or annulment of contracts, regulation of product prices, nationalization, expropriation or confiscation of assets, loss of concessions, changes in government policies, changes in commercial customs and practices or delayed payments, among others. Repsol operates in countries with particular geopolitical risk, as described in *Note 20.3 of the consolidated Financial Statements*.
Operational risks	
Safety rate	Repsol's industrial and commercial assets (refineries, petrochemical complexes, regasification plants, power generation plants, bases and warehouses, port facilities, pipelines, ships, tanker trucks, service stations, etc.), as well as E&P's own facilities (exploratory or production wells, surface facilities, oil platforms, etc.), both onshore and offshore, are exposed to accidents such as fires, explosions, toxic product leaks and environmental incidents with a large potential impact. Such accidents may cause death and injury to employees, contractors, residents in surrounding areas, as well as damage to the assets and property owned by Repsol and third parties as well as damage to the environment. The Repsol Group is exposed to impacts from any type of damage or temporary interruption of service associated with safety in operations or involving land, sea, river and air transport vehicles for people, substances, goods and equipment.
Deviations in organizational and employee management	The Repsol Group is exposed to negative impacts arising from the management of the organization and its employees, which constitute a key asset for the Group and which, in certain business contexts, may prove inadequate for achieving its objectives. The factors triggering such impacts include aspects such as talent attraction and retention, organizational structure, both in terms of design and dimensioning, and labor relations.
Suppliers and Contractors	The Repsol Group is exposed to negative impacts associated with the unavailability or lack of market goods and services, fluctuations in their cost, as well as interruptions and deviations in time and form in the supply of goods or the provision of services, including, among others, the supply of raw materials, which may eventually force the interruption of the affected business activities. Specifically, part of the transportation and sale of crude oil and gas production from E&P assets is carried out through infrastructures (pipelines, processing and purification units or liquefaction terminals) operated by third parties and that are exposed to the occurrence of different events such as unscheduled stoppages or accidents, which may affect the provision of these logistics services by suppliers. In addition, in certain countries where the Group operates, affected by situations of socio-political instability, there may be a shortage of qualified suppliers or contractors, which could potentially impact activities.
Attacks against people or assets	In general, but especially in certain countries where it operates, Repsol is exposed to potential impacts as a result of acts of direct violence that may endanger the integrity of both the Company's assets, whether physical or logical, and of the persons linked to it as a result of the actions of persons or groups motivated by any interests, whether governmental or not, including, among others, acts of terrorism, delinquency and piracy. Noteworthy are the special security conditions in Libya, where there have been stoppages of hydrocarbon production in 2020. For further information, *see Note 21.3 to the consolidated financial Statements*.

In 2020, the risks of fluctuations in benchmark prices of hydrocarbons and the drop in demand arose as a result of the impact of the COVID-19 pandemic on the commodity markets and the Group's activities (*see Section 2.1 COVID-19 Main impacts*).

Appendix III. Further information on Sustainability[1]

Materiality and stakeholder engagement

Materiality [102-46 to 47] and Stakeholder Engagement [102-40 and 102-42 to 44]

The following chart shows the results of the materiality study with regard to Sustainability.

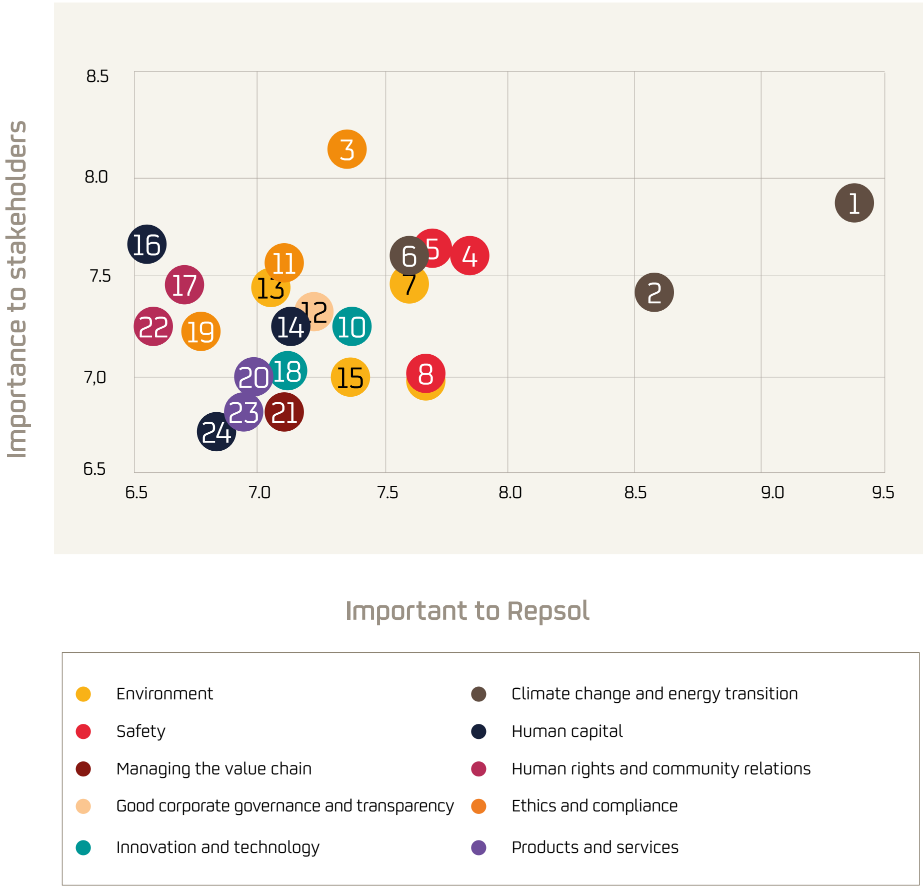
Matters identified by stakeholders

Critical

1. GHG emissions and energy transition strategies
2. Energy and climate policies and regulation

Very significant

3. Integrity (corruption and money laundering)
4. Safe operations
5. Incident and emergency management
6. Future technologies for mitigating climate change
7. Water management
8. Safety culture and leadership
9. Circular economy and waste management
10. Cybersecurity
11. International sanctions
12. Responsible tax policy
13. Air quality
14. Equal opportunities, diversity and flexibility
15. Natural capital
16. Respect for labor rights, stable working environment and employee well-being
17. Human rights and community relations
18. Digitalization and new ways of working
19. Data protection
20. Customer satisfaction and safety
21. Responsible management of commercial relations (suppliers, contractors and partners)
22. Contribution to society
23. Quality of products and services
24. Attracting, retaining and developing talent



Repsol performed a new materiality study in 2020, which reflects the significance of Sustainability issues both for the Company and for its stakeholders. Repsol takes the view that materiality analysis must be a comprehensive process that is integrated throughout the organization. Hence, in 2020, 19 areas of the organization and 22 countries took part in the project, including areas in charge of stakeholder relations, areas with expertise in Sustainability issues and the management team. Within the context of the health and economic crisis of 2020, a materiality study is especially useful to capture any changes in stakeholders' sustainability priorities.

The materiality analysis at Repsol is a process that spans four phases:

1. Stakeholder analysis and relations: In 2020, the Company's stakeholder map was validated and consolidated. This map is structured into eight stakeholder groups (1. Shareholders, investors and financial institutions, 2. People in the Organization, 3. Customers, 4. Suppliers and contractors, 5. Peers, competitors and trade associations, 6. Public bodies and institutions, 7. Society and 8. Press and media), which are sub-divided into a total of 40 categories. In addition, the management areas and groups have been consulted on the effectiveness of the communication. Repsol's objective is to have a robust relationship process that facilitates two-way dialogue.

1. In this section, the numeric references in brackets correspond to GRI indicators

Relations with stakeholders

Employees: Human capital, Corporate governance and transparency, Ethics and compliance, Human rights and community relations, and Innovation and technology are the key issues for this stakeholder. The Company has opened up channels of communication and dialogue with employees both directly and through their union representatives in the corresponding negotiating committees, including the Sustainability Committee (created in 2019), to address issues and reach agreements. Committee meetings ensure monitoring of and compliance with collective bargaining agreements and agreements applicable to specific Group companies. The European Works Council of the Repsol Group stands out for their capacity for dialogue with workers' representatives at an international level.

Partners, competitors and business associations:

Repsol maintains a constant relationship with this stakeholder through negotiation processes, alliances such as the OGCI [Oil and Gas Climate Initiative], sectoral associations, conferences and events. This stakeholder includes our partners and competitors in the energy industry, meaning they share Repsol's interest in climate change, corporate governance, safety and the environment. The importance of the Transparency issue for this stakeholder group rose strongly in 2020.

Public institutions and organizations:

Contact with this stakeholder is frequent and mainly takes the form of meetings and events, in any case at the frequency required by the different international, national, regional and local public institutions and organisations. Climate Change, Ethics and Compliance, Corporate Governance and Environment are the key issues for this stakeholder group.

Media:

Greenhouse gas emissions is the key issue for this stakeholder, followed by Adaptation to climate change and Respect for labor rights. These are followed by issues surrounding Ethics and Compliance (Integrity and International Sanctions) and Environment (Water Management and Air Quality), with a significant increase in the priority accorded to Air Quality. Repsol is regularly in contact with this stakeholder through press releases and communiqués, interviews, articles, etc.

Customers: Repsol maintains a constant dialog with this stakeholder through its extensive commercial network, participation at specialist fairs and events, technical assistance services, customer service and the points of sale network. In 2020, we focused on this stakeholder group by conducting 400 surveys and 1,200 interviews. The issues rated most highly as a priority by this stakeholder group include Products and Services, Environment and Safety.

Shareholders, investors and financial institutions:

Repsol engages in continuous communication and dialog with this group. The CEO of the Company, Josu Jon Imaz, directs and leads senior management roadshows with socially responsible investors to respond to their requests for information on Sustainability. At year-end 2020, socially responsible shareholders accounted for 32% of shares held by institutional shareholders. Corporate Governance, Climate Change, Ethics and Compliance, and Safety are the key issues for this stakeholder group.

Suppliers and contractors:

Many members of this stakeholder group work at assets operated by Repsol and, therefore, have a shared interest in matters related to the Safety axis. In addition, for them it is vital that the Company acts ethically, protecting the group's data and integrity. In 2020, issues related to Products & Services and Supply Chain rose in significance. Repsol maintains a fluid relationship with this stakeholder throughout the management process, from procurement to operations.

Company: This stakeholder includes local communities, including indigenous populations, trade unions, NGOs, academia, civil society and citizens. Respect for labor rights, stable working environment and attention to employee welfare are the key issues for this stakeholder group. In 2020, this stakeholder group continued to focus on the Climate Change and Human Rights axes. This stakeholder group seeks to ensure that companies such as Repsol prevent and mitigate the key environmental and social impacts of their activities. It also attaches high priority to integrity. Contact and interaction with these stakeholders take on many forms, including meetings, social programs, commercial activities, social media, etc. Furthermore, the Sustainability information that Repsol publishes responds to all requests for information received and participates actively in cross-sectorial taskforces, presentations, conferences and debates on this matter.

2. Identification of potentially material topics: In 2020, as in 2019, a list of 34 sustainability-related topics with the potential to generate challenges and opportunities for both the company and its stakeholders were identified. These topics have been categorized into 10 focal points.

3. Prioritization of material topics: Internal prioritization (Importance for Repsol) is carried out through consultations with the heads of the business units and corporate areas and through alignment with the sustainability risks identified in the Company's Risk Map. External prioritization (Importance for stakeholders) is carried out through consultations with stakeholders and the company areas and departments responsible for managing the relationship with these stakeholders. In 2020, more than 5,000 interviews and surveys were conducted, with a participation rate of 74%. Further, an artificial intelligence tool was used to globally compare our material topics with other companies operating in the sector, current legislation and thousands of news items in the media and across the social networks. Last but not least, Repsol analyzed more than 100 documents that reflect the needs and demands of stakeholders obtained through consultations, initiatives, analyses and other projects derived from direct dialogue with stakeholders.

4. Construction of materiality matrixes: Based on the assessments explained in the previous point, the materiality matrixes are calculated and thresholds are designated in order to work out the most significant or material topics. After applying these thresholds in 2020, a total of 24 material topics were identified (21 topics in 2019). One global company-wide matrix and eight specific stakeholder matrices were obtained.

The Repsol 2020 Materiality Analysis integrates the concept of double materiality described in Article 1 of Directive 2014/95/EU as regards disclosure of non-financial information. To this end, Repsol incorporates expectations in terms of sustainability, both of investors, who take into account the impact of the environment on the Company's activity (financial materiality) and of stakeholders (customers, civil society, employees, suppliers and contractors) who are affected by the impact of the Company's activity on the environment (environmental and social materiality). In addition, the management team and Repsol's sustainability risk map help determine financial materiality by assessing the impact of the environment on the Company.

The findings of the materiality analysis are embedded in the Sustainability Strategy and deployed downstream through the Global Plan and Local Sustainability Plans. The actions under the plans, locally and globally, are aimed at improving performance and minimizing the impact of identified sustainability risks. This enables the Company to think strategically and take decisions to evolve the business model to ensure economic, environmental and social sustainability.

Corporate governance

[102-23] Chair of the highest governing body

Since 2014, Repsol has separated the roles of Chairman of the Board of Directors and Chief Executive Officer, with Antonio Brufau Niubó serving as the non-executive Chairman of the Board of Directors and Josu Jon Imaz serving as the CEO of the Company and, therefore, heading up the Executive Committee.

On May 31, 2019, at their annual meeting, the shareholders approved the re-election of the Chairman of the Board of Directors, Antonio Brufau Niubó, and of the Chief Executive Officer, Josu Jon Imaz San Miguel, for the bylaw-mandated term of four years, so that both may continue to perform the duties with which they have been entrusted to date and which they have been carrying out in an outstanding manner: Mr. Imaz focused on executive tasks and Mr. Brufau on oversight and institutional representation of the Company.

[102-37] Stakeholder involvement in remuneration

The Annual Report on the Remuneration of Repsol Directors is submitted to an advisory vote of shareholders. At the General Meeting of May 8, 2020, the report received wide support, as it was approved by a majority of the 89.562% of the capital attending the meeting. Furthermore, and with the aim of assisting shareholders in understanding the information in the official model of the Report on Remuneration, and to continue increasing the transparency of remuneration schemes, the Company has also published an additional voluntary report in recent years on this topic that contains more detailed, comprehensive information on the remuneration of Executive Directors.

With respect to 2020, the Company has produced the Annual Remuneration Report since 2018, using a free-form approach, together with the statistical appendix, so that shareholders and stakeholders can have all relevant information on the remuneration of the Directors.

Also, the General Shareholders' Meeting of Saturday, May 31, 2019 approved, with 95.4% of votes in favor, the Remuneration Policy of Directors of Repsol, S.A. for 2018, 2019 and 2020. The policy contains, among other matters, forecasts on the partial payment in shares of long-term variable remuneration and the policy on holding of shares.

The average remuneration of Directors, by gender, is shown below:

Average Director remuneration by gender (€)

	2020		2019	
	Women	Men	Women	Men
Director average	286,966	333,567	291,025	330,378
Chairman	N/A	2,500,000	N/A	2,500,000

For more information, please see the Annual Remuneration Report.

Climate change

Energy efficiency and climate change

[EM-EP-420a.3] Investment in renewable energy, revenue from renewable energy sales

[G4-OG2] and [G4-OG3] Renewable energy generation

In July 2020, the floating offshore wind project WindFloat Atlantic, in which Repsol has a 13.6% stake-came on-stream. The facility has an installed capacity of 25MW and is the first semi-submersible offshore wind farm in the world.

The venture was backed by public and private institutions, and involved leading companies in their respective markets and the financial support of the Portuguese government, the European Commission and the European Investment Bank.

Moreover, Repsol Electricidad y Gas, S.A. is undertaking a wide range of renewable energy projects (*see Section 7.3.4* of the Report).

Total investment in renewable energy, by type of technology (€ thousands)

Technology	Investment 2020	Investment 2019
Onshore wind power	346,938	-
Offshore wind power	-	7,600
Solar	125,840	-
Conventional hydro	2,277	-
R&D Biofuels 1st generation	1,744	585
R&D Advanced biofuels	2,977.0	1,636.5
Total	**479,726**	**1,637**

Total amount of renewable energy generated, by source (MWh)

Source	Power generation 2020	Power generation 2019
Hydro < 10 MW	69,685	97,012
Hydro > 10 MW	890,953	910,436
Onshore wind power	168,485	-
Offshore wind power	6,832	-
Total	**1,135,965**	**1,007,448**

Revenue from renewable energy currently accounts for 2.4% of the Company's overall revenue.

[302-5] Reductions in energy requirements of products and services

Repsol invests in sustainable mobility through electric mobility projects, automotive gas and energy diversification. Furthermore, it is committed to developing new products with less energy requirements for the end user.

Electric mobility	Since 2010, Repsol has promoted electric mobility through IBIL, which is a 50% investee of Repsol and the Basque Energy Agency (EVE), for a comprehensive energy charging service that is 100% renewable, with smart facilities and terminals and an infrastructure control center. Between 2012 and 2020, this project saw a decrease of 1,384.84 tCO2. In 2019, Repsol acquired from IBIL a recharging network and energy marketing services for electric vehicles. In 2020, Repsol's public recharging network topped 250 points. 50 of them are fast charging points. Furthermore, Repsol operates the first two ultra-fast recharging points for electric vehicles on the Iberian Peninsula at its Repsol service stations. In 2020, under an agreement reached with KIA, the South Korean firm will enable its customers in Spain to install Repsol's electric vehicle charging infrastructure in their homes. Repsol will be the preferred installer of the electric vehicle charging infrastructure at Kia's 220 points of sale in Spain, with the assurance that the electricity is 100% renewable. The deal bolsters the Company's position as a benchmark in sustainable mobility.
Digitalization in mobility	The **Westmartpark** project is a Spanish company that has set up and manages a network of low-cost collaborative parking where customers can park with savings of up to 50%, and owners of the spaces can monetize them during hours of off-peak use through an online platform and IoT technology sensors. The **Drivesmart** project is a Spanish company that owns the Drivesmart application which applies metrics of safe, social and sustainable driving. Through a user's smartphone, Drivesmart compiles and processes information on a person's driving style. The result is an objective measurement of the quality user's driving, and it fosters improvement.
AutoGas	**AutoGas** is the most widely used alternative fuel for vehicles because it enables fuel savings of up to 40%. Repsol currently has 745 AutoGas supply points and is gradually expanding this network. **AutoGas** with bifuel vehicles are fitted with two tanks: one for gasoline and another for AutoGas, thus doubling the vehicle's autonomy. At Repsol we have taken a step further in the use of LPG. The company has launched a technology development project with the Spanish company **Begas Motor S.L.** to develop engines for heavy vehicles (buses) fueled with autogas (LPG), so that they can be certified as ECO vehicles.
Distributed generation	In April 2020 Repsol launched Solmatch, the first major solar community in Spain based on a 100% renewable energy model. In Solmatch communities, energy is generated using solar panels mounted on the roofs of buildings ("roofers"), so that households ("matchers") located up to 500 meters away can connect to and enjoy local 100% renewable energy. Roofers can then generate renewable energy while making good use of a generally idle asset, their roof space. Matchers can easily connect to a solar community in their area to use solar energy generated in their neighbourhood and save up to 20% of the electricity they consume, at a very competitive price and without having to be locked into the arrangement.
New polyolefins with lower energy requirements	In 2020, the Chemicals business developed three new grades of polyethylene for the automotive sector that reduce vehicle weight and hence reduce energy consumption.

[G4-OG14] Volume of biofuels produced, shared and sold

[EM-RM-410a.1] Percentage of Renewable Volume Obligation (RVO) achieved through production of renewable fuels and purchase of "differentiated" Renewable Identification Numbers (RINs)

As part of its medium-term vision, Repsol helps to reduce CO_2 emissions released during transport through the use of biofuels incorporated in gasoline, kerosene and gasoil. In addition, the Company is focusing on the promotion of projects of advanced biofuels (based on non-food raw materials) with a strong technological content and high reduction of the carbon footprint. Work is currently under way at the Technology Hub.

To ensure the sustainability of its biofuels, Repsol has signed up to international frameworks that certify compliance with the sustainability parameters defined in the Renewables Directives (RED I and RED II) and the traceability of the raw materials employed throughout the chain of production, from their origin to the finished product. Specifically, at its industrial plants and centers, the Company's operations follow the ISCC1 sustainability frameworks,[1] and they have been certified under the National Sustainability Verification System (SNVS). The percentage of biofuels physically incorporated into gasoline and diesel fuel in 2020 is higher than the minimum limits mandated by law.

It is worth noting that during 2020, biofuels manufactured using raw materials recovered from waste have been included in the portfolio, thus reducing emissions even further than is normally the case with conventional or first generation biofuels.

The total volume of biofuels incorporated into the fuels marketed by Repsol in 2020 was 1,121,653 m^3 (1,498,275 in 2019), of which 479,985 m^3 (576,953 in 2019) were produced at the Group's refineries, and the rest, 641.668 m^3 (921,322 in 2019), were bought from third-party companies and blended in the right proportion to meet gasoline and diesel specifications and our customers' requirements. These biofuels have reduced emissions released during transport by 2.3 million tons of CO_2. Repsol's biofuel production capacity is 871,000 m^3/year, divided up between BioETBE (429,000 m^3/year) and hydrogenated vegetable oil (GVO, 442,000 m^3/year).

In line with its strategy to become a net-emission-free company by 2050, in July Repsol produced the first batch of biojet in the Spanish market at the Puertollano refinery, thus becoming the pioneer in the manufacture of this sustainable aviation fuel in Spain. This first batch comprises 7,000 tons of bio-based aviation fuel. Its use will avoid the emission of 440 tons of CO_2 into the atmosphere, the equivalent of 40 Madrid-Barcelona flights. In addition, in December a second batch of biojet was manufactured at the Tarragona refinery, comprising 10,000 tons of bio-based fuel.

As part of Repsol's strategy in this domain, in September 2020 the Board of Directors approved plans to build Spain's first plant for the production of advanced low-emission biofuels at the Cartagena refinery. The plant will have a production capacity of 250,000 tons of advanced hydrobiodiesel, and will also produce pure biojet. Placing this production on the market will prevent the emission of 900,000 tons of CO_2 per year. The construction phase is expected to create more than 1,000 jobs. The investment of 188 million euros will become operational during the first quarter of 2023.

1. ISCC: International Sustainability & Carbon Certification. An international certification framework that covers all possible sustainable inputs for the production of biofuels, including agricultural raw materials, forestry biomass and other circular materials or renewable biological materials.

Environment

Non-GHG emissions

[305-7] Nitrogen oxides (NOx), sulfur oxides (SOx) and other significant air emissions.

[EM-EP-120a.1] [EM-RM-120a.1] [RT-CH-120a.1] Atmospheric emissions of NOx (excluding N_2O), SOx, volatile organic compounds (VOCs), particulate matter (PM10), H_2S (only in Refining & Marketing), HAPs (only in Chemicals)

SO_2, NOx and NMVOC emissions (t)	2020	2019
SO_2	24,401	26,949
NOx	18,825	19,876
NMVOC	24,361	31,747

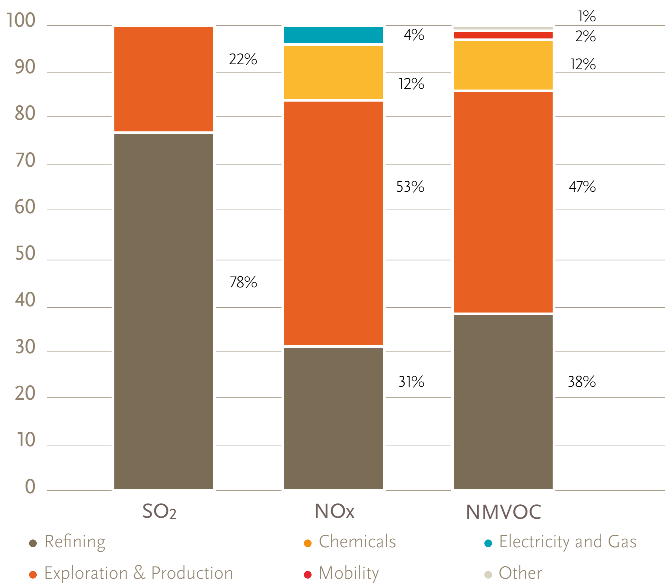
SO_2 and NOx emissions in the Refining and Chemicals businesses are measured with continuous concentration and smoke flow analyzers. When there is no continuous analyzer, internal environmental parameter guideline are applied, where the methodology for calculating these emissions is established.

In the rest of the businesses, the environmental parameters guideline is applied when the applicable regulations do not define a direct calculation or measurement methodology.

In the case of non-methane volatile organic compound (NMVOC) emissions, it is estimated using the methodology established in the environmental parameters guideline when there is no applicable local regulation.

Disclosure of significant atmospheric emissions by activity

Disclosure of significant atmospheric emissions by activity



SO_2 emissions were down by 9,5% compared to 2019; NOx emissions were down by 5% and NMVOC emissions by 23%. The reduction of SO_2 and NOx is mainly due to Refining having reduced its production activity. The reduction of NMVOCs is mainly due to the E&P Canada asset, owing to the drop in production at Edson and Chauvin.

Intensity of significant air emissions

Atmospheric emissions per ton of processed crude oil in refineries and per barrel of oil equivalent (boe) in exploration and production assets are as follows:

Refining	2020	2019
Tons of SO_2/ miles thousands of tons of processed crude oil	0.52	0.50
Tons of NO_x/thousands of tons of processed crude oil	0.16	0.15
Tons of NMVOC/thousands of tons of processed crude oil	0.26	0.26

Exploration and production(1)	2020	2019
Tons of SO_2/thousands of boe produced	0.031	0.027
Tons of NO_2/thousands of boe produced	0.056	0.055
Tons of NMVOC/thousands of boe produced	0.065	0.088

(1) The intensive indices were calculated using gross production of our operated assets, as reported atmospheric emissions include 100% of emissions for such assets, irrespective of Repsol's percentage of them.

[G4-OG8] Benzene, lead and sulfur content in fuels

At the Company's refineries, processes are being improved to ensure compliance with the required technical specifications at all times. Furthermore, both the commercial businesses and industrial facilities are working within the environmental limit established as a preventive measure for professional exposure. This involves contributing to improving the environment by reducing the release of volatile components into the atmosphere. All our facilities were improved to limit the content in compounds, such as aromatics, sulfur and benzene; our most recent investment was in the construction of new units in Peru to produce diesel and gasolines with a 0.005% sulfur mass with additional limits on the content of aromatics and benzene. The Commercial businesses are also reducing the release of volatile organic compounds through the installation of operating procedures and systems.

The fuel that Repsol markets meets the current quality specifications applicable. Repsol sells mainly in Spain, Portugal, France, Italy, Peru and Mexico. Where fuel was not produced at Repsol's facilities, the Company has agreements with independent laboratories that carry out product analysis to ensure compliance.

Maximum content	Europe	Mexico(3)	Peru(3)
Sulfur mg/kg	10	15	50-2,000
Benzene %v	<1	<1 or <2	(2)

(1) The maximum benzene content depends on the region of Mexico in which the fuel is marketed.
(2) Repsol specifications: National gasolines: 1% max vol.
Export gasoline: not specified. Engine gasolines: 2% max vol.
(3) Maximum sulfur content depends on fuel type.

Repsol fuels have a safety sheet and a technical sheet, where consumers can consult information on the benzene and sulfur content in gasolines and diesel fuels. This information is made available to customers and/or end consumers when requested.

Effluents and waste[1,2,3]

[303-2] Management of water discharge-related impacts

[303-3] Water withdrawal

Water withdrawal [303-3]	2019		2020	
	All areas (m³)	Water-stressed areas (m³)	All areas (m³)	Water-stressed areas (m³)
Water withdrawal by source				
Surface water (total)	20,775,042	26,656	23,513,170	23,161
Fresh water (total dissolved solids ≤1000 mg/l)	20,775,042	26,656	23,513,170	23,161
Ground water (total)	3,014,990	2,571	2,749,468	9,921
Fresh water (total dissolved solids ≤1000 mg/l)	3,014,990	2,571	2,749,468	9,921
Seawater (total)	205,122,942	-	267,138,304	-
Other water (total dissolved solids >1000 mg/l)	205,122,942	-	267,138,304	-
Water produced (total)	59,197,943	-	53,155,706	-
Other water (total dissolved solids >1000 mg/l)	59,197,943	-	53,155,706	-
Third-party water (total)	37,525,502	258,775	30,404,486	299,787
Fresh water (total dissolved solids ≤1000 mg/l)	37,413,844	257,394	30,358,977	254,278
Other water (total dissolved solids >1000 mg/l)	111,659	1,381	45,509	45,509
Total water withdrawal				
Surface water (total) + groundwater (total) + seawater (total) + produced water (total) + water from third parties (total)	325,636,419	288,002	376,961,135	332,869

1. Water consumption, in the energy sector, has been reported until last year following the definition of the "2016 GRI standard 303-1-Water extraction by source" (captured water). This data currently corresponds to the information reported in the new GRI standard (2018) 303-3-Water extraction.
2. Our production processes do not materially alter water salinity, so we preserve water quality in our discharges.
3. In our E&P operations, production water is generated from oil and gas fields. Most of this water is re-injected into the productiion fields or into a deep geological formation. Since this water was not available as an ecosystem service and is returned to oil and gas fields without making an environmental impact, we do not report injected water as water discharge or consumption.

[303-4] Water discharge

Minimization of the impact of discharges, establishment of thresholds for quality standards for water returned to the environment and determination of priority substances are mainly based on compliance with the requirements under applicable legislation in each of the regions where Repsol operates and which are included in the discharge licenses for the facilities. For example, the requirements in the European Union under the Water Framework Directive, the Industrial Emissions Directive and the Best Available Techniques Reference Documents (BREFs).

For the Exploration and Production business, specific quality standards have been implemented to ensure minimum quality of discharges when there is no applicable regulation, through the Environmental Performance Practices (EPPs) on the quality of sanitary effluents, drilling fluids and production water and their impact on the environment, and the technical guide that establishes Plans for waste water disposal. These technical complementary documents for internal reference, take into account international standards recommended by IOGP, IPIECA and EPA.

The Refining and Chemical divisions have teams of water experts dedicated to disseminate knowledge, allowing to improve the management of the water discharge of processing units, by controlling the key parameters at the source, to implement best practices for metering or to develop guidelines for treating effluents.

Water discharge [303-4]

		2019		2020	
		All areas (m³)	Water-stressed areas (m³)	All areas (m³)	Water-stressed areas (m³)
Water discharge by destination					
Surface water		11,409,076	-	10,027,050	-
Seawater		230,977,632	-	289,457,782	-
Water to third parties		1,932,597	-	3,738,322	-
Total water discharge					
Surface water + groundwater + seawater + produced water + water from third parties (total)		244,319,305	94,832	303,223,154	77,010
Water produced and injected					
Water produced and injected		51,771,890	-	48,210,302	-
Water discharge by freshwater or other waters			-		-
Fresh water (total dissolved solids ≤1000 mg/l)		237,329,400	94,832	297,443,342	77,010
Other water (total dissolved solids >1000 mg/l)		6,989,906	-	5,779,813	-
Water discharge by treatment level					
Treatment level	Primary treatment or no treatment	7,018,888	-	6,125,057	-
Treatment level	Secondary treatment	227,190,096	-	286,414,542	-
Treatment level	Tertiary treatment	10,110,321	-	10,683,555	-

[EM-EP-140a.1, EM-RM-140a.1 and EM-CH-140a.1] Freshwater withdrawn

Total freshwater withdrawn by activity (thousands m³)	2020	2019
Exploration and Production	986	1,915
Refining and Mobility	37,247	37,722
Chemicals	12,647	14,193

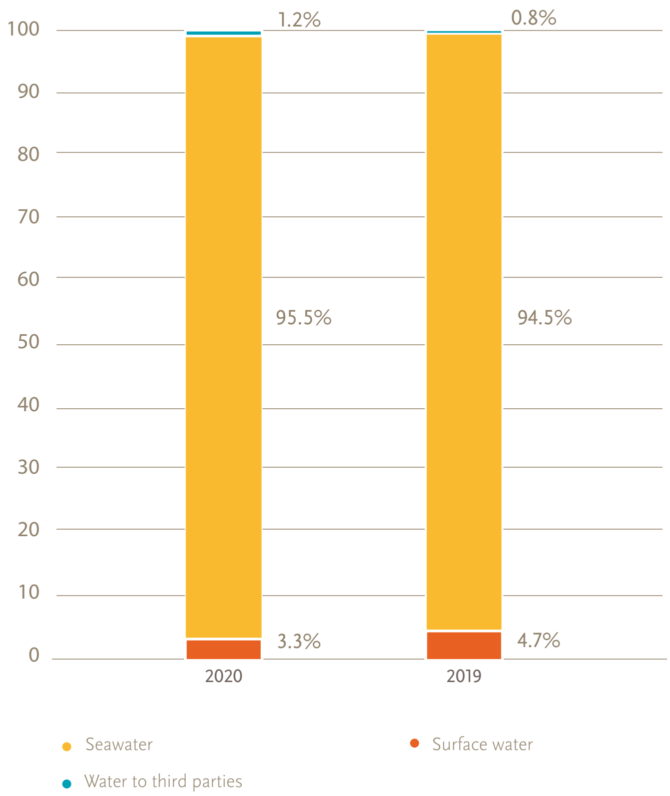
[EM-RM-140a.1] Percentage of water reused

(%) Water reused / Water entering operations	2020	2019
Refining and Mobility	25.8%	27.3%

[306-1] Water discharge by quality and destination

A total of 303.2 million m^3 was discharged (In 2019, 244.3 million m^3 was discharged). Water discharged by destination is shown below:

Water discharged by destination



Of the total water discharged into the sea, Electricity and Gas contributes 92.3%. In 2020, there was an increase over 2019 due to a seawater leak in the cooling system. The discharged water is part of an open cooling circuit that withdraws seawater and returns it in optimal physical and chemical condition.

Treatment of discharged water

The liquid effluents from the facilities of the Company are subjected to purification processes to minimize their environmental impact and ensure compliance with legal requirements. The type of wastewater treatment process is specific to the activity and the characteristics of the site. Treatment may be a physical-chemical (primary) process, completed with a biological (secondary) process, or even include more advanced treatment (tertiary process) or other specific processes for contaminants that are non-degradable using non-conventional treatments.

Main contaminants discharged

The main contaminants discharged at Repsol facilities are: hydrocarbons, suspended solids, and organic matter likely to undergo oxidation, measured as chemical oxygen demand (COD).

Hydrocarbons discharged by activity in 2020

	2020		2019	
Activity	**tons**	**%**	**tons**	**%**
Exploration & Production	94.25	65.1%	123.54	66.4%
Refining	43.66	30.1%	55.65	29.9%
Chemicals	2.22	1.5%	1.34	0.7%
Mobility	4.19	2.9%	5.14	2.8%
Electricity and Gas	0.00	0.0%	0.00	0.0%
Others	0.50	0.3%	0.52	0.3%
Total	**144.82**	**100%**	**186.19**	**100.0%**

[G4-OG5] Volume and disposal of water

[EM-EP-140a.2] Volume of produced water and waste fluid generated during operations, percentage of produced water and waste fluid discharged, injected and recycled, and hydrocarbon content of discharged water

The following is the water produced and injected at Exploration & Production assets:

Water	**2020**	**2019**
Produced (thousand m^3)	53,156	59,198
Injected (thousand m^3)	48,210	51,772

[306-5] Water bodies affected by water discharges and/or run-offs

There are 26 water bodies significantly affected by discharge, of which:

- Thirteen correspond to maritime zones and thirteen are rivers.

  - Eight are part of or in the area of influence of regionally, nationally or internationally protected areas.
  - None of them affect wetlands listed under the Ramsar Convention.
  - Twelve are classified as Key Areas for Biodiversity.
  - None has a use or value that is incompatible with the Company's activity, so it does not interfere with local communities or indigenous peoples in the area.

The standards, methods and assumptions used are:

- % of water collected compared to the average value of the annual volume of the water body.
- *World Database on Protected Areas.*
- *Ramsar Sites Information Service.*
- *World Database of Key Biodiversity Areas.*
- *IUCN Red list of threatened species.*

[306-2] Waste by type and method of disposal

[EM-RM-150a.1] [RT-CH-150a.1] Hazardous waste generated, percentage recycled

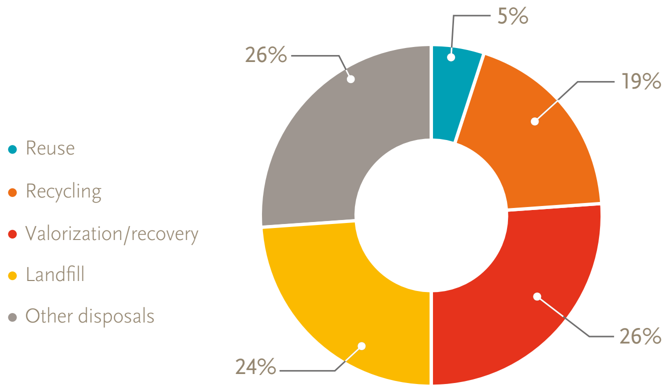
The following chart discloses hazardous and non-hazardous waste by activity:

	Hazardous waste (tons)		Non-hazardous waste (tons)	
Activity	**2020**	**2019**	**2020**	**2019**
Exploration & Production	5,509	7,609	24,760	174,126
Refining	16,423	23,116	41,017	48,209
Chemicals	9,481	16,601	11,427	17,535
Mobility	2,544	3,688	4,892	5,534
Lubricants and Specialist Products	135	127	397	416
LPG	42	205	1,464	835
Gas and Electricity	36	18	74	45
Others	77	70	548	634
Total	**34,247**	**51,434**	**84,579**	**247,334**

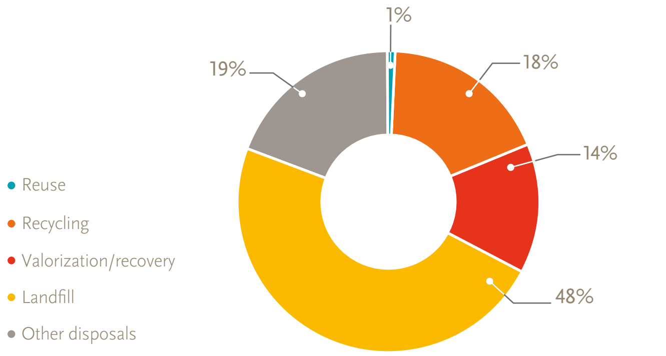
Hazardous waste decreased by 33%, mainly due to a drop in production activity in Refining and Chemicals, mostly caused by COVID-19. Non-hazardous waste decreased by 66% mainly due to E&P Canada, where fewer contaminated site remediation projects were executed in 2020, in accordance with the program established by the business unit. These circumstances led to a significant reduction in waste managed by the Company this year.

The graphs below report the treatment provided for hazardous and non-hazardous waste:

Hazardous waste management



Non-hazardous waste management



In 2020, non-hazardous waste disposal to landfill was reduced by 75% because fewer contaminated site remediation projects were implemented in Canada, in accordance with the program established by the business unit.

[G4-OG7] Amount of drilling waste (drill mud and cuttings) and strategies for treatment and disposal

These data do not include the amount of waste generated in drilling activities, the figures for which are shown below:

Drilling waste generated (kt)	**2020**	**2019**
Water-based cuttings and fluids	19,790	31,796
Non water-based cuttings and fluids	3,175	39,614

Management of waste from drilling operations (cuttings and fluids) is regulated by the Company's internal standards, established in the Environmental Performance Practices (EPP). These guidelines lay down a set of common standards to be followed in Exploration & Production business activities regardless of the geographical area of operation or the specific legislation of each country.

In 2020, drilling waste decreased mainly due to the discontinuation of drilling operations at the Marcellus asset (USA).

Biodiversity

[304-1] Owned, leased or managed operations centers located within or adjacent to protected areas or areas of high biodiversity value outside protected areas

Repsol participates in the Proteus Consortium, where the UN Environment Programme World Conservation Monitoring Centre (UNEP-WCMC) make available to participating extractive companies information related to the distribution of the species listed in the IUCN Red List of Threatened Species and the protected areas on record on the World Database on Protected Areas (WDPA). This information is taken into account as a criterion in decision-making throughout the life cycle of projects implemented at the Company.

In 2020, the scope of this indicator widened to consider all assets in the countries where Repsol operates (in 2019 the scope was the Exploration and Production business and the countries of Bolivia, Ecuador and Peru). Those located in areas adjacent to protected areas and/or areas of high biodiversity value were:

Type of operation	Geographical location	Location with respect to protected area	Surface area within protected area (ha)	Type of protection
Corporate - Offices	Spain	Within protected area	1.50	Regional Park, Site of Community Importance (SCI)
Exploration and Production – Operation	Bolivia	Partly within protected area	155	Environmental Protection Area
	Canada	Partly within protected area	7,735	Natural Area, Provincial Park, private land for conservation
		Adjacent to protected area	-	Recreational Area
	Ecuador	Within protected area	7,000	National Park, Biosphere Reserve (UNESCO)
		Partly within protected area	58,276	National Park, Biosphere Reserve (UNESCO)
	Peru	Partly within protected area	5,614	Community Reserve
	Spain	Within protected area	16,025	Special Protection Area for Birds (SPA), Marine Protected Area (OSPAR)
		Partly within protected area	12,634	Special Protection Area for Birds (SPA), Marine Protected Area (OSPAR)
		Adjacent to protected area	-	National Park, Natural Park, Site of Community Importance (SCI), Special Protection Area for Birds (SPA)
	USA	Partly within protected area	5,005	Private Protected Area, Wetlands Reserve Program, Protected Waterway, State Forest, Local Conservation Area
Electricity and Gas	Spain	Within protected area	3.48	National Park, Site of Community Importance (SCI), Special Protection Area for Birds (SPA)
		Adjacent to protected area	-	Site of Community Importance (SCI), Special Protection Area for Birds (SPA)
LPG factories	Spain	Adjacent to protected area	-	Site of Community Importance (SCI), Special Protection Area for Birds (SPA), Natural Landscape
Asphalt plants	Spain	Adjacent to protected area	-	Site of Community Importance (SCI), Special Protection Area for Birds (SPA)
Chemical plants	Portugal	Adjacent to protected area	-	Site of Community Importance (SCI)
	Spain	Adjacent to protected area	-	Site of Community Importance (SCI)
Refineries	Spain	Adjacent to protected area	-	Site of Community Importance (SCI), Special Protection Area for Birds (SPA)

In the analysis of the protected areas, we considered all the operating centers of Repsol's different businesses except activities with a high geographical scattering (service stations, for example) or activities of a temporary nature.

[304-3] Habitats protected or restored

Restoration is the third step in the mitigation hierarchy. It consists of a process to assist in the recovery of an ecosystem that has been degraded, damaged or destroyed. Repsol has internal regulations that establish the requirements to be implemented in this connection based on the best practices in the industry.

The following are activities or projects for the protection, restoration or other biodiversity management actions initiated in 2020 or earlier and continued this year. In all cases the standards and methodologies used in these activities were overseen by the competent independent legal bodies. In 2019 the scope of this indicator was the Exploration and Production business. Restoration initiatives were under consideration in Peru, Ecuador, the United States and Canada. In 2020, the number and type of restoration actions increased, as all centers operated by the Company's businesses were included in the scope.

Habitats protected or restored:

Location	Activity	Description of the protection or restoration action and its aims
Spain	Electricity and Gas	Covering of a section of the canal of the Torina Hydro Power Plant (Cantabria) to mitigate any barrier effect and preserve the continuity of the habitat, thus reducing the risk of animals falling in. This year approximately 135 meters of the canal were covered.
Spain	Electricity and Gas	Repsol takes part in the LIFE-DIVAQUA project. The main objective of this initiative is to restore and improve the condition of the aquatic habitats and species of Community interest of the Natura 2000 network in the Picos de Europa National Park in northern Spain and surrounding area.
Spain	Industrial	Biodiversity management actions on land owned by Repsol in the surroundings of the Gaià reservoir (SAC Riu Gaià in Tarragona) according to the Biodiversity Action Plan produced in 2011. In 2020, actions for recovery of carob tree groves and forest management continued, achieving 100% of the planned restoration. Biodiversity management actions were taken with the assistance of environmental consultants.
Peru	Upstream	In 2020, 1.76 hectares of tropical rainforest were reforested at two locations: Mapi-Mashira exploration area (Block 57) and Runtusapa exploration area (Block 101). Actions consisted of replacing dead plants, maintaining drainage channels, eradicating Kudzu and fertilizing seedlings. The condition of the area after restoration is 100% restored. For Mapi-Mashira (Lot 57), an agreement was reached with the executors of the contract for the administration of the Ashaninka Communal Reserve (ECOASHANINKA) and the native communities through the State Natural Protected Areas Service (SERNANP). All measures were approved in the Abandonment Plan by the regulator.
Canada	Exploration and Production	In 2020, forest, wetland and crop zone restoration actions were completed at 33 locations (wells and related facilities) at our operating sites in Canada. We restored a total of 69.3 hectares, achieving a status of 100% restored. All actions were approved by the competent legal authority.

Other biodiversity management measures:

Location	Activity	Description of the protection or restoration action and its aims
Spain	Electricity and Gas	Rescue of fish specimens from the canals of the Arenas and Camarmeña hydro power plants (Asturias). This activity is conducted annually in the presence of rangers employed at the Picos de Europa National Park and the relevant regional departments of Castilla y León and Asturias. This activity was carried out in 2020, taking advantage of the draining of the canals for maintenance.
Spain	Electricity and Gas	Annual campaign to monitor the ecological status/potential of reservoirs and rivers downstream of hydro power plants. The purpose of the campaigns is to monitor and prevent any impact on ecosystems directly related to the Company's hydro power activity.
Spain	Electricity and Gas	Painting of pipes at the Aguayo hydro power plant (Cantabria) to minimize visual impact on the environment. A study was carried out in 2019 and the pipe painting works are to be executed throughout 2019, 2020 and 2021.
Spain	Electricity and Gas	Painting of wind turbine blades to improve their visibility as an innovation and research initiative to prevent and monitor bird collisions in the surroundings of DELTA's wind farms in Aragon.
Spain	Electricity and Gas	Installation of devices that track wind turbines by webcam and use detection and deterrence sensors located in optimal positions to prevent bird collisions with wind turbines in the surroundings of DELTA's wind farms in Aragon.
Spain	Industrial	Ecological beaconing project with biotopes on the Tarragona coast to attract marine plant life and wildlife and form small reefs. Since the start of the project in 2012, 135 biotopes were distributed on the beaches of 6 municipalities of the Tarragona coast. In 2020 it was decided to install 5 biotopes on the beach of La Pineda (Vila-seca). Due to the situation created by the pandemic, the biotopes have been made but are yet to be placed.
Peru	Upstream	In 2020, Repsol conducted a natural capital analysis at Block 57, Peru, to understand and assess both the impacts and the mitigation measures put in place in the past in terms of the ecosystem services on which the local communities living within the concession rely. In carrying out these analyses, we applied the Repsol GEMI (Global Environmental Management Index) methodology. The main findings have been included in the Biodiversity Guidance to the Natural Capital Protocol.
Peru	Upstream	This year the Company took part in producing consultation guides for best social and environmental practices in the Amazon(1) for the mining, hydrocarbons, hydro power and transportation sectors. The guide focus on social inclusion and gender equality, forest and biodiversity management, water resource management, bodies of water and related biodiversity. The guides put forward concepts and best practices based on experiences with proven results.
Ecuador	Upstream	Yasuní Biological Monitoring is an unprecedented initiative in Ecuador. Repsol has carried it out for 25 years (1994-2019) at Blocks 16 and 76 to assess the environmental characteristics of the area of influence of operations over time. This year, the results of the fourth monitoring campaign (2018-2019) conducted by a specialized team of Ecuadorian and international experts were submitted to the authorities. The results show that the Yasuní area is one of the most biodiverse on the planet, and that the impact on ecosystems over time has been minimal-largely due to natural causes and human activity. No alterations caused by the Company's activities were identified in addition to the impacts already detected at the start of operations.
Bolivia	Upstream	During the preparation of the environmental impact assessment for the exploratory drilling project of the MGRP-X001 well in the Caipipendi Area development plan, eight caves were located; wildlife was present in two of them. The project was adapted in line with this finding to avoid impacting the caves wherever possible and to take preventive measures to minimize impact during implementation.
Malaysia	Upstream	In 2020, Repsol completed the Biodiversity and Natural Capital Assessment studies at two of our blocks (Kinabalu and PM3). The assessment is intended to provide the Company with a better understanding of the potential risks and impacts regarding biodiversity and natural capital from offshore operations. The research identified opportunities for improvement and analyzed the benefits of each of the mitigation options we are now implementing.
Canada	Upstream	This year Repsol conducted habitat education workshops for local Clearwater County residents. The main purpose of the workshops is to educate local residents and landowners in ways to support local wildlife. The workshops have included specific topic sessions on pollinator species, birds of prey, beavers and bats.
Spain	Upstream	In 2020, the method for acoustic monitoring and prediction of underwater noise that Repsol has developed for the Casablanca Platform, located off the coast of Tarragona, was presented at the IOGP Subcommittee, Sound & Marine Life. This tool was received with great interest by other companies in the sector and the details are being finalized so that it can be shared in the near future.
Spain	Corporate – Headquarters campus	This year the Company integrated the headquarters campus in Madrid into the LIFE Boosting Urban Green Infrastructure through Biodiversity-Oriented Design of Business Premises project, which promotes the design and management of business and industrial settings in a way that supports biodiversity and nature. Biodiversity management at the site will be monitored in the coming years.

(1) https://www.snmpe.org.pe/hidrocarburos/industria-y-mejores-practicas-sociales-y-ambientales-en-la-amazonia-usaid-guias-de-consulta-de-mejores-practicas.html

In addition, we are implementing measures that will focus on biodiversity management at wind farms and photovoltaic plants that will soon come online. The following are only some of the measures and lines of action that will be implemented in the coming months:

- Wildlife support and conservation measures:
  - Installation of nest boxes and modules for kestrels linked to the project setting: Sixty nest boxes and multipurpose poles will be installed for bird species within the scope of the projects.
  - Monitoring and control of birdlife mortality and use of space in the vicinity of wind farms during their operation and maintenance phase.
- Habitat support and conservation measures:
  - Installation of rabbit hutches to encourage rabbit populations and thus attract bird species to these feeding areas.
  - Restoration of the steppe environment in plots of wasteland, slopes and banks to enlarge the habitat of steppe bird species in the environs of the projects.
  - Creation of water locations within photovoltaic plants to generate biotopes.
  - Development of pasture control and management plans on the perimeter and within the interior of photovoltaic plants.
- Vegetation support and conservation measures:
  - Creation of vegetation screens around the perimeter of photovoltaic plants to support habitat connectivity.
  - Reforestation of 24 hectares of holm oak groves at the Valdesolar photovoltaic project.

[304-4] IUCN Red List species and national conservation list species with habitats in areas affected by operations

[EM-EP-160a.3.] Percentage of proven and probable reserves in or near sites with protected conservation status or endangered species habitats.

To prevent and mitigate impacts on biodiversity it is vital to determine the species present in the area of influence of the operation. Repsol uses the information provided through its involvement in the Proteus consortium to determine the species included in the IUCN Red List of Threatened Species. The following table shows the number of species that may be present at the Company's assets, by level of extinction risk:

Classification	Number of species
Critically endangered (CR)	96
Endangered (EN)	248
Vulnerable (VU)	628
Near threatened (NT)	763

In 2019, we reported 22 critically endangered, 73 endangered, 355 vulnerable and 429 threatened species. In 2020, indicator values rose, because the method was improved: in the analysis of species, we considered all the operating centers of Repsol's different businesses except activities with a high geographical scattering (service stations, for example) or activities of a temporary nature.

Repsol has 38% of proven reserves at operated blocks and 41% of probable reserves within or adjacent to protected areas.

[G4-OG4] - Number and percentage of significant operating sites in which biodiversity risk has been assessed and monitored

The following table sets out the percentage of major operating centers of the Exploration and Production business where risks to biodiversity were assessed and monitored:

Classification	Result (%)
Centers where biodiversity-related risks have been assessed	100%
Centers where biodiversity-related risks have been found	100%(1)
Centers in which the area of influence has been calculated	100%
Centers with specific biodiversity management and ecosystem services	100%
Degree of implementation of specific biodiversity management and ecosystem services	100%

(1) As in 2019, the indicator is 100% under the assumption that all assets the Company operates have potential biodiversity-related risks.

People

Employment

In the context of exceptionality derived from the COVID-19 crisis, Repsol has rolled out a series of measures to safeguard the health of its employees, without affecting the continuity of its operations or service offered. The COVID-19 Coordination and Monitoring Committee has promoted various initiatives, among others: (i) adopting new approaches to organizing shift work in industrial activities; (ii) maintaining service at service stations in accordance with the safety and service requirements prescribed by the competent authorities; (iii) enabling agile teleworking for a large number of employees, with no impact on their productivity; or (iv) enabling a safe and orderly return to the new normality at the different work centers, guaranteeing the necessary biological capacity and individual protection measures.

For Repsol it has been a priority to protect employment during the crisis situation, in Spain and under the framework of actions to support the Company's Resilience Plan. Operations in non-strategic countries were downsized (20% reduction in Asia and 15% in Africa). Due to the decrease in market demand, the number of employees with temporary contracts has been 24% lower than in the previous year.

The information on employees is itemized below. Total staff (under own management and otherwise, calculated by percentage of occupancy of each employee), was 26,726 in 2020 (27,389 in 2019).

Overall employee figures	2020	2019
Headcount (1)	24,125	25,228
Average age	43.2	42.6

(1) Data refers to employees at the companies in which Repsol establishes policies and guidelines relating to people management, excluding managed company Societat Catalana de Petrolis, S.A. (formerly known as Petrocat).

Nationalities by country(1)	2020	2019
Spain	60	66
Canada	20	19
US	22	26
Algeria	10	16
Portugal	11	11
Brazil	10	10
Norway	10	12
Malaysia	8	8
Peru	8	11
United Kingdom	6	8

(1) Countries with the largest number of nationalities (excluding those of the country itself). In some countries, such as the United States and Canada, labor legislation does not require certain personal information about employees (nationality).

Number of employees by country

Country	2020	2019	Country	2020	2019
Germany	5	4	Libya	52	41
Angola		1	Luxembourg	3	3
Algeria	60	89	Malaysia	362	390
Aruba		0	Morocco	1	1
Belgium	2	2	Mexico	113	110
Bolivia	218	248	Norway	225	254
Brazil	112	115	The Netherlands	11	11
Canada	493	538	Papua New Guinea		1
Colombia	45	52	Peru	2,991	3,032
Ecuador	393	419	Portugal	1,381	1,412
US	591	535	United Kingdom	12	18
Spain	16,646	17,496	Russia	45	58
France	21	16	Singapore	24	43
Greece	1	2	Switzerland	3	2
Guyana	1	1	Trinidad and Tobago	8	10
Indonesia	98	76	Venezuela	139	141
Iraq		6	Vietnam	27	58
Italy	42	43			

[102-8] Information about employees and other workers

Number of employees by contract type and gender

		2020	2019
Permanent contract	Men	14,078	14,486
	Women	8,203	8,316
	Total	22,281	22,802
Temporary contract	Men	1,028	1,316
	Women	816	1,110
	Total	1844	2,426
TOTAL		**24,125**	**25,228**

Number of regular employees by job type and gender[1]

		2020	2019
Full time	Men	14,844	15,498
	Women	8,485	8,794
Part time	Men	262	304
	Women	534	632
Total		**24,125**	**25,228**

(1) Data for 2019 was recalculated based on the number of total employees (permanent and temporary).

Number of employees by region and gender

		2020	2019
Africa	Men	95	112
	Women	18	20
	Total	113	132
Asia	Men	369	424
	Women	187	208
	Total	556	632
Europe	Men	11,750	12,319
	Women	6,602	6,944
	Total	18,352	19,263
Latin America	Men	2,079	2,174
	Women	1,828	1,844
	Total	3,907	4,018
North America	Men	813	773
	Women	384	410
	Total	1,197	1,183
Total staff	Men	15,106	15,802
	Women	9,019	9,426
TOTAL		**24,125**	**25,228**

Average annual contracts by type of employment and contract [1]

	Temporary		Regular/Permanent			
Professional classification	**Full-time**	**Part-time**	**Full-time**	**Part-time**	**Total 2020**	**Total 2019**
Executive	0.0	0.0	260.2	1.0	**261.2**	**265.3**
Manager	6.7	0.0	2,473.7	26.0	**2,506.4**	**2,539.0**
Professional/Technician	294.4	4.5	9,935.4	172.8	**10,407.2**	**11,936.3**
Administrative	52.4	0.9	1,101.4	28.1	**1,182.7**	**978.6**
Workers	1,390.1	107.7	7,785.9	199.5	**9,483.3**	**8,869.0**
Total 2020	**1,743.6**	**113.1**	**21,556.6**	**427.4**	**23,840.8**	**-**
Total 2019	**2,461.0**	**186.2**	**21,856.9**	**84.0**	**-**	**24,588.1**

(1) The figures are calculated on the basis of the information available for each indicator and employee.

Average annual contracts by gender and age range [1]

Professional classification	<30	30-50	>50	Total 2020	Total 2019
Executive	**0.0**	**92.0**	**169.2**	**261.2**	**265.3**
Men	0.0	69.4	140.9	210.3	213.9
Women	0.0	22.6	28.3	50.9	51.4
Manager	**0.0**	**1,583.5**	**922.9**	**2,506.4**	**2,539.0**
Men	0.0	1,016.0	692.5	1,708.4	1,767.0
Women	0.0	567.6	230.4	798.0	771.9
Professional/Technician	**638.1**	**7,563.6**	**2,205.5**	**10,407.2**	**11,936.3**
Men	366.2	4,711.5	1,667.8	6,745.5	7,195.0
Women	271.8	2,852.2	537.8	3,661.7	4,741.3
Administrative	**75.0**	**773.7**	**334.0**	**1,182.7**	**978.6**
Men	32.0	233.2	121.2	386.3	328.5
Women	43.0	540.5	212.9	796.4	650.0
Workers	**1,487.8**	**6,067.8**	**1,927.7**	**9,483.3**	**8,869.0**
Men	743.8	3,698.6	1,437.4	5,879.8	5,864.2
Women	744.0	2,369.2	490.3	3,603.5	3,004.7
Total 2020	**2,200.9**	**16,080.7**	**5,559.2**	**23,840.8**	**-**
Total 2019	**2,600.0**	**16,629.1**	**5,359.0**	**-**	**24,588.1**

(1)To calculate this indicator, all existing contracts in the period have been taken into account, including existing contracts, first registrations and rehiring.

[401-1] New employee hiring and staff turnover

Overall contracts and turnover	2020	2019
New employees	1,733	3,800
Total turnover rate (1)	18%	21%
Executive turnover rate(2)	14%	7%
Voluntary turnover rate(3)	5%	6%
Number of dismissals	290	385

(1) Total departures over total employees at year-end.
(2) Total executive departures over total executives at year-end.
(3) Total voluntary departures over total employees at year-end.

The variation in the turnover rate is aligned with the goals of the 2021-2025 Strategic Plan toward a simpler operating model, streamlining the corporate structure and, in particular, with a focus on reducing the management structure in 2025.

Number and percentage of new hires

		<30				30-50				>50				TOTAL			
	Region	2020		2019		2020		2019		2020		2019		2020		2019	
		No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
Africa	Women	-	0%	-	0%	-	0%	2	12%	-	0%	-	0%	-	0%	2	10%
	Men	-	0%	-	0%	-	0%	4	4%	-	0%	-	0%	-	0%	4	4%
	Total	**-**	**0%**	**-**	**0%**	**-**	**0%**	**6**	**6%**	**-**	**0%**	**-**	**0%**	**-**	**0%**	**6**	**5%**
Asia	Women	1	6%	6	40%	7	5%	6	3%	-	0%	2	10%	8	4%	14	7%
	Men	3	12%	4	17%	25	9%	11	3%	1	2%	-	0%	29	8%	15	4%
	Total	**4**	**9%**	**10**	**26%**	**32**	**7%**	**17**	**3%**	**1**	**1%**	**2**	**2%**	**37**	**7%**	**29**	**5%**
Europe	Women	234	48%	573	87%	312	6%	699	14%	31	2%	61	5%	577	9%	1,333	19%
	Men	270	41%	637	73%	233	3%	599	8%	45	1%	83	2%	548	5%	1,319	11%
	Total	**504**	**44%**	**1210**	**79%**	**545**	**4%**	**1298**	**10%**	**76**	**2%**	**144**	**3%**	**1125**	**6%**	**2,652**	**14%**
Latin America	Women	179	34%	385	64%	95	8%	201	17%	-	0%	1	1%	274	15%	587	32%
	Men	118	31%	269	63%	57	4%	179	13%	5	1%	7	2%	180	9%	455	21%
	Total	**297**	**33%**	**654**	**64%**	**152**	**6%**	**380**	**15%**	**5**	**1%**	**8**	**2%**	**454**	**12%**	**1,042**	**26%**
North America	Women	6	25%	5	21%	21	9%	11	4%	2	2%	6	5%	29	8%	22	5%
	Men	7	10%	13	22%	56	10%	32	6%	25	12%	4	2%	88	11%	49	6%
	Total	**13**	**14%**	**18**	**21%**	**77**	**10%**	**43**	**6%**	**27**	**9%**	**10**	**3%**	**117**	**10%**	**71**	**6%**
Total	Women	420	40%	969	75%	435	7%	919	14%	33	2%	70	5%	888	10%	1,958	21%
	Men	398	35%	923	67%	371	4%	825	8%	76	2%	94	2%	845	6%	1,842	12%
TOTAL	**Total**	**818**	**37%**	**1,892**	**70%**	**806**	**5%**	**1,744**	**10%**	**109**	**2%**	**164**	**3%**	**1,733**	**7%**	**3,800**	**15%**

(1) Calculated as the number of new hires over to total employees as of December 2020, the rate reflects the number of new hires with no previous employment relationship with the Company as a ratio of the original population of the analyzed segment. The calculation uses the information available for each indicator.

Voluntary employee turnover

Region		<30				30-50				>50				TOTAL			
		2020		2019		2020		2019		2020		2019		2020		2019	
		No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
Africa	Women	-	0%	-	0%	-	0%	2	12%	-	0%	-	0%	-	0%	2	10%
	Men	-	0%	1	0%	2	3%	4	4%	-	0%	-	0%	2	2%	5	4%
	Total	**-**	**0%**	**1**	**100%**	**2**	**2%**	**6**	**6%**	**-**	**0%**	**-**	**0%**	**2**	**2%**	**7**	**5%**
Asia	Women	2	12%	3	20%	18	12%	20	12%	2	12%	-	0%	22	12%	23	11%
	Men	1	4%	5	22%	29	10%	30	9%	3	6%	4	6%	33	9%	39	9%
	Total	**3**	**7%**	**8**	**21%**	**47**	**11%**	**50**	**10%**	**5**	**7%**	**4**	**4%**	**55**	**10%**	**62**	**10%**
Europe	Women	61	12%	114	17%	121	3%	191	4%	48	4%	14	1%	230	3%	319	5%
	Men	61	9%	134	15%	150	2%	174	2%	112	3%	10	0%	323	3%	318	3%
	Total	**122**	**11%**	**248**	**16%**	**271**	**2%**	**365**	**3%**	**160**	**3%**	**24**	**0%**	**553**	**3%**	**637**	**3%**
Latin America	Women	183	35%	217	36%	125	10%	170	15%	5	6%	2	3%	313	17%	389	21%
	Men	112	29%	140	33%	83	6%	108	8%	21	5%	18	4%	216	10%	266	12%
	Total	**295**	**32%**	**357**	**35%**	**208**	**8%**	**278**	**11%**	**26**	**5%**	**20**	**4%**	**529**	**14%**	**655**	**16%**
North America	Women	1	4%	2	8%	13	5%	20	8%	2	2%	6	5%	16	4%	28	7%
	Men	2	3%	10	17%	26	5%	50	10%	3	1%	1	1%	31	4%	61	8%
	Total	**3**	**3%**	**12**	**14%**	**39**	**5%**	**70**	**9%**	**5**	**2%**	**7**	**2%**	**47**	**4%**	**89**	**8%**
Total	Women	**247**	**23%**	**336**	**26%**	**277**	**4%**	**403**	**6%**	**57**	**4%**	**22**	**2%**	**581**	**6%**	**761**	**8%**
	Men	**176**	**15%**	**290**	**21%**	**290**	**3%**	**366**	**4%**	**139**	**3%**	**33**	**1%**	**605**	**4%**	**689**	**4%**
TOTAL	**Total**	**423**	**19%**	**626**	**23%**	**567**	**4%**	**769**	**5%**	**196**	**3%**	**55**	**1%**	**1,186**	**5%**	**1,450**	**6%**

It has been calculated as the number of incorporations over the number of employees at the end of the year. The rate reflects new hires without previous employment relationship with the Company in relation to the origin population of analyzed section.

Total employee turnover

		<30				30-50				>50				TOTAL			
	Region	2020		2019		2020		2019		2020		2019		2020		2019	
		No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
Africa	Women	-	0%	-	0%	-	0%	3	18%	-	0%	-	0%	-	0%	3	15%
	Men	-	0%	1	0%	4	6%	7	8%	3	11%	2	9%	7	7%	10	9%
	Total	**-**	**0%**	**1**	**100%**	**4**	**5%**	**10**	**9%**	**3**	**10%**	**2**	**8%**	**7**	**6%**	**13**	**10%**
Asia	Women	3	18%	3	20%	29	19%	43	25%	5	29%	2	10%	37	20%	48	23%
	Men	1	4%	8	35%	41	14%	75	23%	10	20%	18	26%	52	14%	101	24%
	Total	**4**	**9%**	**11**	**29%**	**70**	**16%**	**118**	**23%**	**15**	**22%**	**20**	**22%**	**89**	**16%**	**149**	**24%**
Europe	Women	517	105%	648	98%	993	21%	1,150	23%	204	16%	202	17%	1714	26%	2,000	29%
	Men	533	81%	735	84%	766	10%	932	12%	504	14%	442	12%	1803	15%	2,109	17%
	Total	**1,050**	**91%**	**1,383**	**90%**	**1,759**	**14%**	**2,082**	**16%**	**708**	**15%**	**644**	**13%**	**3517**	**19%**	**4,109**	**21%**
Latin America	Women	220	42%	246	41%	141	12%	197	17%	5	6%	7	9%	366	20%	450	24%
	Men	130	34%	170	40%	125	10%	167	12%	50	13%	64	16%	305	15%	401	18%
	Total	**350**	**38%**	**416**	**40%**	**266**	**11%**	**364**	**15%**	**55**	**12%**	**71**	**15%**	**671**	**17%**	**851**	**21%**
North America	Women	5	21%	4	17%	28	11%	62	24%	25	22%	40	31%	58	15%	106	26%
	Men	2	3%	12	20%	58	11%	112	22%	42	21%	50	26%	102	13%	174	23%
	Total	**7**	**8%**	**16**	**19%**	**86**	**11%**	**174**	**22%**	**67**	**21%**	**90**	**28%**	**160**	**13%**	**280**	**24%**
Total	Women	745	70%	901	69%	1,191	18%	1,455	22%	239	16%	251	17%	2,175	24%	2,607	28%
	Men	666	59%	926	67%	994	10%	1,293	13%	609	14%	576	13%	2,269	15%	2,795	18%
TOTAL	**Total**	**1,411**	**64%**	**1,827**	**68%**	**2,185**	**14%**	**2,748**	**16%**	**848**	**15%**	**827**	**14%**	**4,444**	**18%**	**5,402**	**21%**

Calculated as the turnover of employees out of the total number of employees at December 31, 2020.

The figures are calculated on the basis of the information available for each indicator.

Number of dismissals

	<30		30-50		>50		TOTAL	
	2020	2019	2020	2019	2020	2019	2020	2019
Men	**6**	**20**	**87**	**142**	**83**	**83**	**176**	**245**
Executive	-	-	3	1	2	-	5	1
Manager	-	-	16	30	36	31	52	61
Professional/Specialist	-	5	51	70	22	40	73	115
Clerical	-	-	-	3	2	-	2	3
Manual	6	15	17	38	21	12	44	65
Women	**19**	**16**	**68**	**104**	**27**	**20**	**114**	**140**
Executive	-	-	-	-	2	-	2	-
Manager	-	-	9	10	2	2	11	12
Professional/Specialist	4	11	25	62	11	14	40	87
Clerical	-	1	8	9	4	-	12	10
Manual	15	4	26	23	8	4	49	31
TOTAL	**25**	**36**	**155**	**246**	**110**	**103**	**290**	**385**

Remuneration and benefits

[102-38] and [102-39] Ratios of annual total compensation and percentage increase in annual total compensation

Repsol analyzes wage markets in the countries and business sectors in which the Company operates and sets its internal objectives on the average salary position of its employees with these external market wage benchmarks. Criteria for establishing the sought-after wage positioning are generally similar in all employee and executive groups. Accordingly, with the compensation policy, in general terms, the data in the table are affected by the typical wage dispersion of the country and business sector in which the Company operates.

On an annual basis, the budgets for wage increases are decided by employee group, and criteria are established for maximum individual increases. The increase of the average wage of the entire workforce reflects the wage bills of the workforce of each professional group and the wage increase percentages applied to each group, both those approved by the company and those established through collective bargaining or by legal requirement. Further, the compensation of the highest-paid individual may also increase or decrease owing to variable components, which take on greater weight in positions involving higher responsibilities, even if the base wage remains unchanged.

In general, there were no substantial changes with respect to the previous year. In general terms, the evolution of the ratio was affected by the vegetative turnover of the workforce.

	Annual total compensation of the highest-paid[1] individual/median annual total compensation for all employees[2]		Percentage increase of annual total compensation of highest-paid individual/Percentage increase of average annual total compensation of all employees	
Country [4]	**2020**	**2019**	**2020**	**2019**
Bolivia	2.28	3.43	(0.11)	(0.69)
Ecuador	12.71	11.14	(1.84)	1.17
Spain[3]	13.88	13.94	2.73	(3.90)
Peru	14.78	13.50	(9.30)	0.58
Portugal	6.59	5.18	(1.85)	(2.36)
Repsol S.A.[3]	37.31	39.73	1.81	0.23
Canada	2.22	-	-	-
United States	2.18	-	-	-

(1) The highest-paid individual has been identified without taking into account expatriate staff or employees who departed prior to December 31 of the year in question.
(2) Total remuneration includes all monetary remuneration on a cash basis and, additionally, share-based payment.
(3) Data on the top Management of the Group at world level are not included in Spain and are reported in the disclosures of the company Repsol, S.A.
(4) The data reported include the most representative countries in terms of revenue and headcount. Two more countries were included in 2020 (Canada and the United States).

[202-1] Ratio of standard entry level salary by gender to local minimum wage

	Country minimum wage (local currency/ month)		Repsol minimum wage [2](local currency/ month)		Repsol wage/national minimum wage	
Country [1]	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**
Bolivia	2,122.00	2,122.00	12,000.00	10,000.00	5.66	4.71
Ecuador	400.00	394.00	979.31	979.31	2.45	2.49
Spain	950.00	900.00	1,182.44	1,137.53	1.24	1.26
Peru	930.00	930.00	930.00	930.00	1.00	1.00
Portugal [3]	740.83	700.00	764.17	723.33	1.03	1.03
Canada	2,600.00	-	3,750.00	-	1.44	-
United States	1,256.67	-	3,250.00	-	2.59	-

(1) The data reported include the most representative countries in terms of revenue and headcount. Two more countries were included in 2020 (Canada and the United States).
(2) The Repsol minimum salary reflected in the table includes only base wages and fixed allowances, excluding other remuneration such as variable bonuses or incentives or remuneration in kind.
(3) For 2019, data for Portugal is restated on a 12-pay basis.

In accordance with Repsol's equal opportunities policy, wages are established for a position without taking into account the gender of the person holding the position, including entry-level wages.

Repsol's fixed minimum wage is equal to or above the local minimum wage in all countries. Based on total remuneration, we pay above the minimum wage in all countries.

[401-2] Benefits for full-time employees that are not granted to part-time or temporary employees

Social benefits by region (thousands of euros)

	Life insurance		Medical insurance		Pension fund		Food allowances		Subsidized loans		Study assistance		Social aid	
Region	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**
Africa	-	75.8	13.6	97.8	129.5	15.4	14.8	146.5	-	-	49.7	127.5	0.6	9.8
Asia	657.5	817.0	1,496.6	1,722.4	3,896.4	4,135.3	33.8	68.3	-	-	783.5	1,122.7	-	-
Europe	2,417.6	2,684.5	13,896.5	13,865.3	34,056.3	42,511.6	10,709.3	11,426.4	818.4	696.9	2,330.6	2,257.0	264.4	257.1
Latin America	505.5	571.1	6,191.6	6,307.8	1,138.5	1,546.8	2,307.0	2,776.2	-	-	(1)	12.9	22.8	77.9
North America	346.0	250.4	7,678.2	6,374.9	12,464.20	13,945.9	159.0	199.1	-	-	288.2	372.0	970.4	1,113.9
Total	**3,926.6**	**4,398.8**	**29,276.50**	**28,368.2**	**51,685.4**	**62,154.9**	**13,223.9**	**14,616.5**	**818.4**	**696.9**	**3,451.0**	**3,892.1**	**1,258.1**	**1,458.7**

The information shows the benefits for all employees (full-time, part-time, fixed-term and regular).

As a rule, the Master Agreement and, in particular, the various collective bargaining agreements contain information on social benefits in terms of terms of access and scope. There is no difference in social benefits for temporary or permanent employees except for access to study aid, at companies that provide it, intended only for permanent employees.

Total social benefits expense decreased by 10% compared to 2019. This decrease is closely related to the reduction in headcount and in some cases to the profiles of departing employees.

[405-2] Ratio of basic salary and remuneration of women to men

Ratio of basic salary of women to men (1) (2)

	Executive personnel(3)		Technical Managers		Technicians		Technicians II(4)		Administrative staff		Workers and laborers	
Country	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**
Bolivia	N/A	N/A	NS	N.S.	1.01	1.03	N/A	N.S.	NS	N/A	NS	N.S.
Canada	NS	-	0.96	-	0.82	-	N/A	-	NS	-	NS	-
Ecuador	NS	NS	NS	N.S.	0.83	0.85	N/A	N.S.	NS	N.S.	NS	N.S.
Spain	0.92	0.94	0.92	0.93	0.96	0.98	N/A	N/A	0.88	0.85	0.67	0.70
Peru	NS	N.S.	0.91	0.94	0.87	0.87	N/A	0.75	0.99	1.03	1.37	0.74
Portugal	NS	N.S.	0.97	0.94	0.80	0.91	N/A	0.89	1.11	0.89	0.55	0.55
United States	NS	-	0.85	-	0.79	-	N/A	-	NS	-	NS	-

(1) The data reported include the most representative countries in terms of revenue and headcount. Two more countries were included in 2020 (Canada and the United States)

(2) In categories with a non-representative female or male workforce (fewer than 5), the ratio is not given, as it is considered statistically non-significant (N.S.). Where there is no employee in either gender, we indicate "not applicable" (N/A).

(3) Includes all executives, except the CEO.

(4) In 2020, due to a grouping of categories, this category is integrated into Technicians.

There were no significant changes with respect to 2019. In the case of the manual workers in Spain, Peru and Portugal, the joint ratio that results from grouping the different businesses with their different salary realities shows a greater difference than each of the companies/businesses analyzed separately. For example, in the categories of manual workers and junior workers, in Portugal the company with the lowest gap shows a figure of 0.77, while in Peru the highest gap is 1.13.

For information on total remuneration by gender *see Section 8.4.1. Human Capital* of this report

The following shows the ratio of women's average pay to men's average pay, and data on the pay gap. The required data were prepared using the same criteria and segmentations of the standard GRI indicators and following the requirements of Spanish Royal Legislative Decree 11/2018.

The data reported include the most representative countries in terms of revenue and headcount. Two more countries were included in 2020 (Canada and the United States). To provide a comparison with 2019, the values of the Professional/Technical, Clerical and Manual Worker categories were restated by applying to the data the segmentation and data collection criteria adopted in 2020..

Clarification figures in salary table	
-	No female employees, or no male employees.
IC	Confidential information (would reveal the remuneration of an individual employee).

Exchange rates at€	
2020	2019
USD 0.87558	0.89346 USD
0.248035 PES	0.26565 PES
0.65364 CAD	- CAD
BOB 0.12768	0.13019 BOB

Average compensation by occupational category [1]

	Average compensation 2020									
Occupational category	**Executives [2]**		**Manager**		**Professional/Specialist**		**Administrative staff**		**Manual**	
Country	**Women**	**Men**	**Women**	**Men**	**Women**	**Men**	**Women**	**Men**	**Women**	**Men**
Spain	237,855	301,396	91,731	95,678	50,159	56,331	41,821	48,187	24,719	39,755
Peru	IC	255,537	99,687	102,274	32,615	40,471	10,412	11,227	5,096	9,854
Portugal	-	IC	88,143	91,417	33,680	46,038	35,235	32,852	13,050	30,096
United States:	-	440,670	200,765	236,991	99,813	129,693	55,505	45,348	-	82,085
Canada	IC	IC	136,196	144,970	70,503	87,205	55,238	-	61,766	87,876
Ecuador	-	IC	96,592	124,950	34,188	43,290	26,842	25,406	IC	32,300
Bolivia	-	-	140,042	135,263	67,187	71,719	75,816	IC	-	43,902

	Average compensation 2019									
Occupational category	**Executives [2]**		**Manager**		**Professional/Specialist**		**Administrative staff**		**Manual**	
Country	**Women**	**Men**	**Women**	**Men**	**Women**	**Men**	**Women**	**Men**	**Women**	**Men**
Spain	274,322	312,865	93,684	98,933	50,692	57,553	40,226	49,949	26,147	40,376
Peru	IC	291,057	105,718	116,974	35,194	45,655	11,582	12,990	5,572	10,472
Portugal	-	IC	83,526	89,063	32,893	47,196	39,935	33,118	12,463	33,313
United States:	-	-	-	-	-	-	-	-	-	-
Canada	-	-	-	-	-	-	-	-	-	-
Ecuador	-	IC	99,379	125,245	36,429	44,970	25,675	26,831	25,368	33,018
Bolivia	-	-	143,717	145,004	70,678	72,134	75,392	67,164	-	46,469

Compensation broken down by age range (1)(2)

Age	<30				30-50				>50			
	Average compensation											
Country	Women		Men		Women		Men		Women		Men	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Spain	34,554	32,563	37,289	37,305	47,519	47,464	53,770	54,353	52,566	56,209	65,101	68,562
Peru	7,465	8,791	16,114	19,051	14,657	15,473	31,144	36,421	40,579	46,509	51,157	57,307
Portugal	18,198	16,071	22,261	22,015	23,095	21,279	36,068	36,871	34,395	34,668	56,015	55,535
United States:	59,683	-	85,631	-	116,616	-	160,874	-	116,169	-	195,747	-
Canada	51,857	-	77,455	-	81,275	-	100,196	-	95,530	-	110,521	-
Ecuador	23,037	22,458	24,968	26,830	38,483	39,939	38,914	41,514	96,350	101,008	67,599	66,019
Bolivia	33,610	34,460	36,216	39,549	71,627	74,411	74,390	75,998	94,809	96,523	109,369	110,686

(1) All cash remuneration received by employees, accounted for on a cash basis and stated in euros. Expatriate personnel from other sources and employees who left the company before December 31 of the year in question are excluded.
(2) Includes senior management and other executives except the CEO, whose remuneration is disclosed in *Section 28.1. of the consolidated financial statements*, in detail and in itemized form, both for his executive and Board functions.

Gender gap(1)

Occupational category	Executives(2)		Manager		Professional/Specialist		Clerical		Manual		Adjusted gap in country (4)	
Country	Women / Men		Women / Men		Women / Men		Women / Men		Women / Men		Women / Men	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Spain	0.79	0.88	0.96	0.95	0.93	0.93	0.97	0.97	0.91	0.92	0.96	0.96
Peru	-	1.08	0.95	0.93	0.87	0.84	1.05	0.92	0.72	0.75	0.96	0.98
Portugal	-	-	0.97	0.95	1.08	0.80	1.08	1.07	0.88	0.84	0.97	0.94
United States:	-	-	0.84	-	0.75	-	1.05	-	-	-	0.82	-
Canada	1.01	-	0.94	-	0.81	-	-	-	0.70	-	0.86	-
Ecuador	-	-	0.77	0.79	0.79	0.81	1.06	0.96	0.62	0.77	0.84	0.86
Bolivia	-	-	1.05	0.99	0.94	0.97	1.18	1.12	-	-	0.97	0.99

(1) All cash remuneration received by employees, accounted for on a cash basis and stated in euros. Expatriate personnel from other sources and employees who left the company before December 31 of the year in question are excluded.
(2) Includes senior management and other executives except the executive director, whose remuneration is disclosed in section 28.1. of the consolidated financial statements, in detail and in itemized form, both for his executive and Board functions.
(3) Repsol operates in Spain, Peru and Portugal in different sectors and through different corporate entities that are subject to different collective bargaining agreements, which means widely different salaries, depending on the company and the sector. Most employees in these categories are paid salaries directly determined by the relevant collective bargaining agreements, which in no case set gender-based differences in pay. A combined analysis of the pay realities of different sectors under different agreements might be misleading. The gap reflected in the table is therefore the weighted average gap of the different entities operating in these three countries.
(4) To state a value that represents all employees in a country together and allows a more meaningful comparison, we have taken into account three differentiating factors: business/collective bargaining agreement concerned, occupational category and employee age. This adjusted gap is reported here, calculated as the weighted average ratio of women's average pay to men's average pay, segmented by company, occupational category and age range. Considering the employees of these countries together without distinction, the average pay of all women divided by the average pay of all men would make for a gross gap of 0.75.

The changes with respect to 2019 in average compensation and gender pay gap are not significant, and are mainly due to staff turnover, which may have a greater impact on smaller groups. In some countries, the variation of the exchange rate to euros had a more significant impact, especially in the salaries shown for Peru (see table of exchange rates for 2020 and 2019).

Employment framework and health at work

[102-41] Collective bargaining agreements

The Group's Framework Agreement, together with the collective bargaining agreements, is the basis for a framework of sustainability and trust underpinning the mutual interests of Company and employees.

In 2020, 1,752,314.22 hours of absenteeism were recorded, making for an increase of 7.69% over the previous year (1,640,064.92 hours in 2019) as a result of the current pandemic, with a particular impact on work centers that continued on-site activity. At the Company's discretion, hours of absenteeism exclude incidents caused by occupational accidents or professional illnesses. This year, figures are included for Malaysia, Ecuador and Norway, and thus encompass 97.35% of total employees.

Repsol has employees under collective bargaining agreements in Spain, Peru, Portugal, Brazil, Indonesia, France, Italy and Norway. More than 85.37% of employees (86.95% in 2019) in these countries are covered by collective agreements. The detail for each country is shown below:

Employees covered by collective bargaining agreements

Country	% employees under collective bargaining agreements	
	2020	2019
Spain (1)	100%	100%
Brazil	93.75%	93.7%
Indonesia	82.4 %	-
Peru (2)	11.23%	10.57%
Portugal (3)	67.53%	99.47%
Norway	23.47%	23%
France	100%	100%
Italy	100%	100%

(1) Although a few are governed by their individual contracts in some matters.
(2) The 2019 figure is restated to make it comparable to 2020.
(3) Excludes partial retirees. The figure for 2020 is lower because this year the corporate scope was widened to all companies in the country, some of which do not have the entire workforce covered by a collective bargaining agreement.

Health and wellbeing

Repsol has in place a strategic framework for Health and Wellbeing as an essential value that guides all activities. The aim of each action is to help employees become aware of their health and well-being and preserve or improve it.

[403-1] Occupational health and safety management system

The health management system covers all company employees in all activities and work centers. Emergency medical care also covers contractors.

Repsol complies with the legal requirements of each of the countries where it operates and with its own internal regulations, following the best practices of the industry (IOGP, OSHAS). Repsol is regularly audited internally and externally in accordance with the legislation of each country or for obtaining and maintaining certifications, integrated in each business.

Internal regulations are reviewed regularly to incorporate legislative changes and improvements. The latest review started in 2020 and will be completed in 2021.

Repsol SA and Repsol Bolivia are certified as Empresa Saludable ("Healthy Company").

[403-3] Occupational health services

Health services are available in all countries where Repsol is present to cover health care and preventive and health promotion activities. In some countries the services are covered in part by the company's own employees (Bolivia, Ecuador, Spain, Portugal and Venezuela). In the remaining countries they are engaged from a supplier. All professionals who provide these services have the necessary qualifications according to the type of activity to be performed: occupational health, emergency care, community health, etc.

Medical centers are on or offsite depending on the type of activity and work center. In offshore and field sites and large industrial facilities, a medical center is available within the facility itself and provides care 24 hours a day, 7 days a week. At office buildings, such as in Madrid, Lisbon, Quito, Santa Cruz de la Sierra and Puerto La Cruz, medical services are available at the work center itself and cover the whole or part of the business day, depending on the number of employees at the center and the requirements of each country's legislation.

Preventive medical examinations are conducted according to protocols drawn up according to assessed risks at the workplace and at the intervals established in the legislation of each country. The checkups are managed by Medical Services or by a representative of the country's occupational health function. Depending on the type of risk to which an employee is exposed, a medical examination may be mandatory or voluntary.

The confidentiality of medical information is protected by using computer applications that conform to the data protection laws in force in the country or to Repsol's own standards, which follow Spanish legislation. Only employees themselves have access to their health data.

Compliance with health data protection regulations is regularly audited internally. There may be external audits if the country's legislation so requires.

The company receives prevention recommendations for workstation or activity adaptations or support measures for emergency evacuation without reference to the health reason for these recommendations.

Aggregate information from medical examinations and health campaigns is also provided to evaluate the performance of preventive and health promotion programs and make improvements.

In 2020, health checkups were adapted to the circumstances of the pandemic. They were suspended during lockdown periods and had to be adapted to preventive measures to avoid COVID infection, such as reduced capacity at medical centers. Telemedicine consultations were set up to assist employees in this pandemic situation.

[403-4] Worker participation, consultation, and communication on occupational health and safety

The company uses a wide range of media to provide employees with information on health, prevention measures, campaigns and activities: intranet, e-mail, digital signage, newsletters, brochures, surveys on health services.

Employees receive information on risk assessments for their job positions. In 2020 in Spain, as required by legislation, we conducted a risk assessment for exposure to the coronavirus.

Either by legal requirement or good Company practice, the following health and safety committees are in existence:

Country	Committees
Algeria	In November 2019, a Health and Safety Committee was established where the workers of the Algiers office are represented. Workers on international assignment are represented on the Campus Health and Safety Committee.
Bolivia	Joint Health and Safety Committee since September 2020 under HSE management.
Canada	In Canada (specifically Alberta) there is a new requirement under the Occupational Health and Safety Code ("OHS Code") whereby employers with 20 or more employees in a workplace must establish a "Joint Worksite Health and Safety Committee" ("HSC"). This committee comprises representatives elected by the employer and by the employees. In general terms, the role of the HSC is to advise and assist with health and safety in the workplace (but it is not responsible for management). This includes hearing and addressing concerns raised by workers, identifying hazards, developing and promoting education programs, taking part in investigations where appropriate, and conducting quarterly safety inspections. As a result of these changes, HSCs have been established at our three locations in Canada: Calgary, Edson and Chauvin.
Colombia	Joint Committee on Health and Safety in the workplace (COPASST): meets once a month, with workers accounting for 15% of its members (8/53 people); management representatives and employee representatives are represented in the same proportion. Occupational Cooperation Committee CCL: meets once a quarter and workers account for 23% of its members (12/53 people). This body is responsible for monitoring the actions required to prevent psychosocial risk factors.
Ecuador	Central Committee in Quito and two subcommittees in Block 16 (NPF and SPF). By law, every committee or subcommittee has 6 representatives of the company and 6 representatives of employees. The information managed in the committees must be sent annually to the authorities.
Spain	Joint health, safety and environment committees by workplace and/or company. They represent all Group employees in Spain. In the main workplaces, coordination committees of business activities with contractors. Group Health and Safety Committee (under Framework Agreement)
Italy	Workers are represented by one representative chosen by them. An annual meeting is held to discuss health and safety topics and to plan prevention activities. All workers are represented.
Malaysia	Main Health and Safety Committee at company level, with the involvement of both management and employee representatives.
Mexico	A Health and Safety Committee was set up in February 2019. The Committee represents 100% of employees (with a position at the offices).
Norway	There are 2 Joint Committees on behalf of the company and employees' representatives. All employees are represented. OFFSHORE: There are at least 12 safety delegates (representing each area: drilling, processes, services, etc.) elected by SAFE. Every quarter 2 of them attend the Environmental Committee held onshore (Committee: two safety delegates, two managers, one P&O representative and the Business Unit physician). ONSHORE: There are 2 safety delegates who meet with management on a quarterly basis.
Peru	Three occupational health and safety committees and four subcommittees. These committees and subcommittees have a parity-based membership, with an equal number of representatives of management and of employees. 100% of employees of the companies RELAPASAA, RECOSAC and REPEXSA are represented. All committees encourage occupationalhealth and safety and advise on and monitor compliance with health and safety regulations and standards.
Portugal	Sines: Occupational Health and Safety Committee, with representatives of employees and the company.
United Kingdom	The JV has employee safety representatives for the offshore facilities, elected by employees. The HSE Committee comprises members from different areas of the business who meet every two months. Safety representatives may have contractor members, so may be affiliated with a union, but there is no way of knowing this information.
Russia	There is no formal committee, although there are good practices pursuant to Company policy. Repsol representatives sit on the Health and Safety committees at the two JVs (Eurotek-Yugra and Alrep).
Venezuela	Internal committee with three delegates representing workers. 75.5% of workers are represented.

[403-6] Promotion of worker health

At the beginning of the year, we plan prevention and health promotion activities at the company level, based on the strategic health and wellbeing framework.

This year, special emphasis was placed on vaccination against influenza worldwide and other diseases such as hepatitis A and B, diphtheria, tetanus, measles, rubella, mumps and yellow fever.

The following are some of the prevention and health promotion activities carried out during the year.

- Programs relating to physical activity/sedentary/ ergonomics/prevention of musculoskeletal problems: Bolivia, Canada, Colombia, Ecuador, Spain, Indonesia, Malaysia, Peru, Portugal, Russia, USA, Venezuela, Vietnam.
- Programs relating to mental/emotional health/psychosocial risk: Brazil, Canada, Colombia, Ecuador, Spain, Venezuela, Vietnam.
- Cardiovascular risk prevention programs: Bolivia, Brazil, Colombia, Ecuador, Portugal, Spain.
- Programs on nutrition: Ecuador, Peru.
- Awareness and prevention of addictive behaviors (tobacco, alcohol, drugs, technology, etc.): Bolivia, Canada, Spain, Mexico, Portugal, Vietnam.
- Cancer awareness and prevention (colon, breast, prostate): Bolivia, Brazil, Ecuador, Spain, Mexico, Portugal, USA.

[403-10] Work-related ill health

In 2020, one occupational disease related to musculoskeletal pathology in a man was reported. It did not require sick leave or a change of job.

Talent development

Repsol has in place a talent development model based on a generic competencies system and regular talent and performance assessment processes to identify key personnel according to the needs of the organization.

Talent development tools include mobility to positions with opportunities for professional development and retraining supported by programs for leadership development, reskilling or upskilling.

General training data

	2020	2019
Investment per employee[1] *(euros)*	316	583
Total investment in training (*millions of euros*)	7.5	14.3
Training hours per employee[1]	32	36

(1) Data obtained from the average accumulated workforce

[404-1] Average hours of training per year per employee

Average training hours per year by person and by gender[1]

Job category	Hours of training/year	Total 2020	Total 2019
Executives	Hours of training/year	9,715	18,642
	Person	37	70
	Women	39	81
	Men	37	68
Manager	Hours of training/year	83,072	109,662
	Person	33	43
	Women	38	49
	Men	31	41
Professional/ Specialist	Hours of training/year	325,884	406,352
	Person	31	34
	Women	33	33
	Men	30	34
Administrative staff	Hours of training/year	24,127	15,686
	Person	20	16
	Women	21	17
	Men	20	14
Manual	Hours of training/year	326,337	334,151
	Person	34	38
	Women	16	18
	Men	46	48
Total	Hours of training/year	769,135	884,493
	Person	32	36
	Women	26	29
	Men	36	40

(1) Data obtained from the average accumulated workforce.

[404-2] Programs for upgrading employee skills and transition assistance programs and [403-5] Worker training on occupational health and safety

Learning in Repsol aims to develop the professional capacities needed for effective performance in pursuit of the Group's strategic goals.

Programs carried out in 2019 were based on initiatives designed to acquire knowledge, develop skills and encourage the commitment of everyone in the company to its plans, culture and values throughout their working lives, while supporting employee health and safety.

Lockdown measures since March accelerated the migration of programs to online methods, leading to a cost reduction of close to 50%. In addition, a system was developed to continue complying with the requirements to obtain a training bonus in Spain.

Area	Subject
General	Online training on the Sustainable Development Goals was made available to all employees to explain the commitments of the 2030 Agenda and raise employee awareness of the goals, with special emphasis on those to which the Company is most committed. 1,288 employees have participated in this training action so far.
Health, Safety and Environment	Online training relating to COVID-19 was made available to all employees to disseminate health and prevention measures and the procedures put in place by the company to protect the health of all employees. The range of COVID-related training programs were completed by a total of 16,599 employees. At the company-wide level, the deployment of the Safety Leap program was completed. In 2020, more than 1,703 people took part. There is also an online version, and we are working to adapt the content of the program to specific businesses and groups. Another line of action is training in the Human Factor. More than 300 people were in training in 2020, with the aim of expanding the scope in the coming years. The average number of hours of health, safety and emergency response training amounts to 11 hours of training for permanent employees and 1 hour for employees with less than 6 months of seniority.
Master Programs	On June 1, the twentieth staging of the Industrial Master's program came to a close. On this occasion, due to the health crisis, most classes were taught in an online format. As of that date, the 30 students who took part returned to their jobs. Unlike in previous editions, the students of this twentieth staging of the master's degree program began their career at the Company with a four-month internship at their destination workplace and then began classes. On July 13, the closing ceremony of the 20th edition of the E&P Master's program took place, with the graduation of 23 students. For the first time, women outnumbered men.
Upstream	Support for the One Repsol Way program, which is aligned with the strategic goal of standardizing work processes in all areas of the business, with disciplines such as Maintenance, Subsurface, Production, Safety and Operations.
Refining and Chemicals	Industrial Safety focused on actions arising from the strategic plan with a significant emphasis on process safety, through functional workshops for all areas involved. Existing content was redesigned in an online format to continue offering employees the necessary training for optimal job performance.
Marketing and LPG	Multiskilling : Training program for the entire Repsol sales force (960 people), with a cross-cutting and uniform orientation among the Businesses and a customer focus. More than 70 training actions: Developed a two-course university program on the specialization of the sales force in the energy sector. Management transformation plan for managers at the LPG factory. Training pathway on International Trade for the Lubricant Business to train specialists in this field. Training for all Campsared managers in Occupational Risk Prevention. Training in the Company's code of ethics and conduct for Campsared's 4,000 salespeople. Training plan for partnered companies of the various Repsol Businesses: More than 70 courses for 5,000 people.

[404-3] Percentage of employees receiving regular performance and career development reviews

Performance and career development reviews At Repsol

		2020	2019
Job category	**Gender**	**%**	**%**
Executives	Women	95.74	96
	Men	95.98	92.49
	Total	95.93	93.18
Manager	Women	98.58	98.02
	Men	97.53	95.46
	Total	97.86	96.24
Professional/Specialist	Women	92.36	65.20
	Men	86.92	76.10
	Total	88.82	71.82
Administrative staff	Women	67.17	82.10
	Men	46.35	64.12
	Total	60.41	76.08
Manual	Women	66.42	93.49
	Men	74.89	82.41
	Total	71.65	86.19
Total	**Women**	**79.95**	**78.62**
	Men	**82.38**	**80.61**
	Total	**81.47**	**79.87**

(1) The 2019 data was recalculated to include data from Campsared and Gespost.

Diversity and equal opportunities

Repsol has an **Equal Opportunities Plan** in place at Repsol Group companies in Spain, whose goal is to improve the occupational position of women in terms of their employment and career (see *Section 8.4. People*). With a view to strengthening Repsol's commitments to Equality, the following initiatives are worth particular mention:

- Renewal of the "Equality at the Company" certificate awarded to companies that are particularly committed to the application of equality policies.
- Adhesion to the Ministry of Equality and Social Affairs' anonymous curriculum protocol, designed to eliminate any possible gender bias that could occur in staff selection processes.
- Design of female talent maps in areas of business with specific initiatives to boost female leadership.

Other actions include membership of the ClosinGap cluster, whose goal is to analyze the opportunity cost of the gender gap, involvement in the “Women walking towards employment” program, the REPSOL Digital Girls initiative to awaken STEM vocations in girls and young women, with a presence in the final of the Technovation Girls Challenge.

To expand the space for inclusion and strengthen the inclusion of LGBTI+ employees, the Aliad@s Repsol group takes part in working groups to increase its impact and position itself as a benchmark.

[405-1] Diversity in governing bodies and employees

Number of employees by category, age and gender

Job category		2020 <30	2020 30-50	2020 >50	2019 <30	2019 30-50	2019 >50
Executive	Women	-	23	24	-	26	25
	Men	-	69	130	-	78	135
	Total	-	92	154	-	104	160
	% M	0%	25%	16%	0%	25%	16%
Manager	Women	-	562	214	-	551	207
	Men	-	1,004	652	3	1,047	690
	Total	-	1,566	866	3	1598	897
	% M	0%	36%	25%	0%	34%	23%
Professional/Specialist	Women	260	2,873	537	821	3,473	513
	Men	359	4,692	1,790	702	4,954	1,803
	Total	619	7,565	2,327	1,523	8,427	2,316
	% M	42%	38%	23%	54%	41%	22%
Clerical	Women	42	535	221	19	457	200
	Men	27	231	126	21	204	115
	Total	69	766	347	40	661	315
	% M	61%	70%	64%	48%	69%	63%
Manual	Women	757	2,464	507	460	2,179	495
	Men	752	3,724	1,550	658	3,771	1,621
	Total	1,509	6,188	2,057	1,118	5,950	2,116
	% M	50%	40%	25%	41%	37%	23%
Total	**Women**		**9,019**			**9,426**	
	Men		**15,106**			**15,802**	
	Total		**24,125**			**25,228**	
	% M		**37%**			**37%**	

[202-2] Proportion of senior management hired from local community

Country	% Executive Personnel, Managers and Technical managers from the local community (1) 2020	2019
Algeria	11.11%	6.25%
Bolivia	82.93%	86.36%
Brazil	65.71%	55.88%
Canada	57.28%	83.33%
Colombia	75.00%	64.71%
Ecuador	100.00%	94.12%
US	14.53%	65.68%
Spain	93.13%	89.46%
Indonesia	52.00%	54.55%
Libya	38.89%	60.00%
Malaysia	83.58%	80.00%
Mexico	62.16%	55.00%
Norway	71.74%	69.23%
Peru	85.96%	86.03%
Portugal	90.54%	89.04%
Russia	83.33%	47.06%
Venezuela	96.77%	93.75%
Vietnam	76.92%	66.67%

(1) Includes Executives and Managers: excluded from certain aspects of the collective agreement for matters that are governed by the individual contract applicable to these groups (except in Brazil, where no filter is applied), in countries with more than 50 employees.

Repsol remains committed to, and continues to increase its management teams with individuals from the local community in most countries where it has a significant presence. This enhances the Company's cultural diversity, enabling it to better respond to the needs of the societies in which it is present, while also contributing to their development.

[401-3] Parental leave

The figures of this indicator are based on the number of employees. This year, data from other countries in addition to Spain are included. Data for 2019 has been recalculated. Only countries for which data are available are included (equivalent to 95% of employees).

Return to work		2020	2019
Total employees entitled to leave	Women	279	311
	Men	381	458
	Total	**660**	**769**
Total employees that took leave	Women	279	311
	Men	381	458
	Total	**660**	**769**
Total employees that returned to work after leave	Women	261	278
	Men	371	431
	Total	**632**	**709**
Return to work rate(1)	Women	94%	89%
	Men	97%	94%
	Total	**96%**	**92%**

Retention		2020	2019
Total number of employees that were still employed 12 months after their return to work	Women	265	175
	Men	430	315
	Total	**695**	**490**
Retention rate(2)	Women	95%	94%
	Men	100%	98%
	Total	**98%**	**97%**

(1) Number of employees returning to work after maternity or paternity leave/ Number of employees due to return after leave.

(2) Number of employees keeping job 12 months after returning from maternity or paternity leave/Number of employees returning after ending leave the previous year.

In the calculation of indicators relating to return to work, data from all countries except the United States, Canada and Germany was used in 2020. The 2019 indicators were recalculated with the same scope.

Human Rights and Community Relations

Risks, opportunities and due diligence

Management approach

[EM-EP-210a.3] Description of participatory processes, due diligence practices with respect to human rights, indigenous rights and operation in conflict areas.

In accordance with Repsol's Human Rights and Community Relations Policy published in 2008, the company respects internationally recognized human rights. These rights encompass the rights set forth in the International Bill of Human Rights and the principles set forth in the International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at Work, as well as the eight Fundamental Conventions that implement them: freedom of association (N. 87), collective bargaining (N. 98), forced labor (N. 29, N. 105), child labor (N. 138, N. 182), fair wages (N. 100) and discrimination (N. 111). Repsol promotes respect for employees' human rights and ensures compliance with these rules throughout the value chain. *(For further information, see Appendix III-Human Rights and Community Relations – indicators [407-1], [408-1], [409-1].)*

Moreover, the unique nature of indigenous, tribal, aboriginal and native peoples is recognized and respected. Repsol also recognizes and respects their rights, in accordance with current legislation and ILO Convention 169, whether or not it is part of the national regulations of a given country.

This includes, inter alia, rights to land, territory and resources, including the right to water; to their organization and to their social and economic structure; and to free, prior and informed consultation, through appropriate procedures and, in particular, through their representative institutions, whenever legislative or administrative measures are envisaged that may affect them directly, in good faith and in a manner appropriate to the circumstances, with the aim of seeking understanding or contributing to the achievement of consent on proposed mitigation measures.

Working in a conflict zone requires using strategies that do not aggravate the conflict and promote peace, such as:

- Partnership with prestigious international organizations such as the UNDP (United Nations Development Program) to carry out social investment projects that improve the quality of life of local communities and show an ongoing commitment to sustainable development.
- Implementation of the Voluntary Principles on Security and Human Rights on the use of security forces in our operations.
- Human rights training for employees of the National Oil Company to raise the standard of work.
- Support for HSE culture to ensure the safety of employees and operations.
- Compliance with Repsol's highest Ethics and Anti-Bribery and Corruption (ABC) standards and requirements.
- Gaining our license to operate by building up the Operator social performance skills.

Repsol is currently operating in Libya, where it leads a consortium of companies that work alongside the National Oil Company at two assets. Repsol works to the highest human rights and security standards in all its operations, with special attention to conflict areas. Stakeholder identification is key to human rights management, in conjunction with risk assessment and training of security contractors. In Libya, we place our human rights expertise at the disposal of the consortium and provide training to National Oil Company employees to ensure compliance with the Company's standards.

The Company's goal is to build strong relationships with communities within the area of influence of our projects and assets, based on the principles of respect, cultural sensitivity, integrity, accountability, transparency, good faith and non-discrimination. For indigenous communities, this is reflected in the signing of formal agreements to create shared value with the communities and support their sustainable development.

The political commitment, due diligence processes and grievance mechanisms are detailed in *Section 8.2.2 Respect for human rights and community relations*, as adapted to the specific rights of indigenous peoples.

[EM-EP-210b.1.] [RT-CH-210a.1] Discussion of engagement processes to manage risks and opportunities associated with community rights and interests

The Company has in place an organization, procedures and systems so as to reasonably manage the social, environmental, cultural and economic risks surrounding the management of human rights of communities in the areas in which Repsol operates. This risk management constitutes an integral component of the Company's decision-making process, at the level of corporate governance bodies and in business management. Human rights risks are integrated with corporate management as part of the Enterprise Risk Management System (ERMS System), both in the management of strategic risks (reputation and image) and operational risks (Code of Ethics and Conduct).

The due diligence processes applied by Repsol to assess impacts arising from start-up of operations are set out in *Section 8.2.2 of Respect for human rights and community relations* and in the corresponding section of *Appendix III*, as adapted to the specific rights of indigenous peoples.

The Company applies its Environmental, Social and Health Impact Assessment Standard (ESHIA) to ensure that environmental, social and health impacts are properly identified and mitigated. This ensures that our businesses engage in inclusive dialogue with stakeholders during the impact assessment process, provide them with relevant information and involve them in the actions to be undertaken as specified in the prevention, mitigation and monitoring plan. The measures to be implemented to manage environmental, social and health impacts consider the needs and priorities of stakeholders and avoid direct monetary compensation.

Different processes, procedures and practices are in place to manage community interests:

- Implementation of specific socially sensitive environmental projects.
- Engagement with local organizations that protect community interests.
- Opening of channels for direct dialogue, such as the Public Advisory Panel, where local residents' concerns and interests can be discussed.

As a practical example of social impact mitigation, in an area of Wayuu indigenous communities in Colombia, the Company conducted a human rights impact assessment with an inclusive approach and respect for indigenous cultures. Repsol's approach was previously presented to the traditional local authorities. Interviews were conducted so as to achieve diversity, with the goal of ensuring the active involvement of the communities. The study results were shared with the communities through collective meetings in the local language (wayunikki), where issues related to territoriality, loss of identity of young people, and labor, economic, women's and environmental rights were identified. However, the key identified issue was the protection of sacred spaces and the cultural impact. As there was no feasible mitigation measure, the Company's decision was not to continue operations in this block, consistently with Repsol's policy in terms of recognition and respect for communities' cultural diversity.

Examples of environmental impact prevention and mitigation are set out in *Section 8.4 Environment*.

The Company identifies and strengthens positive impacts and shared value in regions where it is present as a result of a consensus with communities. A key tool for achieving positive impacts are social investment initiatives. Priority is given to entrepreneurship projects that empower local communities to avoid future dependency. Furthermore, our activity has a positive impact through wealth creation in our sphere of influence, via local employment and supplier development. The context determines the scope and specific form of the investment. In 2020, social investment came to 37.8 million euros. See Indicator (203-1 and 203-2) for more information and examples of social investment projects.

Monetary contributions to foundations and non-profit entities in 2020 amounted to 7.01 million euros (8.49 million euros in 2019).

Country	Project	SDGs
Brazil	**Humanitarian aid COVID-19 field hospital** Repsol made a financial contribution of more than 225,000 euros for the construction of a 200-bed field hospital as emergency support for the COVID-19 pandemic in a strategic district of Rio de Janeiro, close to several underprivileged communities.	3 GOOD HEALTH AND WELL-BEING 17 PARTNERSHIPS FOR THE GOALS
Libya	**Access to water in areas of scarcity in Zintan** In Libya, a country in conflict where scarcity makes water the most precious commodity, the project to improve access to water is ongoing. In 2020, we invested 870,000 euros to benefit a community of around 16,000 people. The sustainability of this three-year project is ensured through partnerships with the authorities, who are in charge of the maintenance of the facilities.	6 CLEAN WATER AND SANITATION 17 PARTNERSHIPS FOR THE GOALS
Algeria	**Desanding of access to local schools to access points to local schools** The consortium of companies operating Reggane conducts periodic removal of sand barriers to school entrances in the wake of the frequent sandstorms. This simple civil engineering work, with an investment of less than 9,000 euros, has an immediate positive effect for the 150 schoolchildren in the communities near Repsol's operations.	4 QUALITY EDUCATION 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 17 PARTNERSHIPS FOR THE GOALS
Canada	**Project Gazelle for women entrepreneurs** Repsol has partnered with Community Futures in Project Gazelle, a business incubator that empowers women entrepreneurs by providing them with training and advice on the implementation of a viable business concept.	4 QUALITY EDUCATION 5 GENDER EQUALITY 8 DECENT WORK AND ECONOMIC GROWTH
Venezuela	**Improving health care in Venezuela** Repsol invested close to 700,000 euros to strengthen health care for more than 650,000 people in Venezuela, donating specialized cancer diagnostic equipment to the Jacinto Convit Foundation and the supply with medicines and surgical materials.	3 GOOD HEALTH AND WELL-BEING 17 PARTNERSHIPS FOR THE GOALS
Colombia	**Productive agricultural and eco-tourism projects to empower the communities of the Meta area** The Agroemprende Cacao Project supports 1,000 cocoa producers in 11 municipalities. The initiative provides a sustainable development management approach and greater empowerment of women. The initiative is supplemented by a ornithology tourism project as an eco-tourism strategy that generates additional income. The total investment exceeds 110,000 euros.	5 GENDER EQUALITY 8 DECENT WORK AND ECONOMIC GROWTH 15 LIFE ON LAND 16 PEACE, JUSTICE AND STRONG INSTITUTIONS
Spain	**Arts, education, sports and environment at industrial complexes** Repsol invested 1 million euros in areas surrounding the company's industrial complexes in Spain to support local communities through arts, educational and environmental projects of varying scope that seek to maximize the positive impact on the communities. In line with the Group's energy transition strategy, one of the highlights is a project to reforest burned woodland near the Petronor complex. This is a corporate volunteer initiative that combines environmental care with education.	11 SUSTAINABLE CITIES AND COMMUNITIES 13 CLIMATE ACTION 17 PARTNERSHIPS FOR THE GOALS
Indonesia	**Support for aquaculture and salt production** Within the framework of Repsol's productive projects in Indonesia, highlights include the initiatives to empower sabalote fish farmers and a program that supports local salt farmers. With an investment of 13,000 euros, the project will help improve the living conditions of 200 people in a sustainable way.	1 NO POVERTY 8 DECENT WORK AND ECONOMIC GROWTH

Voluntary social investment

This includes the social programs carried out on a voluntary basis, or which arise from voluntary agreements with communities.

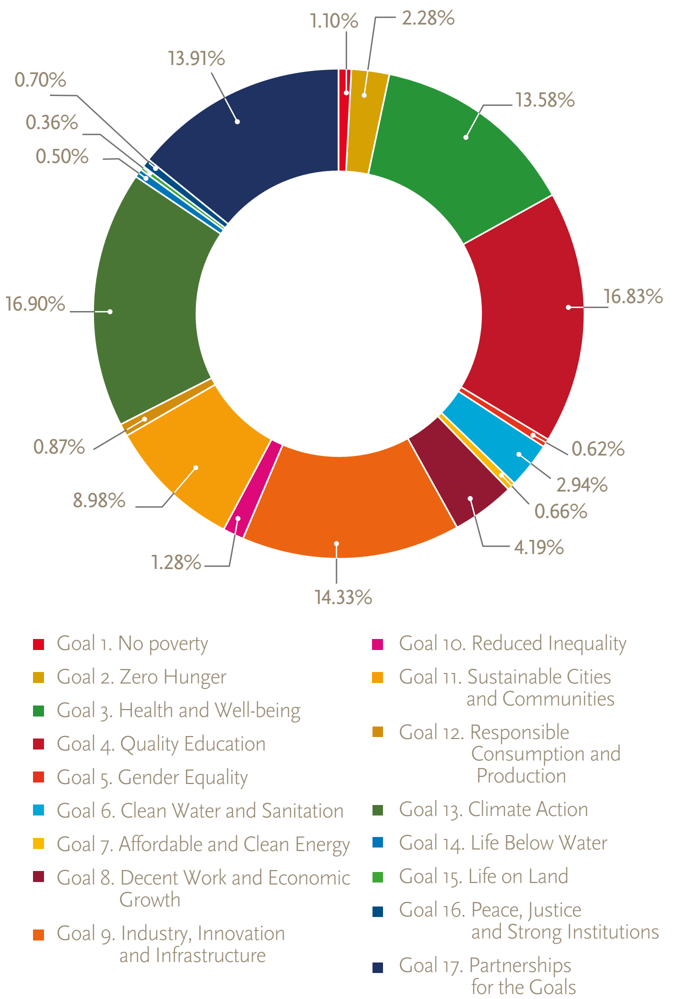
Voluntary social investment *(millions of euros)*

	2020	2019
Repsol	7.93	10.85
Repsol Foundation	12.88	9.65
Total	**20.81**	**20.49**

Voluntary social investment by type of contribution *(millions of euros)*

	2020	2019
Contribution in cash	14.75	18.35
Contributions in time	0.34	0.31
Contributions in kind	0.57	1.17
Management costs	5.15	0.66
Total	**20.81**	**20.49**

Contribution of voluntary social investment to SDGs[1]



1. SDG: Sustainable Development Goals

Voluntary social investment by country *(millions of euros)*

	2020	2019
Algeria	0.01	
Bolivia	0.80	1.08
Brazil	0.17	0.79
Canada	0.97	0.41
Colombia	0.12	0.85
Ecuador	1.23	1.35
Guyana	0.01	0.11
Indonesia	0.00	0.09
Libya	1.16	0.35
Malaysia	0.13	0.39
Norway	0.23	0.33
Peru	1.50	2.91
Portugal	0.05	0.09
Russia	0.41	0.82
Spain	13.80	10.36
United States	0.13	0.28
Venezuela	0.06	0.07
Total	**20.80**	**20.49**

Mandatory social investment

Repsol makes contributions owing to legal or regulatory requirements, or stipulations set out in the operating contract. These contributions may be fully managed by the company, through social programs, or a third party (such as the National Oil Company institution or government agency) to whom we deliver the due sum.

Mandatory social investment in 2020 amounted to €16.94 million, which was made in:

Mandatory social investment by country *(millions of euros)*

	2020	2019
Bolivia	0.16	
Brazil	4.71	14.3
Colombia	0.03	
Ecuador	0.78	0.9
Indonesia	0.08	
Portugal	0.01	0.2
United States	10.47	12.7
Venezuela	0.69	2.1
Total	**16.94**	**30.28**

In 2020, mandatory social investment was reduced by 44% due to the crisis and COVID-19 restrictions, especially in Brazil.

Human rights

[412-2] Training of employees in human rights policies or procedures

Repsol promotes a culture of respect for human rights among its employees. Since 2012, an online course has been provided on Human Rights Principles based on the United Nations Guiding Principles on Business and Human Rights. The existing online course is being redesigned to update its contents and make its appearance more attractive so as to increase employee awareness.

In 2020 the course "Overcoming Barriers" was taken by 276 (120 in 2019) people equivalent to 276 (120 in 2019) hours and courses related to "Prevention of Harassment" weretaken by 584 (39 in 2019) employees equivalent to 477 (39 in 2019) hours.

[406-1] Cases of discrimination and corrective response[1]

In 2020, 14 cases of harassment and discrimination were handled. 2 minor cases of harassment were confirmed at the end of the year; however, after the investigations carried out, they were found not to be substantiated beyond being conflicts between employees not involving discrimination, corruption or violation of human rights.

Of cases reported in 2019, two cases of harassment were confirmed, and none of discrimination, corruption or human rights violations.

[407-1], [408-1], [409-1] Operations and suppliers whose right to the freedom of association and collective bargaining could be at risk, or involve significant risk in cases of child, forced or mandatory labor.

In accordance with the Company's Code of Ethics and Conduct that applies to directors, executives and employees of Repsol, partners, non-operated joint ventures, contractors, suppliers and other collaborating companies, in all countries where Repsol operates, in addition to complying with the requirements of local legislation, the Company is committed to abiding by internationally recognized human rights. This commitment encompasses the rights set forth in the International Bill of Human Rights and the principles set forth in the International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at Work, as well as the eight Fundamental Conventions that implement them.

Independently of local legislation, Repsol is committed to respecting labor rights in all countries in which it operates. To this end, clauses are inserted in contracts and all contractors are required to comply with the Company's Code of Ethics and Conduct.

[EM-EP-210a.2.] Percentage of proven and probable reserves in or near indigenous areas

32.5% of the Company's proven reserves and 31.7% of its probable reserves are located in areas where indigenous communities are present.

[G4-OG9] Operations where indigenous communities are present or affected by activities and where specific engagement strategies are in place

Repsol is currently conducting eighteen operations in seven countries (Bolivia, Canada, Colombia, Ecuador, Indonesia, Peru and Guyana) that are taking place within or adjacent to the territories of indigenous communities.

All the aforementioned operations have at least one of the following elements: public consultation and consultation plans; reference studies; social impact evaluations and action plans, community development plans; claim and complaint procedures; and other engagement strategies. 100% of significant assets have development programs for local communities based on the needs of the latter and participation plans for stakeholders based on their geographic distribution.

1. For cases of harassment of employees at Spanish companies included in the scope of application of the Repsol Group's Framework Agreement, the Harassment Prevention Protocol defined for Spain is applied; in other jurisdictions, the legal requirements at a local level are applied. In any case, the Code of Ethics and Conduct contains the general principles applicable to workplaces free from harassment.

Country	Description	Engagement strategy
Bolivia	**Guarani** presence in the Cambeiti, Huacaya, Mamoré and Margarita areas and **Quechua** communities in Mamoré.	Process of prior consultation for environmental license in new projects and continuous dialog with communities in active projects. Impacts are assessed and monitored. Continuous execution of action plans and continuous contact with communities through participative dialog. Monthly meetings with communities and their leaders. Operational level formal grievance mechanisms in place. Social investment projects carried out with communities and in cooperation with municipality of Huacaya and Entre Rios.
Canada	20 **First Nations** and 4 **Metis** communities in the operating areas of Chauvin, Edson, Duvernay, Alberta, British Columbia, Wild River and Bigstone.	Management plans are in place for the communities in the 5 operating areas, including plans for local development, impact evaluations, identification and updates of the stakeholder engagement plan, consultation processes to report activities in Alberta in accordance with regulatory requirements, as well as social investment projects, etc. In 2020, those plans include the aboriginal communities that may be potentially impacted by rour operations. In addition, there are specific consultation processes in accordance with regulatory requirements for both First Nations and for Metis.
Colombia	2 **Wayuu** communities for the eastern sector of RC 12 and CPO-8.	Prior consultation process according to permanent interactive participative model. Impact assessment in human rights with communities within area of direct influence. Establishment of communication and grievance mechanism according to the model of requests, complaints, claims and suggestions. elationship strategies that directly involve these communities, taking into account the cultural characteristics and location (communities from desert, mountain, high plateau and jungle areas). Their representative organizations, leaders and traditional authorities have been identified in order to build a smooth and ongoing relationship. Social investment projects are undertaken with indigenous communities.
Ecuador	More than 40 **Waorani** and 2 **Kichwa** communities in blocks 16 and 67.	There is a permanent dialog of cooperation and management of agreements and commitments, including a current agreement for compensation for the Wati project, and permanent voluntary cooperation via a cooperation agreement pursuant to "Waemo Kewingi" (Good Living) with the Waorani Nationality of Ecuador (NAWE), the representative body of the entire Waorani ethnic group. Projects are governed by Ecuadorian legislation and by the Environmental Management Plan. Plans are being made for community development, emergency plans, environment and an anthropological contingencies. Strategy based on continuous participation of communities through dialog plans that identify key stakeholders, frequency of contacts and periodic meetings, etc. In addition, local development projects are carried out, such as specific training courses for farmers and women.
Guyana	**Amerindian** community indirectly influenced by the Company's activity in the Kanuku area (offshore asset).	The Stakeholder Engagement Plan prioritizes the various stakeholders and follows up with all of them. Repsol holds communication meetings with the different stakeholders, including local and national authorities, NGOs and coastal fishing communities in the areas of indirect influence of the Company's offshore operations.
Indonesia	Indigenous **Papua**, **Maluku** and **Suku Anak Dalam** communities in the Aru, South East Jambi and West Papua IV areas	Development programs have been designed with the participation of the community and the government.
Peru	**Machiguenga**, **Kakinte** and **Ashaninka** communities in the area of Block 57, and an **Achuarn** community in Block 101.	Operations being carried out are covered during all stages of community relationship through participation strategies, which are carried out in accordance with the Community Relations Plan under social impact management programs (community monitoring and citizen vigilance; compensations; grievance register; promotion of local employment; communication and community relations) and social investment and contribution to local development. Community relations are conducted with respect for the cultural patterns of each ethnic group (Machiguenga, Kakinte, Ashaninka, Yine). The socio-economic situation of each community and stakeholder group was also considered.

Local communities

[413-2] Operations with significant negative effects - actual and potential - on local communities

Activity	Potential impacts identified
Downstream, Industrial complexes and Repsol Gas and Electricity	Smells, noise, gas emissions into the atmosphere, dust, visual impacts and, to a lesser extent, discharges.
Onshore exploration and production	Potential health effects on the people living locally as a result of the inhalation of gases associated with exploration activities. Temporary use of land to carry out the exploration work. Hiring of local manpower to carry out the exploration work. Migratory movements toward operations that may cause over use of local services.
Offshore exploration and production	Temporary change in fishing boat routes due to the presence of vessels and other equipment related to oil and gas operations. Temporary change in fishing sector revenue due to the installation of equipment and facilities for offshore exploration purposes. Economic activity related to tourism. Hiring of local manpower to carry out the exploration work.

[OG-11] Sites dismantled and in the process of being dismantled

At the end of a facility's useful life, the Company establishes dismantling plans to ensure that the necessary measures are taken to minimize the impact on the environment. Repsol also collaborates with the corresponding authorities to transfer the necessary responsibilities, once the Company no longer has a presence in the area.

The Company has internal regulations on asset integrity and risk management, which ensure that any major accident scenarios that may occur during dismantling are identified and evaluated, including those that may arise from interference with assets in operation. For each identified scenario, measures are implemented that seek to preferably eliminate or minimize these hazards, and when this not possible, control and/or mitigate them, so that the risks to health and the environment are tolerable.

In 2020, 9 service stations were dismantled, and 31 service stations and the thermal power stations at Escucha, Puertollano and Tarragona are in the process of being dismantled. In the Exploration and Production business, work has been done in 2020 on the dismantling of 6 blocks in Bolivia, Norway, the United States and Peru. A highlight was the dismantling of the Mapi and Mashira wells in Block 57 in Peru, where an Ecological Restoration Plan is being carried out under an agreement with the Eco Asháninka indigenous organization. Replanting monitoring is coming to and end and the social investment plan established in the abandonment strategy is being implemented.

[EM-EP-210b.2.] Number and duration of non-technical delays

In 2020, there were 3 stops for non-technical reasons for a total duration of 495 days.

In Norway, the Gyda P&A asset was shut down for 215 days at the Company's discretion due to COVID-19 restrictions, while in Brage there was a reduction in production equivalent to 15 days due to government restrictions also caused by the pandemic. In Libya, political instability forced the shutdown of asset NC115/NC186 for 265 days due to force majeure.

Safe Operation

[403-2] Hazard identification, risk assessment and incident investigation

Repsol regularly conducts job position evaluations by competent personnel. We also systematically apply communication and hazard identification techniques such as tool box talks, JSA (Job Safety Analysis). Together with the work permit system, these ensure the implementation of risk minimization measures before work begins. Moreover, asset operating units have in place a Stop Work Authority policy that empowers any worker, whether our own or a contractor's, to stop operation if he/she believes circumstances may arise that could endanger his/her integrity, that of others or that of the asset, without fear of retaliation, in line with the principle set forth in the Company's Health, Safety and Environment Policy.

[403-7] Prevention and mitigation of impacts on the health and safety of workers directly linked to business relations

Repsol is a global energy company with a presence throughout the value chain, with strong and diverse business relationships at the different stages of the life cycle of the products and services the company offers. In this context, the safety requirements specified in the safety management system and in the Global Sustainability Plans must be tailored to the specific features of the businesses, assets, operations and products, whether managed directly by Repsol or through business relationships with third parties. As an example, Repsol embeds specific safety requirements in the stages of approval, tendering and assessment of contractors and suppliers. Similarly, Repsol encourages the development of safety requirements by carrying out safety culture diagnostics in non-operational settings, launching awareness campaigns or holding specific scheduled safety conferences and events. The Company also provides contractors and business partners with resources to reinforce the safety culture: safe working environments, Basic Safety Rules, White Paper on Safety Culture, etc. In addition, safety data sheets are drawn up for the entire range of products, intermediate and final, and released to contractors and customers, thus promoting safe use and handling. Moreover, we support analysis and reporting of all safety incidents related to the Company's operations, activities and/or products, including those outside the Company's own management framework. The overarching goal is to have an impact on continuous improvement of safety at all levels through the learning acquired.

[403-9] Work-related injuries

Work-related injuries

Personal safety indicators	2020	2019
Total fatalities	0	1
Fatal Accident Rate (FAR)(1)	0.00	0.97
Total high-consequence injuries rate	2	1
Total rate of high-consequence injuries(2)	0.02	0.01
Total recordable work-related injuries	96	127
Total Recordable Injury Rate (TRIR)(3)	1.11	1.24
Total hours worked	86,264,754	102,675,668
No. of employees fatalities	0	0
Fatal Accident Rate (FAR) employees(1)	0.00	0.00
High-consequence injuries, employees	1	0
High-consequence injury rate, employees(2)	0.02	0.00
Total recordable work-related injuries, employees	38	49
Total Recordable Injury Rate (TRIR) employees (3)	0.85	1.02
Severity index, employees (4)	0.044	
Hours worked, employees	44,764,503	47,890,635
No. of contractors fatalities	0	1
Fatal Accident Rate(FAR), contractors(1)	0.00	1.83
High-consequence injuries, contractors	1	1
High-consequence injury rate, contractors (2)	0.02	0.02
Total recordable work-related injuries, contractors	58	78
Total Recordable Injury Rate(TRIR), contractors (3)	1.40	1.42
Hours worked, contractor	41,500,251	54,785,033

(1) Number of fatalities during the year, for every hundred million hours worked.
(2) Number of high-consequence accidents during the year, not including fatalities, per million hours worked.
(3) Total number of cases with personal consequences (fatalities, lost workday, medical treatment and restricted work cases) accumulated during the period, for every million hours worked.
(4) Number of days not worked due to occupational accidents with sick leave over the year per thousand hours worked.

Work-related injuries

Personal safety indicators by gender(1)	Men	Women
Total fatalities	0	0
Total high-consequence injuries	2	0
Total recordable work-related injuries	81	15
No. of employees fatalities	0	0
High-consequence injuries, employees	1	0
Total recordable work-related injuries, employees	27	11
No. of contractor fatalities	0	0
High-consequence injuries, contractors	1	0
Total recordable work-related injuries, contractors	54	4

(1) For 2020, a gender breakdown is implemented in the incident rate report.

The most frequent injuries were fractures, dislocations, sprains, superficial injuries (cuts) and burns.

At Repsol, when analyzing an incident, all potential sources of harm are identified and categorized as "cause of injury" in the case of personal injury. For each accident scenario, the inquiry also analyzes all root causes that may have contributed to the harm, identifying technical, human or organizational shortcomings. In 2020, hazards categorized as thermal contact and striking by objects or tools were those that caused high-consequence injuries. The Company's regulations include measures to control risk in line with an inherently safe design. For example, under the SMA Risk Management Standard one requirement is inherent design safety. Process and plant design must prioritize elimination of hazards and maximize inherent safety. In addition, improvement actions can be derived from different sources (incidents and preventive SMA analyses). In the case of incidents, actions act on all root causes identified and are classified according to criticality in terms of potential role in avoiding harm. All identified improvement actions must be: specific, measurable, achievable, relevant and time-bound. The implementation of improvement actions is monitored to validate effectiveness as applicable, and close out each action.

[EM-EP-320 a.1] Total Recordable Injury Rate and Fatality Accident Rate for E&P

	2020	2019
Total Recordable Injury Rate (TRIR) (1)	1.44	1.50
Fatal Accident Rate (FAR) (2)	-	3.65

(1) Total Recordable Injury Rate (TRIR): total number of cases with personal consequences (fatalities, lost time injuries, medical treatment and restricted work) accumulated during the period, for every million hours worked. Includes company employees and contractor staff
(2) Fatal Accident Rate (FAR): number of fatalities during the year, for every hundred million hours worked. Includes company employees and contractor staff

[EM-RM-320 a.1] Total Recordable Injury Rate and Fatality Accident Rate for Refining

	2020	2019
Total Recordable Injury Rate (TRIR) (1)	1.20	1.90
Fatal Accident Rate (FAR) (2)	-	-

(1) Total Recordable Injury Rate (TRIR): total number of cases with personal consequences (fatalities, lost time injuries, medical treatment and restricted work) accumulated during the period, for every million hours worked. Includes company employees and contractor staff
(2) Fatal Accident Rate (FAR): number of fatalities during the year, for every hundred million hours worked. Includes company employees and contractor staff

[RT-CH-320a.1] Total Recordable Injury Rate and Fatality Accident Rate for Chemicals

	2020	2019
Total Recordable Injury Rate (TRIR) (1)	1.32	1.35
Fatal Accident Rate (FAR) (2)	-	-

(1) Total Recordable Injury Rate (TRIR): total number of cases with personal consequences (fatalities, lost time injuries, medical treatment and restricted work) accumulated during the period, for every million hours worked. Includes company employees and contractor staff
(2) Fatal Accident Rate (FAR): number of fatalities during the year, for every hundred million hours worked. Includes company employees and contractor staff

[EM-EP-540 a.1] Tier 1 Frequency Rate for E&P

	2020	2019
Tier 1 Frequency Rate(1)	0.19	0.32

(1) Number of Tier 1 process safety accidents per million process hours worked. Includes company employees and contractor staff

[EM-RM-540 a.1] Tier 1 and Tier 2 Frequency Rate for Refining

	2020	2019
Tier 1 Frequency Rate(1)	0.12	0.10
Tier 2 Frequency Rate(2)	0.19	0.35

(1) Number of Tier 1 process safety accidents per million process hours worked. Includes company employees and contractor staff
(2) Number of Tier 2 process safety accidents per million process hours worked. Includes company employees and contractor staff

[EM-CH-540 a.1] Tier 1 and Tier 2 Frequency Rate for Chemicals

	2020	2019
Tier 1 Frequency Rate(1)	-	-
Tier 2 Frequency Rate(2)	-	0.14

(1) Number of Tier 1 process safety accidents per million process hours worked. Includes company employees and contractor staff
(2) Number of Tier 2 process safety accidents per million process hours worked. Includes company employees and contractor staff

Responsible tax policy

GRI 207: Tax policy

Proper management of a business group's tax obligations has a direct effect on the social and environmental domains, since payment of taxes has a major impact on countries' development and progress.

Moreover, transparency on tax approaches and policy has gained recently immense significance among stakeholders.
In the awareness of this challenge, Repsol has adopted the highest international standards of tax disclosure, including those under the new GRI 207.

The following table graphically illustrates the Repsol Group's degree of compliance with those commitments, summarizing the reconciliation of the *B-team*[1] principles adopted by Repsol to the requirements of the new GRI 207 global standard. We also provide evidence on the practical implementation of each requirement, organized according to the four axes of GRI 207:

- Approach to tax (GRI 207-1).
- Tax governance, control, and risk management (GRI 207-2).
- Stakeholder engagement and management of concerns related to tax (GRI 207-3)
- Country-by-country reporting (GRI 207-4).

Responsible tax policy

Responsible tax principles – B Team

GRI 207-1
Approach to tax

- Responsibility and governance
- Corporate structure
- Transparency

• The Board of Directors approves the Tax Policy and supervises implementation of tax risk strategy and management.
• Corporate structure aligned with the business and adapted to legal requirements and corporate governance standards.
• Zero use of special purpose vehicles in non-cooperative jurisdictions.
• Publication of the Tax Policy and reporting on tax payments and presence in non-cooperative jurisdictions.
• EThe Global Sustainability Plan (GSP) includes tax objectives.

GRI 207-2
Tax governance, control, and risk management

- Compliance
- Tax incentives

• Regulations and internal control processes to ensure compliance with tax obligations.
• Internal procedure for setting transfer prices aligned with the creation of value and the arm's length principle.
• EOrganizational structure and appropriate resources to ensure the proper performance of the tax function.
• Existence of a whistleblowing channel managed by an independent third party, available 24/7.
• Adhering to the spirit and letter of applicable tax law and regulations.
• Ensuring that the tax incentives applied are widely accessible to all economic agents.
• Supporting the publication of tax incentives in oil contracts.

GRI 207-3
Stakeholder engagement and advocacy

- Supporting the effective tax system
- Cooperative relations

• Applying the Spanish Code of good Tax Practices.
• Voluntary filing of the Tax Transparency Report to the tax office.
• Classified as an Authorized Economic Operator in the European Union and Peru.
• Founding member of the Extractive Industries Transparency Initiative and fully committed to its standards.
• Collaboration with international bodies (OECD, UN, EU, etc.), governments and NGOs.
• Involvement in international initiatives on responsible taxation and tax governance (B-Team).

GRI 207-4
Country-by-county reporting

• Voluntary publication of the country-by-country report (CbCr), which is drawn up following OECD criteria and GRI-207.
• The published country-by-country report contains economic figures on the Group's performance and provides a description of its business model, with contextual information on the business activities it carries out in each country.
• The country-by-country report is published at the time it is submitted to the tax authorities (with a one-year time lag).

1. Group of companies that seek to promote sustainable development and, especially, responsible taxation and good governance in tax matters.

GRI 207 Compliance Summary Table

GRI 207	Requirements	Evidence of compliance by the Repsol Group
GRI 207-1 Approach to tax		
Balancing tax compliance, business activities, and ethical, social and sustainable development expectations	a.i) Tax strategy	Repsol has a Tax Strategy which was adopted by the Board of Directors and is mandatory for all Group employees and companies. The Tax Policy is published on the corporate website. See https://www.repsol.com/imagenes/global/es/Politica_Fiscal_corporativa_extend_tcm13-63125.pdf.
	a.ii) Tax Strategy review body	Repsol's tax strategy is subject to review by the Board of Directors at least annually. The Board also oversees compliance and the key aspects of tax matters and risks.
	a.iii) Compliance approach	In the awareness of its responsibility in the social and economic development of the countries where it is present, Repsol accords priority to responsible compliance with the payment of taxes in host countries. Its commitment to comply respects both the letter and the spirit of the law. *For more information, see Section 8.7. Ethics* and compliance
	a.iv) Linkages among tax approach, business strategy and sustainable development	The Group's Tax Policy is aligned with the Company's mission and values and its Sustainable Development Goals (SDGs). Repsol seeks to be publicly recognized as a company of integrity and fiscal responsibility. The Group's tax decisions are adopted responsibly in accordance with a reasonable interpretation of tax regulations, and are aligned with the economic activity of Repsol's different businesses. The tax function is present in the Group's business decisions to ensure that they are in line with the principles of its Tax Policy and with the economic reality and motivation of its businesses. Hence there are internal regulations and procedures (the rules on investments, related-party transactions, etc.) that ensure the adoption of tax positions based on sound economic or business grounds (avoiding abusive tax planning schemes or practices), avoidance of opaque or artificial corporate structures to hide or reduce the transparency of activities, and application of the principle of open competition in intra-group transactions. For more information, see the report "Presence in Non-Cooperative Jurisdictions and Disputed Territories" on the corporate website. See https://www.repsol.com/es/sostenibilidad/fiscalidad-responsable/transparencia-fiscal/index.cshtml. For more information on the tax objectives under the GSP, *see the Sustainability Section* of www.repsol.com.
GRI 207-2. Tax governance, control, and risk management		
Description of tax governance and control framework	a.i) Governing body responsible for compliance with tax strategy	The Board of Directors is the governing body in charge of adopting the Repsol Group's Tax Policy, which contains the tax strategy. The implementation and monitoring of the tax strategy is overseen at meetings held at least once a year. For further information, *please refer to the Audit and Control Committee's Annual Report*, which is made available to shareholders at the General Shareholders' Meeting.
	a.ii) How the tax approach is integrated within the organization	The orderly management of Repsol's tax affairs is conducted within a framework of action (Tax Governance and Control Framework) that rests on four pillars: (i) Principles of Action, (ii) Expert Team, (iii) Tax Compliance Processes and Systems and (iv) Tax Risk Control and Management. For further information on how the tax approach is integrated into Repsol's organization, see the report on the *"Tax Control Framework"* published on the corporate website. https://www.repsol.com/es/sostenibilidad/fiscalidad-responsable/marco-control-fiscal/index.cshtml Integration of the tax approach at Repsol is governed by an orderly compliance management model comprisingpolicies, rules (general and specific), internal procedures and standardized processes, all of which are subject to the guidelines of the Code of Ethics and Conduct, aimed at mitigating the key tax risks. *For more information, see Section 8.7. Ethics* and compliance Repsol's tax department is made up of experts in a range of tax-related disciplines; these professionals are responsible for managing all the tax affairs of the businesses and areas of the Group. Reporting solely to the Corporate Economic and Tax department, tax management is decentralized to the tax units of each country and/or business in order to suitably address the specifics of each business and tax system. The continuity of strategy implementation and tax management in the face of unforeseen events is underpinned by a contingency plan that ensures suitable succession to key tax-management positions. The Group's tax experts are subject to the same remuneration and incentive policy as the rest of the Company's employees, and receive a comprehensive and continuous training plan, updated annually, which allows them to strengthen and complete their professional skills and renew their commitments to comply with the obligations derived from the Code of Ethics and Conduct.
	a.iii) Tax risks, identification, management and monitoring	Tax risk management at Repsol is embedded in the global policy of the Enterprise Risk Management System (ERMS in Spanish) and is reflected in the existence of processes, systems and internal controls (ICFR, Compliance Plan, Key Controls, etc.). A cornerstone of the ERMS is the concern to maintain a risk profile that is aligned with a medium-low risk tolerance, typical of a global and integrated multi-energy company business model that is present throughout the value chain. To mitigate tax compliance risks, Repsol has implemented standardized and documented processes that regulate essential aspects of tax compliance. Such processes identify the people/areas responsible for each phase of tax management and specify all activities to be carried out for the preparation of tax returns and self-assessments. Tax management processes must, therefore, ensure the reliability and traceability of the information and establish a suitable level of prior reviews. In addition, Repsol operates robust information management systems that assure the integrity of the information and tax compliance processes while minimizing the possibility of "human error."

GRI 207	Requirements	Evidence of compliance by the Repsol Group
GRI 207-2. Tax governance, control, and risk management		
Description of tax governance and control framework	a.iv) Evaluation of compliance with the tax governance and control framework	Tax risk control and tax-related reporting are supplemented by procedures and controls that assure the integrity and reliability of the accounting information used in tax processes. These include, inter alia: (i) the procedure for monitoring and periodic evaluation of the system of Internal Control over Financial Reporting (ICFR). ICFR controls are continuously overseen by the Audit and Control Committee of the Group's Board of Directors and monitored by the Internal Control department and the Audit department. Rules and procedures are reviewed by the People and Organization department, whose purpose is to assure the integrity, uniformity, validity, availability and accessibility of the Company's internal regulatory documents and to support management through established channels and approval at the appropriate level. *For further information, see Section 10. Risks and Appendix II Risks.*
	b.) Description of channels for reporting tax-related concerns	Any employee or third party may report any breach of the Code of Ethics and Conduct or the Crime Prevention Model, including unethical or illegal conduct affecting the integrity of the organization in relation to taxation. Such notification can be given in an absolutely confidential and anonymous manner through the whistleblower channel provided for this purpose. *For more information, see Section 8.7. Ethics and Compliance.*
	c.) Tax content verification process	Repsol has an expert team that analyzes the good tax governance initiatives of international organizations to align its tax strategy with the principles that inform global best practices. Hence Repsol performs a self-assessment of its tax control framework by comparing it to the highest standards in tax governance, including the B-team principles of responsible taxation, the requirements of GRI 207 and the OECD model for controlling tax risks, among others. The alignment of the tax control framework to international best practices in tax compliance is verified and tested by an independent expert. According to the expert's evaluation, Repsol's tax control framework achieves a high level of convergence and compliance with the criteria set out in international standards. Finally, as mentioned earlier, the Board is informed of the implementation of the Group's tax policy and strategy. For further information, see the "Self-Assessment" report published on the corporate website. See https://www.repsol.com/es/sostenibilidad/fiscalidad-responsable/estrategia-fiscal/index.cshtml
GRI 207 -3. Stakeholder engagement and management of concerns related to tax		
Stakeholder engagement and management of tax concerns[1]	a.i) Commitment to tax authorities	In accordance with the principles that guide our tax policy, Repsol is committed to supporting an effective tax system and maintaining cooperative relations with the tax authorities of the countries where it operates, based on mutual respect, transparency and trust. To this end, Repsol cooperates with tax authorities in the detection and search for solutions to fraudulent tax practices, facilitates access to information and prioritizes non-litigious channels for dispute resolution. This approach encompasses adherence to cooperation agreements and active audits in real time. Key examples of Repsol's initiatives in the field of cooperative relations include: (i) voluntary adherence in Spain to the Code of Good Tax Practices, and presentation, since 2015, of the Voluntary Tax Transparency Report; (ii) Repsol's qualification as an Authorized Economic Operator in the European Union and Peru, in recognition of its status as a reliable operator in the field of customs procedures; (iii) involvement in the OECD's ICAP initiative (coordinated verification by the tax authorities of different countries that assess tax risks, including transfer pricing) and, as a result, classification of Repsol as an entity with a low risk of non-compliance by the tax authorities participating in the initiative; and (iv) strengthening cooperative relations with the Canada Revenue Agency.
	a.ii) Advocacy of public policy on taxation	Many of the laws and regulations on tax transparency and fiscal now in force arose from the debates and forums of international organizations (UN, OECD, EU, etc.). Hence at Repsol we support institutional relations with these authorities and other stakeholders to align the Company's tax policies with social reality, contribute responsibly to the creation of a fairer and more balanced international tax framework, and enable anticipation in tax management in the face of any regulatory changes to minimize their risks and impacts. An example of this is Repsol's involvement, sometimes on its own behalf, in the public information regularly issued by various international organizations such as the OECD or the Platform for Collaboration in Tax Matters (UN, OECD, IMF and World Bank). Through our engagement in these discussions (usually at the invitation of the corresponding organization), we have had the opportunity to present our views on key issues in the current environment, such as the tax contribution of multinationals, the problem of profit shifting, and the demand for information on payments made by companies to governments. Repsol is a member of several of the subcommittees created by the UN's Committee of Experts on International Cooperation in Tax Matters, which discuss and draw up tax guides for the authorities in developing countries. Repsol is also a member of the Tax Committee of *Business at OECD* (formerly known as *BIAC*) and holds the position of *Vice-chair* of the Tax Commission of the *International Chamber of Commerce (ICC)*.

(1) For further information, see the report "Cooperative Relations" on the corporate website. See https://www.repsol.com/es/sostenibilidad/fiscalidad-responsable/relaciones-cooperativas-y-entorno/index.cshtml

GRI 207	Requirements	Evidence of compliance by the Repsol Group
GRI 207 -3. Stakeholder engagement and management of concerns related to tax		
	a.iii) Processes for eliciting and considering stakeholder opinions and concerns	Repsol conducts a continuous and honest dialogue with NGOs and social action platforms (Intermon OXFAM, Fundación Compromiso y Transparencia, Observatorio de Responsabilidad Social Corporativa) in the search for a fairer and more effective tax system. This interrelationship has provided first-hand knowledge of the main concerns of stakeholders regarding Repsol's social accountability process and has facilitated a better understanding of the true magnitude and dimension of our tax contribution in the countries in which we are present. Many of the concerns raised by stakeholders were addressed by the enhanced tax transparency initiatives referred to in this appendix. Stakeholder response to these initiatives has been positive. In its regular evaluation of the tax reporting of IBEX 35 companies, Intermon OXFAM highlighted Repsol among the companies that have made genuine progress in the area of accountability and transparency, praising Repsol's efforts to reduce its presence in tax havens. The B-team describes Repsol as one of the "*most radically transparent*" companies in terms of commitment to complying with its Responsible Tax Principles.
GRI 207 -4. Country-by-country reporting		
Presentation of financial, economic and tax information on each jurisdiction where Repsol operates		For the second consecutive year, we voluntarily published the Country by Country Report (CbCR) at the same time as the information is submitted to the Spanish tax authorities (with data that has a one-year lag), reporting our contribution to the socio-economic development of the countries where we operate. The report includes additional information to aid an understanding of our presence, performance and tax contribution in each country. The data included in the Country-by-Country Report adhere to OECD standards. Furthermore, to comply with the requirements of GRI 207-4, in Appendix 3 to the public Country-by-Country Report we disclose and itemize the income received in each tax jurisdiction facing related parties in other tax jurisdictions. For further information, see the report "Country-by-Country Report" on the corporate website. See https://www.repsol.com/es/sostenibilidad/fiscalidad-responsable/index.cshtml

Presence in non-cooperative jurisdictions

Our tax policy prohibits the use of opaque or contrived structures that hide or reduce the transparency of our activities. Therefore, the Repsol group is committed to not having a presence in tax havens and, where it does, to be transparent in its activities.

The definition of a tax haven or non-cooperative jurisdiction is unsettled. Repsol considers "tax havens" to be those territories qualified as such by Spanish[1] and European Union[2] regulations, and those included by the OECD in its list of non-cooperative jurisdictions in terms of transparency and exchange of information.

Only eight Repsol Group companies have a presence in tax havens, and their results are of scant relevance: four are holding entities of hydrocarbon exploration and production businesses (inherited from the Talisman Group structure), two are engaged in hydrocarbon exploration and production activities in Trinidad and Tobago and two others, currently dormant, were active in the reinsurance business in the past.

Repsol Group in non-cooperative jurisdictions

Company	Jurisdiction	Holding	Status	Total revenue (€M)	Pre-tax profit (€M)	Nominal rate Companies tax	Tax on profits accrued (€M)
Fortuna International Petroleum Corporation(1)	Barbados	100%	Active	3	3	2.5%	1
Oleum Insurance Company Ltd. (2)	Barbados	100%	Dormant	-	-	2.5%	-
Repsol Oil & Gas Malaysia (PM3) Ltd.(3)	Barbados	100%	Active	-	(1)	2.5%	-
Repsol Oil & Gas Malaysia Ltd.(4)	Barbados	100%	Active	-	-	2.5%	(2)
Talisman Vietnam Ltd. (5)	Barbados	100%	Active	-	-	2.5%	-
Greenstone Assurance Ltd.(6)	Bermuda	100%	Dormant	-	(7)	0%	-
Repsol Angostura, Ltd.(7)	Trinidad and Tobago	100%	Active	2	(1)	55%	-
Repsol Exploración Tobago, S.A. (Spanish company with a branch in T&T)(8)	Trinidad and Tobago	100%	Active	-	-	55%	-

(1) Holding company established to manage the E&P business in Malaysia and Vietnam.
(2) Former reinsurer of the Talisman Group. Currently dormant ("run-off" status in insurance jargon).
(3) Entity incorporated in 2001 with E&P operations in Malaysia, through a PE in that country.
(4) Entity incorporated in Bermuda that migrated to Barbados in 2001. E&P activity in Malaysia through a PE.
(5) Entity incorporated in Bermuda that migrated to Barbados in 2001. E&P activity in Vietnam through a PE.
(6) Insurance company the current purpose of which is limited to liquidating risks undertaken in the past. In a "run off" situation.
(7) Company that provides, with its local staff, technical and support services to other Group entities in Trinidad and Tobago (T&T).
(8) Spanish company with a branch in T&T that conducts hydrocarbon exploration and production (E&P) activities in the country.

1. In Spain, we refer to the list of tax havens contained in RD 1080/1991 of July 5.

2. In the European Union, we refer to the list of non-cooperative jurisdictions from a tax point of view drawn up by the Economic and Financial Affairs Council, ECOFIN, of the European Union. The last update was published on October 20, 2020.

Some non-governmental organizations concerned with responsible business practices also draw up their own lists of tax havens under different criteria and objectives. At Repsol we have selected some of these lists because of their public visibility or representativeness, and we have termed the countries included there "controversial territories". In an exercise of enhanced transparency, we also identify our companies and activities in controversial territories and publish detailed information on www.repsol.com.

Responsible tax policy

Result generated and taxes effectively paid in 2020, by countries(1)

	Taxes paid		Tax burden			Taxes collected				Profit [2]	
Million euros	**2020**	2019	**TOTAL**	Income tax	Other income taxes	**TOTAL**	VAT	Hydrocarbons tax[2]	Others	**2020**	2019
Spain	6,612	9,087	516	62	454	6,097	2,018	3,718	361	(758)	881
Portugal	1,053	1,200	34	14	20	1,019	244	756	19	10	56
Italy	49	128	1	-	1	48	-	46	1	-	(29)
The Netherlands	35	36	34	34	-	1	1	-	-	136	102
Norway	17	87	3	-	3	14	(5)	-	19	(31)	62
Luxembourg	-	-	-	-	-	-	-	-	-	89	65
United Kingdom	19	12	19	-	19	-	(22)	-	23	(254)	(211)
Germany	1	1	-	-	-	1	1	-	-	-	-
France	7	7	2	1	1	5	5	-	-	(3)	-
Switzerland	-	-	-	-	-	-	-	-	-	-	-
Romania	-	-	-	-	-	-	-	-	-	(1)	(1)
Greece	(3)	-	-	-	-	(3)	(4)	-	-	(39)	(1)
Ireland	-		-	-	-	-	-	-	-	(2)	(25)
Bulgaria	(3)	4	-	-	-	(3)	(3)	-	-	(2)	(17)
Europe	**7,788**	**10,554**	**608**	**111**	**497**	**7,179**	**2,234**	**4,521**	**425**	**(854)**	**881**
Peru	500	706	59	8	51	442	178	244	19	(86)	47
Trinidad and Tobago	20	52	44	1	43	(24)	(26)	-	2	(451)	(163)
Brazil	121	239	113	-	112	9	1	-	7	(33)	160
Bolivia	37	60	12	2	10	25	19	-	5	10	45
Venezuela	11	7	6	-	5	6	3	-	2	114	(11)
Colombia	41	85	29	28	1	12	-	-	12	118	(51)
Ecuador	7	13	5	3	2	1	-	-	1	(33)	5
Aruba	-	-	-	-	-	-	-	-	-	-	(6)
Chile	-	-	-	-	-	-	-	-	-	3	-
Barbados	1	1	1	1	-	-	-	-	-	3	9
Guyana	-	-	-	-	-	-	-	-	-	(1)	(23)
Bermuda	-	-	-	-	-	-	-	-	-	(7)	
Latam & Caribbean	**737**	**1,163**	**267**	**43**	**224**	**470**	**176**	**244**	**50**	**(362)**	**12**
Indonesia	113	199	105	105	1	8	4	-	4	(84)	96
Malaysia	135	295	122	2	120	12	(3)	-	15	(193)	19
East Timor	-	-	-	-	-	-	-	-	-	-	-
Russia	65	103	51	7	45	14	12	-	1	(117)	(14)
Vietnam	22	35	22	12	11	-	(1)	-	1	40	(311)
Singapore	2	1	2	1	1	1	(2)	-	2	(15)	10
Australia	-	-	-	-	-	-	-	-	-	3	(2)
China	-	-	-	-	-	-	-	-	-		
Iraq	-	-	-	-	-	-	-	-	-	(2)	(2)
Kazakhstan	-	-	-	-	-	-	-	-	-	-	-
Papua New Guinea	-	-	-	-	-	-	-	-	-	66	(127)
Asia and Oceania	**337**	**633**	**302**	**126**	**176**	**34**	**10**	**-**	**24**	**(301)**	**(331)**
United States	87	79	61	1	60	26	-	-	26	(245)	(1,790)
Canada	47	57	16	-	16	31	5	-	25	(1,443)	(2,715)
Mexico	30	31	26	4	22	3	(9)	-	13	(36	(20)
North America	**163**	**167**	**103**	**5**	**97**	**60**	**(4)**	-	**64**	**(1,723)**	**(4,525)**
Algeria	84	137	81	65	15	4	-	-	4	(46)	(65)
Libya	71	398	70	61	9	1	-	-	1	6	162
Angola	-	2	-	-	-	-	-	-	-	(1)	40
Morocco	-	1	-	-	-	-	-	-	-	1	1
Mauritania	-	-	-	-	-	-	-	-	-	-	-
Namibia	-	-3	-	-	-	-	-	-	-	-	11
Gabon	-	-		-	-	-	-	-	-	-	(2)
Sierra Leone		-			-			-		(9)	(1)
Tunisia	-	-	-	-	-	-	-	-	-	-	-
Africa	**156**	**535**	**151**	**127**	**24**	**5**	**-**	**-**	**5**	**(48)**	**146**
TOTAL	**9,180**	**13,052**	**1,431**	**412**	**1,018**	**7,749**	**2,417**	**4,765**	**568**	**(3,289)**	**(3,816)**

Note: The information contained in this section on taxation and tax impact has been prepared as per the scope used in the Group's reporting model, as described in Note 4 "Business information" of the consolidated Annual Accounts for 2020, i.e. including joint ventures and other companies that are jointly managed in accordance with the Group's investment percentage, considering operational and economic indicators in the same perspective and subject to the same degree of detail as those for companies consolidated under the full consolidation method.

(1) Only taxes actually paid during the year are counted: hence taxes accrued during the period but that will be paid in the future are not included. Refunds from previous years are not included.

(2) Hydrocarbon tax. It includes what is received through the logistic operators when the Company is the ultimate responsible for the payment.

Ethics and Compliance

Fight against corruption

[205-2] Communications and training regarding anti-corruption policies and procedures

The Company has digital and blended courses (online classrooms) for training on anti-corruption to promote a culture of compliance in the organization.

The course that provides the reference framework is the "Code of Ethics and Conduct", a recurring annual training course for all employees, in which a new course is updated every year to reinforce and refresh this knowledge in an enjoyable way.

The following courses are available for anti-corruption training:

- Courses with the regulations taught in online classroom format, such as the "Anti-corruption and basic regulations" course for team leaders.
- Microlearning "Anti-Corruption Policy" aimed at all employees, using visual and interactive resources that highlight key elements for enhanced acquisition of learning objectives.
- The "Crime Prevention Model" is aimed at managers responsible for controls or persons whose function may be involved in any non-compliance with the model.
- "Anti-Money Laundering and Terrorist Financing Prevention" (available to employees in Peru).
- "Anti Bribery & Corruption Awareness" Training 2020 (available for Asia Pacific employees) ".

[EM-EP-210a.1.] Percentage of proven and probable reserves in or near conflict zones and [EM-EP-510a.1] Percentage of proven and probable reserves in the countries in the 20 lowest positions in Transparency International's Corruption Perceptions Index

Proven and probable reserves (%)

	1 P	2 P
% Reserves in conflict zones	5.2	5.5
% Reserves in countries ranked in the bottom 20 of the corruption perception index	21.8	18.5

Public policy

[415-1] Contributions to political parties and/or representatives

In 2020 (as in 2019), Repsol made no contributions to political parties and/or representatives. Hence no breach of the Code of Ethics and Conduct occurred.

In the European Union and in Spain, the Company engaged in discussion and public consultations to cooperate with institutions and society at large in the development of a range of legislative initiatives.

Repsol takes the view that lobbying activities should be undertaken transparently and in compliance with current legislation. Accordingly, the Company reports such activity in all areas where formal registration is required, and pursuant to the requests made by competent authorities, where such information is public and accessible.

Specifically, such activity is registered in the following jurisdictions: the European Union, the United States at the federal level and in Canada at federal and provincial level (Alberta).

Links to official lobby registration pages and further information at www.repsol.com.

Number and percentage of employees that have received training regarding anti-corruption measures by region (1)

	Governance Bodies		Executives		Managers		Professional/ Specialist		Administrative staff		Manual	
Country	**No.**	**%**	**No.**	**%**	**No.**	**%**	**No.**	**%**	**No.**	**%**	**No.**	**%**
Africa	-	-	3	100.00%	27	75.00%	64	78.05%	1	100%	-	-
Asia	-	-	6	85.71%	113	83.09%	333	76.20%	27	84.38%	16	48.48%
Europe	4	50.00%	179	79.91%	1,653	88.73%	7,162	87.72%	742	80.22%	6,227	63.24%
Latin America	-	-	13	72.22%	245	92.80%	1,363	80.41%	257	88.93%	202	8.91%
North America	-	-	14	70.00%	290	81.69%	623	83.85%	38	84.44%	132	68.75%
Total 2020	**4**	**50.00%**	**215**	**79.04%**	**2,328**	**87.72%**	**9,545**	**85.82%**	**1,065**	**82.43%**	**6,577**	**53.31%**
Total 2019	**6**	**67%**	**217**	**80%**	**2,,340**	**87%**	**9,374**	**70%**	**877**	**82%**	**5,581**	**48%**

(1) Data obtained from the average accumulated workforce.

Compliance[1][2][3]

[307-1] Non-compliance with environmental law and regulations

As in 2019, in 2020, there were no significant fines or sanctions levied against Repsol Group as a result of litigation or administrative proceedings ending with a final decision within the year.

[206-1] Legal actions related to unfair competition and monopolistic practices and against free competition

Litigation (1) for anti-competitive practices (Number of cases initiated)

	2020	2019
Cases filed	0	0

(1) Number of lawsuits or administrative proceedings initiated during the year that are significant for the Repsol Group.

In order to foster growing awareness and stay permanently abreast of anti-trust legislative developments, the company continued to provide subject-specific training throughout 2020.

[416-2] Cases of non-compliance relating to health and safety effects of product and service categories.

As in 2019, the number of lawsuits or administrative proceedings ending in 2020 with a final decision, imposing significant fines or sanctions levied against the Repsol Group due to its failure to adhere to European Product Safety regulations (REACH and CLP regulations) is 0.

Supply chain and customers

Management of the supply chain and its impacts where the company operates

[308-2] Negative environmental impacts on the supply chain and measures taken

We conducted 2,007 assessments (2,605 in 2019) on environmental issues regarding 1,056 suppliers (1,248 in 2019). 22 assessments (45 in 2019) corresponding to 20 suppliers (41 in 2019) concluded with an environmental performance rating of less than 5 out of 10. Negative assessments frequently related to logistics contracts and equipment installation and maintenance. As in 2019, after these negative assessments, improvements were agreed with 100% of suppliers. We highlight that, as in the previous year, we have not terminated any supplier relationship for environmental reasons.

[414-2]: Negative social impacts on the supply chain and measures taken

We conducted 2,007 assessments (2,605 in 2019) on social issues regarding 1,056 suppliers (1,248 in 2019). We found 28 assessments (67 in 2019) corresponding to 22 suppliers (53 in 2019) with a performance rating in social aspects lower than 5 out of 10. As in 2019, negative assessments largely concerned the Code of Ethics and Human Rights. As in the previous year, after these negative assessments, improvements were agreed with 100% of suppliers. As in 2019, no supplier relationships were terminated due to social issues (e.g., human rights or labor issues).

Responsible customer management

[RT-CH-410b.2] Strategy to (1) manage hazardous chemicals and (2) develop alternatives with reduced human and/or environmental impact

Repsol has internal rules in the field of safe product management that lay down the requirements to ensure suitable handling of the risks at each stage in the life cycle of a product, from design to placement on the market. The Chemicals division has rolled out these requirements through a procedure whereby:

During product design, it is necessary to study potential adverse effects and identify uses to put in place suitable risk management measures. This stage tests whether it is necessary to seek substitute products, if technically and economically feasible.

During procurement of raw materials and additives, information is compiled on their hazardousness and suitable measures for safe handling.

During operations, by means of the inherently safe design of facilities, we assess operational risks and waste management.

When products are placed on the market, customers must be provided with the necessary information for them to take steps to handle the products Repsol supplies safely.

In the Polyolefins business, two key projects are underway to replace substances that could be a concern for humans and the environment. In the phthalate-free polyolefins project, Repsol is looking for catalyst activators with which to replace the current ones. In the field of food safety, we seek to identify and replace substances in food contact materials that migrate into food at a threshold rate.

Elsewhere, in the range of polyol-ethers at the Intermediates business, we are working to reduce volatile organic compounds so as to improve the product that reaches the end consumer.

1. The information corresponds to companies operated and controlled by Repsol.
2. Only includes lawsuits filed by competition authorities, excluding those filed by companies or individuals.
3. Only includes lawsuits with a final ruling during the reporting year.

Economic performance

[201-1] Direct economic value generated and distributed and [201-4] Financial assistance received from government

Item (*Millions of euros*)	**2020**	**2019**
Direct economic value generated	**34,465**	**51,185**
Sales and other operating income	34,267	50,946
Finance income	96	177
Gains on disposal of fixed assets	102	62
Economic value distributed	**(32,720)**	**(47,623)**
Operating expenses (payments for raw materials, product components, facilities and services acquired; property rentals, license fees, facilitation payments, royalties, subcontracting of workers, employee training or protective equipment costs)	(24,738)	(36,902)
Salaries and employee benefits (except training)	(1,837)	(1,859)
Payments to capital providers (dividends to shareholders and interest payments to interest providers)	(809)	(768)
Public Administrations: Tax accrued in the year and included as expenses in the company's consolidated financial statements, including Corporate Income Tax and Excise Duties.	(5,388)	(8,094)
Investment in communities	38	51
Economic value retained	**1,746**	**3,562**
Economic aid granted by government entities (subsidies)	18	19

Appendix IV. GRI Index

GRI Standard	Description of the indicator	Reference in the Management Report, Reports or online	Notes
GRI 101	Fundamentos	Acerca de este informe	
GRI 102	Contenidos generales		
	Organization profile		
102-1	Name of the organization	Consolidated Financial Statements 2020 - Note 1 About these Financial Statements	
102-2	Activities, brands, products, and services	Section 4.1. Value chain and business segments Section 7.1. Upstream Section 7.2. Industrial Section 7.3. Marketing and Renewables Section 7.4. Corporate and Others	
102-3	Location of headquarters	Consolidated Financial Statements 2020 - Note 1 About these Financial Statements	
102-4	Location of operations	Section 4.2. Repsol around the world Section 7.Our business	
102-5	Ownership and legal form	Consolidated Financial Statements 2020 - Note 1 About these Financial Statements Consolidated Financial Statements 2020 - Note 6 Equity	
102-6	Markets served	Section 4.1. Value chain and business segments Section 7.1. Upstream Section 7.2. Industrial Section 7.3. Marketing and Renewables Section 7.4. Corporate and Others Consolidated Financial Statements 2020- Note 19 Operating income	
102-7	Scale of the organization	Section 4.1. Value chain and business segments Section 4.2. Repsol around the world Section 4.5. Corporate structure Consolidated Financial Statements 2020- Note 2 About Repsol	
102-8	Information on employees and other workers	Section 8.4.1. Human capital Appendix III. Further information on Sustainability - People	(1)
102-9	Supply chain	Section 8.8.1 Supply Chain	(2)
102-10	Significant changes to the organization and its supply chain	Section 1. Highlights of 2020 Consolidated Financial Statements 2020- Note 2 About Repsol	
102-11	Precautionary Principle or approach	Section 8.1. Climate Change - Risks Section 8.2. Environment Section 8.5.1. Security Management System Section 10. Risks Appendix II. Risks	
102-12	External initiatives	Repsol is an active member of industry associations such as IPIECA, OGCI, IOGP, CONCAWE, FUELS EUROPE, CEFIC, the Global Compact, EITI, etc. Further information available at: https://www.repsol.com/en/sustainability/reports-kpis-and-partnerships/memberships-in-global-initiatives/index.cshtml	
102-13	Membership of associations	Repsol is an active member of industry associations such as IPIECA, OGCI, IOGP, CONCAWE, FUELS EUROPE, CEFIC, the Global Compact, EITI, etc. Further information available at: https://www.repsol.com/en/sustainability/reports-kpis-and-partnerships/memberships-in-global-initiatives/index.cshtml	
	Strategy		
102-14	Statement from senior decision-maker	Message from the Chairman Message from the CEO	
102-15	Key impacts, risks, and opportunities	Section 3. New Strategic Plan Section 8.1.2 Risks and opportunities Section 10. Risks Appendix II: Risks	
	Ethics and Integrity		
102-16	Values, principles, standards, and norms of behavior	Code of ethics and conduct(https://www.repsol.com/imagenes/global/en/repsol_code_of_ethics_and_business_conduct_en_20190719_tcm14-17053.pdf) Section 8.7. Ethics and compliance About this Report	
102-17	Mechanisms for advice and concerns about ethics	Repsol ethics and compliance channel. (ethicscompliancechannel.repsol.com) Section 8.7. Ethics and compliance	

GRI Standard	Description of the indicator	Reference in the Management Report, Reports or online	Notes
	Governance		
102-18	Governance structure	Section 4.3. Corporate governance Appendix VIII: 2020 Annual Corporate Governance Report - B.2 List the direct and indirectholders of significant stakes, excluding directors Appendix VIII: 2020 Annual Corporate Governance Report -B.3.1 Members of the Board of Directors Appendix VIII: 2020 Annual Corporate Governance Report -B.4 Committees of the Board of Directors	
102-19	Delegating authority	Section 4.3. Corporate governance Section 8.1.1. Climate change governance	
102-20	Executive-level responsibility for economic, environmental, and social topics	Section 4.3. Corporate governance Appendix VIII: 2020 Annual Corporate Governance Report - B.4.2 Committees of the Board of Directors - Audit and Control Committee Appendix VIII: 2020 Annual Corporate Governance Report - B.4.5 Committees of the Board of Directors - Sustainability Committee	
102-21	Consulting stakeholders on economic, environmental, and social topics	Section 8. Sustainability - Sustainability Model	
102-22	Composition of the highest governance body and its committees	Section 4.3. Corporate governance Appendix VIII: 2020 Annual Corporate Governance Report -B.3.1 Members of the Board of Directors Appendix VIII: 2020 Annual Corporate Governance Report -B.4 Committees of the Board of Directors	
102-23	Chair of the highest governance body	Section 4.3. Corporate governance Appendix III. Further information on Sustainability - Corporate Governance Appendix VIII: 2020 Annual Corporate Governance Report -B.3.1 Members of the Board of Directors	
102-24	Nominating and selecting the highest governance body	Policy for the selection of directors: https://www.repsol.com/imagenes/global/en/Politica_Seleccion_Consejeros_EN_tcm14-13033.pd Appendix VIII: 2020 Annual Corporate Governance Report -B.3.1 Members of the Board of Director	
102-25	Conflicts of interest	Appendix VIII: 2020 Annual Corporate Governance Report - B.6 Competent body and procedure for the approval of transactions with related and intragroup parties	
102-26	Role of highest governance body in setting purpose, values, and strategy	Rules of Procedure of the Administrative Board - Article 5 https://www.repsol.com/imagenes/global/en/Reglamento_del_Consejo_27-07-2016_ ENG_tcm14-13029.pdf	
102-27	Collective knowledge of highest governance body	Section 4.3. Corporate governance	
102-28	Evaluating the highest governance body's performance	Section 4.3. Corporate governance Rules of Procedure of the Administrative Board - Article 11 https://www.repsol.com/imagenes/global/en/Reglamento_del_Consejo_27-07-2016_ENG_tcm14-13029.pdf Appendix VIII: 2020 Annual Corporate Governance Report - B.3.4. Functioning of the Board of Directors- Board of Directors Evaluation Articles of Association -Article 45dr	
102-29	Identifying and managing economic, environmental, and social impacts	Appendix VIII: 2020 Annual Corporate Governance Report - B.8.1 Control and risks management systems Appendix VIII: 2020 Annual Corporate Governance Report - B.8.2 Internal control and risks management systems related to the financial reporting process (ICSFR)	
102-30	Effectiveness of risk management processes	Appendix VIII: 2020 Annual Corporate Governance Report - B.8.1 Control and risks management systems Appendix VIII: 2020 Annual Corporate Governance Report - B.8.2 Internal control and risks management systems related to the financial reporting process (ICSFR)	
102-31	Review of economic, environmental, and social topics	Appendix VIII: 2020 Annual Corporate Governance Report - B.8.1 Control and risks management systems Appendix VIII: 2020 Annual Corporate Governance Report - B.8.2 Internal control and risks management systems related to the financial reporting process (ICSFR)	
102-32	Highest governance body's role in sustainability reporting	Appendix VIII: 2020 Annual Corporate Governance Report -B.4 Committees of the Board of Directors	
102-33	Communicating critical concerns	Section 4.3. Corporate governance	
102-34	Nature and total number of critical concerns	Section 4.3. Corporate governance	
102-35	Remuneration policies	Appendix VIII: 2020 Annual Corporate Governance Report -B.4.4. Remuneration Committee Appendix VIII: 2020 Annual Corporate Governance Report. B.5. Remuneration of directors and senior management Annual Report on Directors' Remuneration 2020 2019-2021 Director Remuneration Policy: https://www.repsol.com/imagenes/global/en/2019_2021_remuneration_policy_directors_tcm14-150990.pdf	

GRI Standard	Description of the indicator	Reference in the Management Report, Reports or online	Notes
102-36	Process for determining remuneration	2020 Consolidated Financial Statements - Notes 28. Remuneration of members of the Board of Directors and executive staff Appendix VIII: 2020 Annual Corporate Governance Report - B.4 Committees of the Board of Directors - Remuneration Committee B.4.4 Annual Report on Directors' Remuneration 2020	
102-37	Stakeholders' involvement in remuneration	Appendix III. Further information on Sustainability - Corporate governance	
102-38	Annual total compensation ratio	Appendix III. Further information on Sustainability - People - Remuneration and benefits	
102-39	Percentage increase in annual total compensation ratio	Appendix III. Further information on Sustainability - People - Remuneration and benefits	
	Stakeholder engagement		
102-40	List of stakeholder groups	Appendix III: Further information on Sustainability - Materiality and stakeholder engagement	
102-41	Collective bargaining agreements	Appendix III: Further information on Sustainability - People - Employment framework, health and safety at work	
102-42	Identifying and selecting stakeholders	Appendix III: Further information on Sustainability - Materiality and stakeholder engagement. For more information: https://www.repsol.com/en/sustainability/our-sustainability-model/our-model/index.cshtml	
102-43	Approach to stakeholder engagement	Appendix III: Further information on Sustainability - Materiality and stakeholder engagement	
102-44	Key topics and concerns raised	Appendix III: Further information on Sustainability - Materiality and stakeholder engagement	
	Reporting practices		
102-45	Entities included in the consolidated financial statements	Section 4.5. Corporate Structure 2020 Consolidated Financial Statements - Note 3: Criteria for the preparation of these Financial Statements 2020 Consolidated Financial Statements - Appendix I: Main companies making up the Repsol Group	
102-46	Defining report content and topic Boundaries	Appendix III: Further information on Sustainability - Materiality and stakeholder engagement.	
102-47	List of material topics	Appendix III: Further information on Sustainability - Materiality and stakeholder engagement	
102-48	Restatements of information	No relevant re-expressions in the period	
102-49	Changes in reporting	The changes in relevant topics and their coverage is included in the materiality matrix	
102-50	Reporting period	2020	
102-51	Date of most recent report	2019 Integrated Management Report published in February 2020	
102-52	Reporting cycle	Annual	
102-53	Contact point for questions regarding the report	Address any doubts, queries, suggestions or other matters relating to it, through the Shareholder Office whose telephone number is 900 100 100 or by email to infoaccionistas@repsol.com or to repsolteescucha@repsol.com	
102-54	Claims of reporting in accordance with the GRI Standards	About this report	
102-55	GRI content index	Appendix IV. GRI Index	
102-56	External assurance	See PwC's verification letter at www.Repsol.com	

Material Themes

GRI Standard	Description of the indicator	Reference in the Management Report, Reports or online	Notes
	Economic		
GRI 201	Economic Performance		
103	Management approach	Section 8.1.2. Risks and opportunities Consolidated 2020 report on payments to public administrations for hydrocarbon exploration and production activities Appendix III: Further information on Sustainability - Economic performance	
201-1	Direct economic value generated and distributed	Appendix III: Further information on Sustainability - Economic performance	(3)
201-2	Financial implications and other risks and opportunities due to climate change	Section 8.1.2. Risks and opportunities	(6)
201-3	Defined benefit plan obligations and other retirement plans	Consolidated Financial Statements 2020 - Note 27: Obligations to employees	
201-4	Financial assistance received from government	Appendix III: Further information on Sustainability - Economic performance	
GRI 202	Market Presence		
103	Management approach	Appendix III: Further information on Sustainability - People Appendix III: Further information on Sustainability - People - Remuneration and benefits	
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	Appendix III: Further information on Sustainability - People - Remuneration and benefits	
202-2	Proportion of senior management hired from the local community	Appendix III: Further information on Sustainability - People - Employment	
GRI 203	Indirect Economic Impacts		
103	Management approach	Section 8.4.2. Respect for Human Rights and Relationship with Communities - indirect economic impact in communities and shared value Section 8.8.1. Supply Chain- Indirect economic impacts	
203-1	Infrastructure investments and services supported	Section 8.4.2. Respect for Human Rights and Relationship with Communities - indirect economic impacts in communities and shared value Section 8.8.1. Supply Chain - indirect economic impacts Appendix III: Further information on Sustainability - Respect for Human Rights and Community Relations - Indirect economic impacts	
203-2	Significant indirect economic impacts	Section 8.4.2. Respect for Human Rights and Relationship with Communities - indirect economic impacts in communities and shared value Section 8.6.Responsible tax policy Section 8.8.1. Supply Chain - indirect economic impacts Appendix III: Further information on Sustainability - Respect for Human Rights and Community Relations - Indirect economic impacts	
GRI 204	Procurement Practices		
103	Management approach	Section 7.1. Upstream Section 8.8.1. Supply Chain - indirect economic impacts	
204-1	Proportion of spending on local suppliers	Section 8.8.1. Supply Chain - indirect economic impacts	(2)
OG1	Volume and type of estimated proved reserves and production	Section 7.1. Upstream	
GRI 205	Anticorruption		
103	Management approach	Section 8.7. Ethics and compliance - Fight against corruption and briberyAppendix III: Further information on Sustainability - Ethics and compliance - Fight against corruption	
205-1	Operations assessed for corruption-related risks	Section 8.7. Ethics and compliance - Ethics and Conduct Code	(11)
205-2	Communication and training on anti-corruption policies and procedures	Appendix III: Further information on Sustainability - Ethics and compliance - Fight against corruption	
205-3	Confirmed corruption cases and measures taken	Section 8.7. Ethics and compliance - Ethics and Conduct Code	(10)

GRI Standard	Description of the indicator	Reference in the Management Report, Reports or online	Notes
GRI 206	Unfair competition		
103	Management approach	Appendix III: Further information on Sustainability - Ethics and compliance - Regulatory compliance	
206-1	Legal actions related to unfair competition and monopolistic practices and against free competition	Appendix III: Further information on Sustainability - Ethics and compliance - Regulatory compliance	
GRI 207	Tax		
207-1	Approach to tax	Section 8.6. Responsible tax policy Appendix III: Further information on Sustainability - Responsible tax policy	
207-2	Tax governance, control, and risk management	Section 8.6. Responsible tax policy Appendix III: Further information on Sustainability - Responsible tax policy	
207-3	Stakeholder engagement and management of concerns related to tax	Section 8.6. Responsible tax policy Appendix III: Further information on Sustainability - Responsible tax policy	
207-4	Country-by-country reporting	Section 8.6. Responsible tax policy - Tax contribution and impact Appendix III: Further information on Sustainability - Responsible tax policy	
	Environmental dimension		
	Environmental		
GRI 301	Materials		
103	Management approach	Section 7.2.1. Refining Appendix III: Further information on Sustainability - Environment - Non-GHG emissions	
301-1	Materials used by weight or volume	Section 7.2.1. Refining Appendix III: Further information on Sustainability - Environment - Non-GHG emissions	(4)
301-2	Recycled input materials used	Not disclosed	Not available
OG8	Benzene, lead and sulfur content in fuels	Appendix III: Further information on Sustainability - Environment - Non-GHG emissions	
301-3	Reused products and packaging materials	Not disclosed	Not available
GRI 302	Energy		
103	Management approach	Section 8.1.4. Targets and metrics Appendix III: Further information on Sustainability - Climate change - Energy efficiency and climate change	
302-1	Energy consumption within the organization	Section 8.1.4. Targets and metrics	(5)
302-2	Energy consumption outside of the organization	Section 8.1.4. Targets and metrics	
302-3	Energy intensity	Section 8.1.4. Targets and metrics	(5)
OG2	Total amount invested in renewable energy	Appendix III: Further information on Sustainability - Climate change -Energy efficiency and climate change	
OG3	Total amount of renewable energy generated by source	Appendix III: Further information on Sustainability - Climate change -Energy efficiency and climate change	
302-4	Reduction of energy consumption	Section 8.1.4. Targets and metrics	(5)
302-5	Reductions in energy requirements of products and services	Appendix III: Further information on Sustainability - Climate change -Energy efficiency and climate change	
OG14	Volume of biofuels produced, bought and sold	Appendix III: Further information on Sustainability - Climate change - Energy efficiency and climate change	
GRI 303	Water		
103	Management approach	Section 8.2.2. Water Appendix III: Further information on Sustainability - Environment - Effluents and waste	
303-1	Interactions with water as a shared resource	Section 8.2.2. Water	
303-2	Management of water discharge-related impacts	Section 8.2.2. Water Appendix III: Further information on Sustainability - Environment - Effluents and waste	
303-3	Water withdrawal	Section 8.2.2. Water Appendix III: Further information on Sustainability - Environment - Effluents and waste	(12)
303-4	Water discharge	Section 8.2.2. Water Appendix III: Further information on Sustainability - Environment -Effluents and waste	

GRI Standard	Description of the indicator	Reference in the Management Report, Reports or online	Notes
303-5	Water consumption	In general, in the energy sector, water consumed is not incorporated in the products and, therefore, the application of the formula proposed by GRI for indicator 303-5 (consumed water = extracted water - discharged water) is not adapted to the reality of the Company's water consumption management. Work is being done to improve the interpretation of this indicator in the Group's activities for its consideration in future reports.	Not available
GRI 304	Biodiversity		
103	Management approach	Section 8.2.1. Natural capital and biodiversity - Embracing respect for biodiversity in our operations Appendix III: Further information on Sustainability - Environment - Biodiversity	
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Appendix III: Further information on Sustainability - Environment - Biodiversity	(7)
304-2	Significant impacts of activities, products, and services on biodiversity	Section 8.2.1. Natural capital and biodiversity - Embracing respect for biodiversity in our operations Appendix III: Further information on Sustainability - Environment - Biodiversity	(8)
304-3	Habitats protected or restored	Appendix III: Further information on Sustainability - Environment - Biodiversity	
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	Appendix III: Further information on Sustainability - Environment - Biodiversity	
OG4	Number and percentage of significant operating sites in which biodiversity risk has been assessed and monitored	Appendix III: Further information on Sustainability - Environment - Biodiversity	
GRI 305	Emissions		
103	Management approach	Section 8.1. Climate Change Appendix III: Further information on Sustainability - Environment - Non-GHG emissions	
305-1	Direct (Scope 1) GHG emissions	Section 8.1.4. Targets and metrics	(5)
305-2	Energy indirect (Scope 2) GHG emissions	Section 8.1.4. Targets and metrics	(5)
305-3	Other indirect (Scope 3) GHG emissions	Section 8.1.4. Targets and metrics	(9)
305-4	GHG emissions intensity	Section 8.1.4. Targets and metrics	(5)
305-5	Reduction of GHG emissions	Section 8.1.4. Targets and metrics	(5)
305-6	Emissions of ozone-depleting substances (ODS)	Not disclosed	Not available
305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	Appendix III: Further information on Sustainability - Environment - Non-GHG emissions	
GRI 306	Effluents and Waste		
103	Management approach	Section 8.1 Climate change Section 8.2.2. Water - Water as a shared value Section 8.5.3 Spills management Appendix III: Further information on Sustainability - Environment - Effluents and waste	
306-1	Water discharge by quality and destination	Appendix III: Further information on Sustainability - Environment - Effluents and waste	
306-2	Waste by type and disposal method	Appendix III: Further information on Sustainability - Environment - Effluents and waste	
306-3	Significant spills	Section 8.5.3. Spills management	
OG5	Volume and disposal of formation or produced water	Appendix III: Further information on Sustainability - Environment - Effluents and waste	
OG6	Volume of flared and vented hydrocarbon	Section 8.1.4. Targets and metrics	
OG7	Amount of drilling waste (drill mud and cuttings) and strategies for treatment and disposal	Appendix III: Further information on Sustainability - Environment - Effluents and waste	
306-4	Transport of hazardous waste	Not disclosed	Not available
306-5	Water bodies affected by water discharges and/or runoff	Appendix III: Further information on Sustainability - Environment - Effluents and waste	

GRI Standard	Description of the indicator	Reference in the Management Report, Reports or online	Notes
GRI 307	Environmental Compliance		
103	Management approach	Appendix III: Further information on Sustainability - Ethics and compliance - Regulatory compliance	
307-1	Non-compliance with environmental laws and regulations	Appendix III: Further information on Sustainability - Ethics and compliance - Regulatory compliance	
GRI 308	Supplier Environmental Assessment		
103	Management approach	Section 8.8.1. Supply Chain - Environmental and social assessment of suppliers Appendix III: Further information on Sustainability - Supply chain and customers	
308-1	New suppliers that were screened using environmental criteria	Section 8.8.1. Supply Chain - Environmental and social assessment of suppliers	
308-2	Negative environmental impacts in the supply chain and actions taken	Appendix III: Further information on Sustainability - Supply chain and customers	
	Social		
GRI 401	Employment		
103	Management approach	Section 8.4.1. Human capital Appendix III: Further information on Sustainability - People - Employment	
401-1	New employee hires and employee turnover	Appendix III: Further information on Sustainability - People - Employment	
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Appendix III: Further information on Sustainability - People - Remuneration and benefits	
401-3	Parental leave	Appendix III: Further information on Sustainability - People - Diversity and equal opportunities	
GRI 402	Labor/Management Relations		
103	Management approach	Repsol respects the period of notice established in the legislation of the countries in which it operates, as well as those provided for in collective or political agreements, if applicable.	
402-1	Minimum notice periods regarding operational changes	Repsol respects the period of notice established in the legislation of the countries in which it operates, as well as those provided for in collective or political agreements, if applicable.	
GRI 403	Occupational Health and Safety		
103	Management approach	Section 8.5. Safe Operation Appendix III: Further information on Sustainability - People - Employment framework, health and safety at work	
403-1	Occupational health and safety management system	Section 8.5.1. Security Management System	
403-2	Hazard identification, risk assessment, and incident investigation	Section 8.5.4. Occupational safety Appendix III: Further information on Sustainability - People - Safe Operation	
403-3	Occupational health services	Appendix III: Further information on Sustainability - People - Employment framework, health and safety at work	
403-4	Worker participation, consultation, and communication on occupational health and safety	Appendix III: Further information on Sustainability - People - Employment framework, health and safety at work	(13)
403-5	Worker training on occupational health and safety	Section 8.5.5. Development of a safety culture Appendix III: Further information on Sustainability - People -Talent development	
403-6	Promotion of worker health	Appendix III: Further information on Sustainability - People - Employment framework, health and safety at work	
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Section 8.5.1. Security Management System Section 8.8.2 Responsible customer management - Safety throughout the product lifecycle Appendix III: Further information on Sustainability . Safe Operation	
403-8	Workers covered by an occupational health and safety management system	Appendix III: Further information on Sustainability - People - Employment framework, health and safety at work	
403-9	Work-related injuries	Section 8.5.4. Occupational safety Appendix III: Further information on Sustainability . Safe Operation	
403-10	Work-related ill health	Appendix III: Further information on Sustainability - People - Employment framework, health and safety at work	

GRI Standard	Description of the indicator	Reference in the Management Report, Reports or online	Notes
OG13	Number of process safety claims and near misses by type of activity	Section 8.5.2. Process safety	
GRI 404	Training and Education		
103	Management approach	Section 8.4.1. Human Capital Appendix III: Further information on Sustainability - People - Talent development	
404-1	Average hours of training per year per employee	Appendix III: Further information on Sustainability - People - Talent development	
404-2	Programs for upgrading employee skills and transition assistance programs	Appendix III: Further information on Sustainability - People - Talent development	
404-3	Percentage of employees receiving regular performance and career development reviews	Appendix III: Further information on Sustainability - People - Talent development	
GRI 405	Diversity and Equal Opportunity		
103	Management approach	Section 4.3. Corporate Governance Appendix III: Further information on Sustainability - People -Diversity and equal opportunities	
405-1	Diversidad en órganos de gobierno y empleados	Section 4.3. Corporate Governance Appendix III: Further information on Sustainability - People -Diversity and equal opportunities	
405-2	Ratio del salario base y de la remuneración de mujeres frente a hombres	Appendix III: Further information on Sustainability - People - Remuneration and benefits	
GRI 406	Non-discrimination		
103	Management approach	Section 8.4.1. Human capital - Strategic talent management Section 8.7. Ethics and compliance- Code of Ethics and Conduct Appendix III: Further information on Sustainability - Respect for Human Rights and Community Relations - Human rights	
406-1	Incidents of discrimination and corrective actions taken	Section 8.7. Ethics and compliance- Code of Ethics and Conduct Appendix III: Further information on Sustainability - Respect for Human Rights and Community Relations - Human rights	
GRI 407	Freedom of Association and Collective Barga		
103	Management approach	Section 8.8 Supply Chain and Customers Appendix III: Further information on Sustainability - Respect for Human Rights and Community Relations - Human rights	
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Section 8.8 Supply Chain and Customers Appendix III: Further information on Sustainability - Respect for Human Rights and Community Relations - Human rights	(6)
GRI 408	Child Labor		
103	Management approach	Section 8.8 Supply Chain and Customers Appendix III: Further information on Sustainability - Respect for Human Rights and Community Relations - Human rights	
409-1	Operations and suppliers at significant risk for incidents of child labor	Section 8.8 Supply Chain and Customers Appendix III: Further information on Sustainability - Respect for Human Rights and Community Relations - Human rights	(6)
GRI 409	Forced or Compulsory Labor		
103	Management approach	Section 8.8 Supply Chain and Customers Appendix III: Further information on Sustainability - Respect for Human Rights and Community Relations - Human rights	
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Section 8.8 Supply Chain and Customers Appendix III: Further information on Sustainability - Respect for Human Rights and Community Relations - Human rights	(6)
GRI 410	Security Practices		
103	Management approach	Section 8.4.2. Respect for Human Rights and Community Relations - Security and human rights	
410-1	Security personnel trained in human rights policies or procedures	Section 8.4.2. Respect for Human Rights and Community Relations - Security and human rights	

GRI Standard	Description of the indicator	Reference in the Management Report, Reports or online	Notes
GRI 411	Rights of Indigenous Peoples		
103	Management approach	Section 8.4.2. Respect for Human Rights and Community Relations Appendix III: Further information on Sustainability- Respect for Human Rights and Community Relations - Human rights	
411-1	Incidents of violations involving rights of indigenous peoples	As was the case in 2019, in 2020 there have been no incidents related to violations of indigenous people's rights reported to the Company's whistleblower channel.	
OG9	Operations where indigenous communities are present or affected by activities and where specific engagement strategies are in place	Appendix III: Further information on Sustainability- Respect for Human Rights and Community Relations - Human rights	
GRI 412	Human rights assesment		
103	Management approach	Section 8.4.2. Respect for Human Rights and Relationship with Communities - Due diligence management system Section 8.8.1 Supply Chain Appendix III: Further information on Sustainability - Respect for Human Rights and Community Relations - Human rights	
412-1	Operations that have been subject to human rights reviews or impact assessments	Section 8.4.2. Respect for Human Rights and Relationship with Communities - Due diligence management system	
412-2	Employee training on human rights policies or procedures	Appendix III: Further information on Sustainability - Respect for Human Rights and Community Relations - Human rights	
412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	Section 7. Our businesses - Sustainability performance (by business) Section 8.4.2. Respect for Human Rights and Relationship with Communities - Due diligience managmenet system Section 8.8.1. Supply chain	
GRI 413	Local Communities		
103	Management approach	Section 8.4.2. Respect for Human Rights and Relationship with Communities Appendix III: Further information on Sustainability - Respect for Human Rights andCommunity Relations - Local communities	
413-1	Operations with local community engagement, impact assessments, and development programs	Section 8.4.2. Respect for Human Rights and Relationship with Communities - Due diligence management system	
413-2	Operations with significant actual and potential negative impacts on local communities	Appendix III: Further information on Sustainability - Respect for Human Rights andCommunity Relations - Local communities	
OG10	Number and description of significant disputes with local communities and indigenous peoples	As was the case in 2019, in 2020 there were no significant disputes with local communities and indigenous peoples	(14)
OG11	Number of sites that have been decommissioned and sites that are in the process of being decommissioned	Appendix III: Further information on Sustainability - Respect for Human Rights and Community Relations - Local communities	
OG12	Cases of involuntary resettlement necessary for the activities of the organization	As was the case in 2019, in 2020 there were no cases of involuntary resettlements as a result of the activities of the organization.	
GRI 414	Supplier Social Assessment		
103	Management approach	Section 8.8.1. Supply Chain - Environmental and social assessment of suppliers Appendix III: Further information on Sustainability- Supply chain and product safety	
414-1	New suppliers that were screened using social criteria	Section 8.8.1. Supply Chain - Environmental and social assessment of suppliers	
414-2	Negative social impacts in the supply chain and actions taken	Appendix III: Further information on Sustainability- Supply chain and customers	
GRI 415	Public Policy		
103	Management approach	Appendix III: Further information on Sustainability - Ethics and compliance - Public policy	
415-1	Political contributions	Appendix III: Further information on Sustainability - Ethics and compliance - Public policy	

GRI Standard	Description of the indicator	Reference in the Management Report, Reports or online	Notes
GRI 416	**Customer Health and Safety**		
103	Management approach	Section 8.8.2 Responsible customer management - Safety throughout the product lifecycle Appendix III: Further information on Sustainability - Ethics and compliance- Regulatory compliance	
416-1	Assessment of the health and safety impacts of product and service categories	Section 8.8.2 Responsible customer management - Safety throughout the product lifecycle	
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Appendix III: Further information on Sustainability - Ethics and compliance- Regulatory Compliance	
GRI 417	**Marketing and Labeling**		
103	Management approach	Not disclosed	Not material
417-1	Requirements for product and service information and labeling	Not disclosed	Not material
417-2	Incidents of non-compliance concerning product and service information and labeling	Not disclosed	Not material
417-3	Incidents of non-compliance concerning marketing communications	Not disclosed	Not material
GRI 418	**Customer privacy**		
103	Management approach	Section 8.8.2 Responsible management of customers -Management of customer value. Customer privacy	
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Section 8.8.2 Responsible management of customers -Management of customer value. Customer privacy	
GRI 419	**Socioeconomic compliance**		
103	Management approach	2020 Consolidated Financial Statements - Note 15.2 Lawsuits and Note 22.4 Government and legal proceedings with tax implications	
419-1	Non-compliance with laws and regulations in the social and economic spheres	2020 Consolidated Financial Statements - Note 15.2 Lawsuits and Note 22.4 Government and legal proceedings with tax implications	

(1) Information reported only for own personnel.
(2) Information on the supply chain refers exclusively to significant purchases made by the corporate purchasing and procurement department, and excludes purchases of crude oil, gas and materials.
(3) The referenced report on payments to public administrations by country has not undergone any verification, and only the overall reasonableness of the payments has been analyzed. The information on taxes effectively paid includes payments for liquidity of taxes and duties, not including effective tax returns or surcharges and penalties.
(4) The main material, namely processed crude oil, is broken down.
(5) The overall reasonableness of the data has been verified. The data is subject to change once the audits of the emissions at each site and asset under ISO 14064 have been performed.
(6) Qualitative information reported.
(7) The value for biodiversity outside protected areas is not reported.
(8) Impacts are not reported by type.
(9) Scope 3 emissions do not include Upstream transport categories at E&P, nor the fixed asset and investee categories.
(10) Sanctions or warnings derived from breaches of the Code of Ethics are reported.
(11) The information included refers to the number of ICFR controls.
(12) Only information on water withdrawal is reported.
(13) Information on the representation of employees on existing Safety and Health Committees is reported.
(14) Incidents related to violations of rights of indigenous peoples received through the Company's whistleblower channel are reported.

Appendix V. Statement of non-financial information

The table set out below presents the non-financial and diversity information requirements established by Law 11/2018 (December 28) and the sections of the Integrated Management Report in which this information is disclosed:

Contents	GRI Standards	Reference in Management Report, Reports or website	Comments
0. General contents			
a) Business model: 1) business environment, 2) organization and structure, 3) markets in which it operates, 4) objectives and strategies, 5) the main factors and trends that may affect its future evolution.	102-2, 102-6	Section 3. New Strategic Plan Section 4.1. Value chain and business segments Section 4.2. Repsol around the world Section 4.4. Corporate structure Section 7. Our businesses Section 9. Outlook Consolidated Financial Statements 2020 – Note 19. Operating income	
b) Policies	103	Section 8. Sustainability	
c) Policy outcomes. KPIs	103	About this report Section 8. Sustainability Appendix III. Further information on Sustainability	
d) Risks at ST, MT and LT	102-15, 205-1, 413-1, 407-1, 408-1, 409-1	Section 3. New Strategic Plan Section 8.1.2. Risks and opportunities Section 8.2. Environment Section 8.4.2. Respect for human rights and community relations – Due diligence management model Section 8.5. Safe operation Section 8.7. Ethics and compliance – Code of Ethics and Conduct Section 8.8. Supply chain and customers Risks 10. Risks Appendix II. Risks Appendix III: Further information on sustainability – Human rights and community relations – Human rights	
e) KPIs	102-54	About this report	
1. Environmental issues			
a) General: • Real and foreseeable effects of the company on the environment • Environmental assessment or certification procedures • Resources dedicated to the prevention of environmental risks • Principle of precaution, provisions and environmental guarantees	103, 102-11, 201-2, 307-1, 308-1, 308-2	Section 4.4. Corporate Governance Section 8.1.2 – Risks and opportunities Section 8.2. Environment Section 8.5.1 – Security Management System Section 8.8.1 – Supply chain – Environmental and social assessment of suppliers Risks 10. Risks Appendix II: Risks Appendix III: Further information on Sustainability - Ethics and compliance - Regulatory compliance Appendix III: Further information on sustainability – Supply chain and customers	Information on resources in place to foresee and anticipate environmental risks and provisions is disclosed in Note 29.2 of the 2020 Consolidated Financial Statements. Information on environmental guarantees is disclosed in Note 25.2 of the 2020 Consolidated Financial Statements. Furthermore, Repsol has ISO 14001 Environmental Management Systems in place to ensure that applicable legal and regulatory limits are not breached and that help to prevent and improve the management of environmental impacts, risks and opportunities at the Company.
b) Pollution	103, 305-5, 305-7	Section 8.1. Climate Change Section 8.1.4 – Objectives and metrics Section 8.2. Environment Appendix III: Further information on Sustainability – Environment – Non-GHG emissions	Light contamination is not reported as it is not considered a material issue (see Materiality Matrix on page 131)
c) Circular economy and waste prevention and management	103, 306-2	Section 8.2. Environment Appendix III: Further information on Sustainability - Environment - Effluents and waste	Action taken to combat food waste is not reported as it is not considered a material topic (see Materiality Matrix on page 131).
d) Sustainable use of resources			
• The water consumption and water supply according to local limitations	103, 303-1, 303-2, 303-3,303-4	Section 8.2.2 – Water Appendix III: Further information on Sustainability – Environment – Effluents and dumping	
• Consumption of raw materials and measures taken to improve the efficiency of their use	103, 301-1,	Section 7.2.1. Refining	Efficiency improvements in the use of raw materials are not reported as this is not considered a material topic (see Materiality Matrix on page 131)

Contents	GRI Standards	Reference in Management Report, Reports or website	Comments
• Direct and indirect consumption of energy, measures taken to improve energy efficiency and the use of renewable energies	103, 302-1, 302-2, 302-3, 302-4, 302-5	Section 8.1.4 – Objectives and metrics Appendix III: Further information on sustainability – Climate change - Energy efficiency and climate change	
e) Climate Change • Greenhouse gas emissions generated by the Company's activities • Measures rolled out to adapt to the consequences of climate change • Greenhouse emission reduction targets in the mid to long run	103, 305-1, 305-2, 305-3, 305-4, 305-5, 305-7, 201-2	Section 3. New Strategic Plan Section 8.1. Climate change Risks 10. Risks Appendix II: Risks Appendix III: Further information on sustainability – Environment – Non-GHG emissions	
f) Protection of biodiversity	103, 304-1, 304-2, 304-3, 304-4, 306-5	Section 8.2.1 – Natural capital and biodiversity – Respect for biodiversity when carrying on our business Appendix III: Further information on Sustainability - Environment - Biodiversity Appendix III: Further information on sustainability – Climate change – Energy efficiency and climate change	
2. Employees and other personnel			
a) Employment			
• Total number and distribution of employees by gender, age, country and professional classification	103, 102-8, 405-1	Section 4.3. Corporate Governance Section 8.4.1 – Human capital Appendix III: Further information on Sustainability - People - Employment Appendix III: Further information on Sustainability - People - Diversity and equal opportunities	
• Total number and distribution of employment contract types	102-8	Section 8.4.1 – Human capital Appendix III: Further information on Sustainability - People - Employment	
• Average annual number of contracts, temporary contracts and part-time contracts by gender, age and professional classification	102-8, 405-1	Section 4.3. Corporate Governance Section 8.4.1 – Human capital Appendix III: Further information on Sustainability - People - Employment Appendix III: Further information on Sustainability - People - Diversity and equal opportunities	
• Number of dismissals by gender, age, country and professional classification	401-1	Appendix III: Further information on Sustainability - People - Employment	
• Average remunerations and their development broken down by gender, age and professional classification or equal value	405-2, 102-38, 102-39	Section 8.4.1 – Human capital Appendix III: Further information on Sustainability - People - Remuneration and benefits	
• Salary gap, remuneration of equal or average jobs in society	405-2	Section 8.4.1 – Human capital Appendix III: Further information on Sustainability - People - Remuneration and benefits	
• The average remuneration of directors and executives, including variable remuneration, plus expenses, indemnities, payment to long-term savings pension systems and any other payment broken down by gender	103, 102-35, 102-36	Appendix III: Further information on Sustainability - Corporate Governance Appendix VIII: 2020 Annual Corporate Governance Report – B.4.4 Remuneration Committee Appendix VIII: Annual Corporate Governance Report 2020 - B.5 Remuneration of Directors and Senior Management Annual Report on Director Remuneration Director for 2020 – Remuneration Policy 2019-2021: https://www.repsol.com/imagenes/global/es/politica-remuneraciones-2019-VF_tcm13-150990.pdf 2020 Consolidated Financial Statements – Note 28. Remuneration of members of the Board of Directors and executive personnel	Remuneration of members of the Board of Directors and executive staff is included in Note 30 to the 2020 Consolidated Financial Statements
• Implementation of right to disconnect policies for employees	103	Section 8.4.1 – Human capital	
• Employees with disabilities	405-1	Section 4.3. Corporate Governance Section 8.4.1 – Human capital Appendix III: Further information on Sustainability - People - Diversity and equal opportunities	
b) Organization of work • Number of hours of absenteeism • Work-life balance measures	103, 401-2	Section 8.4.1 – Human capital Appendix III: Further information on Sustainability - People - Diversity and equal opportunities Appendix III: Further information on Sustainability - People - Employment framework, health and safety at work	

Contents	GRI Standards	Reference in Management Report, Reports or website	Comments
c) Health and safety • Frequency and severity of occupational accidents, by gender • Occupational diseases	103, 403-1, 403-2, 403-3, 403-6,403-7,403-8,403-9,403-10	Section 8.5.1 – Security Management System Section 8.5.4 – Personnel accident rate Appendix III: Further information on Sustainability - People - Employment framework, health and safety at work Appendix III. Further information on sustainability – Safe operation Section 8.8.2 – Responsible customer management – Safety across the product life cycle	
d) Social relations • Organization of employee dialog • Percentage of employees covered by collective agreement, by country • List of collective agreements in the realm of occupational safety and health	103, 102-41, 407-1, 403-4	Section 8.8. Supply chain and customers Appendix III: Further information on Sustainability - People - Employment framework, health and safety at work Appendix III: Further information on sustainability – Human rights and community relations – Human rights	
e) Training	103, 403-5, 404-1,404-2	Section 8.5.5 – Safety culture Appendix III. Further information on Sustainability - People - Training and development	
f) Universal accessibility for disabled persons	103	Section 8.4.1. Human capital Appendix III: Further information on Sustainability - People - Employment	
g) Equality	103	Section 8.4.1. Human capital Appendix III: Further information on Sustainability - People - Diversity and equal opportunities	
3. Human rights			
• Applying due diligence procedures in human rights • Preventing the risk of human rights violations • Reports of human rights violations • Championing and ensuring compliance with ILO provisions on the right to collective bargaining, child labor and forced labor	103, 102-16, 102-17,412-1, 412-2, 412-3, 410-1, 406-1, 407-1, 408-1, 409-1	About this report Section 8.4.2. Respect for human rights and community relations Section 8.7. Ethics and Compliance Section 8.8. Supply chain Section 7. Our businesses – Sustainability performance (by business) Section 8.4.2. Respect for human rights and community relations – Due diligence management model Section 8.7. Ethics and compliance – Code of Ethics and Conduct Section 8.8. Supply chain and customers Section 8.8.1 – Supply chain Appendix III: Further information on sustainability – Human rights and community relations	
4. Corruption and bribery			
• Measures taken to prevent corruption and bribery	103, 102-16, 102-17, 205-1, 205-2, 205-3	About this report Section 7. Our businesses – Sustainability performance (by business) Section 8.4.2. Respect for human rights and community relations – Due diligence management model Section 8.4.2. Respect for human rights and community relations – Operations-related claims mechanisms Section 8.7. Ethics and Compliance Section 8.8. Supply chain and customers Appendix III: Further information on sustainability – Human rights and community relations – Human rights Code of Ethics and Conduct (https://www.repsol.com/imagenes/global/es/codigo_de_etica_conducta_repsol_tcm13-17053.pdf) Repsol ethics and compliance channel. (ethicscompliancechannel.repsol.com) Appendix III: Further information on Sustainability – Ethics and compliance - Fight against corruption	
• Measures to combat money laundering	205-2	Section 8.7. Ethics and Compliance – Fight against corruption Appendix III: Further information on sustainability – Ethics and compliance – Fight against corruption	
• Contributions to foundations and non-profit entities	413-1	Section 8.4.2. Respect for human rights and community relations – Due diligence management model	

Contents	GRI Standards	Reference in Management Report, Reports or website	Comments
5. Company			
a) The company's commitment to sustainable development	103, 102-12, 102-13, 102-43, 202-1, 202-2, 203-1, 203-2, 204-1, 411-1, 413-1,413-2	Section 8.4.2. Respect for human rights and community relations – Economic impact on communities and shared value Section 8.4.2. Respect for human rights and community relations – Due diligence management model Section 8.6. Responsible tax policy Section 8.8.1. Supply chain and – Indirect economic impact Appendix III: Further information on sustainability – Materiality and stakeholder engagement Appendix III: Further information on sustainability – People – Remuneration and benefits Appendix III: Further information on sustainability – People – Employment Appendix III: Further information on sustainability – Human rights and community relations – Indirect economic impacts Appendix III: Further information on sustainability – Human rights and community relations – Local communities	
b) Subcontracting and suppliers • Making social and environmental concerns part of the procurement policy • Oversight systems and audits and related findings	103, 102-9, 308-1, 308-2, 414-1, 414-2	Section 8.8.1 – Supply chain	
c) Consumers • Measures to protect the health and safety of consumers • Grievance systems, complaints received and outcome	103, 416-1, 416-2, 418-1	Section 8.8.2 – Responsible customer management – Safety across the product life cycle Section 8.8.2 – Responsible customer management – Management of customer claims Appendix III – Further information on sustainability – Ethics and compliance – Regulatory compliance	
d) Tax information			
• Profits obtained country by country Tax on profits paid	103, 201-1, 207	Section 8.6. Responsible tax policy Appendix III: Further information on Sustainability - Economic performance Appendix III: Further information on sustainability – Responsible tax policy	
• Public grants received	201-4	Appendix III: Further information on Sustainability - Economic performance	
6. Other significant information			
a) Other information on the Company's profile	102-1 A, 102-7,102-9, 102-10, 102-14	Message from the President Message from the Chief Executive Officer Section 1. Overview of 2020 Section 3. New Strategic Plan Section 4.1. Value chain and business segments Section 4.2. Repsol around the world Section 4.5. Corporate Structure Section 7. Our businesses Section 8.1.2 – Risks and opportunities Section 8.8. Supply chain and customers – Supply chain Section 10 – Risks Appendix II: Risks Consolidated Financial Statements 2020 – Note 1. About these Financial Statements 2020 Consolidated Financial Statements – Note 2. About Repsol	
b) Corporate Governance	102-18 TO 102-34; 102-37	Section 4.3. Corporate Governance Section 8. Sustainability – Sustainability model Section 8.1.1 – Climate change governance Appendix III – Further information on sustainability – Corporate governance Appendix VIII: Annual Corporate Governance Report – 2020	
c) Stakeholder engagement	102-40, 102-42 TO 102-44	Appendix III: Further information on Sustainability - Materiality and stakeholder engagement More information at: https://www.repsol.com/es/sostenibilidad/nuestro-modelo-sostenibilidad/nuestro-modelo/index.cshtml	
a) Other useful information on the preparation of the document	102-45 TO 102-55, 201-3, 206-1, 306-1, 306-3, 401-2, 402-1, 404-3, 415-1, 419-1, OG1 TO OG14	Appendix IV: GRI Index	

Appendix VI. SASB indicators

SASB indicator	Description of the indicator	Reference in the Management Report or online	GRI Standard
	Climate change & energy transition		
EM-EP-110a.1 EM-RM-110a.1 RT-CH-110a.2	Gross global Scope 1 emissions, percentage covered under emissions-limiting regulations	Section 8.1.4. Targets and metrics - Direct and indirect emissions	305-1 (Partial) 201-2
EM-EP-110a.2	Amount of gross global Scope 1 emissions from: (1) flared hydrocarbons, (2) other combustion, (3) process emissions, (4) other vented emissions, and (5) fugitive emissions	Section 8.1.4. Targets and metrics	OG6 (Partial)
EM-EP-110a.3 EM-RM-110a.2 RT-CH-110a.2	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	Section 8.1.4. Targets and metrics - Direct and indirect emissions Section 8.1.3. Strategy Section 8.1.4. Targets and metrics - Objectives for the transition	201-2,305-5
RT-CH-130a.1	(1) Total energy consumed (2) percentage grid electricity (3) percentage renewable (4) total self-generated energy	Section 8.1.4. Targets and metrics - Direct and indirect emissions	302-1 (Partial)
EM-EP-420a.4	Discussion of how price and demand for hydrocarbons and/or climate regulation influence the capital expenditure strategy for exploration, acquisition, and development of assets	Section 8.1.3. Strategy	
EM-EP-420a.3	Amount invested in renewable energy, revenue generated by renewable energy sales	Appendix III. Further information on Sustainability - Climate change- Energy efficiency and climate change	OG2 (Partial)
EM-RM-410a.1	Percentage of Renewable Volume Obligation (RVO) met through: (1) production of renewable fuels (2) purchase of "separated" renewable identification numbers (RIN)	Appendix III. Further information on Sustainability - Climate change- Energy efficiency and climate change	OG14 (Partial)
	Air quality		
EM-EP-120a.1 EM-RM-120a.1 RT-CH-120a.1	Air emissions of the following pollutants: (1) NOx (excluding N2O), (2) SOx, (3) volatile organic compounds (VOCs), and (4) particulate matter (PM10), H2S (RM), HAP (CH)	Appendix III: Further information on Sustainability - Environment - Non-GHG emissions	305-7
	Water management		
RT-CH-140a.3	Description of water management risks and discussion of strategies and practices to mitigate those risks	Section 8.2.2. Water - Impact management, risk analysis and the Repsol Water Tool (RWT)	
EM-EP-140a.1 RT-CH-140a.1	(1) Total fresh water withdrawn (2) total fresh water consumed (2) Percentage of each in regions with High or Extremely High Baseline Water Stress	Section 8.2.2. Water - Water as a shared resource Appendix III. Further information on Sustainability - Environment - Effluents and waste	303-3, 303-5
RT-CH-140a.1	(1) Total fresh water withdrawn (2) percentage recycled (3) percentage in regions with High or Extremely High Baseline Water Stress	Section 8.2.2. Water - Water as a shared resource Appendix III. Further information on Sustainability - Environment - Effluents and waste	303-3,303-5
EM-EP-140a.2	(1) Volume of produced water and flowback fluid generated during operations (2) percentage of produced water and flowback fluid discharged, injected and recycled (3) hydrocarbon content in discharged water	Appendix III. Further information on Sustainability - Environment - Effluents and waste	OG5 (Partial)
EM-RM-140a.2 RT-CH-140a.2	Number of incidents of non-compliance associated with water quality permits, standards, and regulationss	Appendix III. Further information on Sustainability - Regulatory Compliance	307-1 (Partial)
	Hazardous waste management		
EM-RM-150a.1 RT-CH-150a.1	Amount of hazardous waste generated, percentage recycled	Appendix III. Further information on Sustainability - Environment-Main contaminants discharged	306-2
	Safety & Environmental Stewardship of Chemicals		
RT-CH-410b.2	Discussion of strategy to (1) manage chemicals of concern and (2) develop alternatives with reduced human and/or environmental impact	Appendix III. Further information on Sustainability -Supply chain and customers - Responsible management of our customers	

SASB indicator	Description of the indicator	Reference in the Management Report or online	GRI Standard
	Biodiversity impacts		
EM-EP-160a.1	Description of environmental management policies and practices for active sites	Section 8.2.1. Natural capital and biodiversity - Respect for biodiversity in our activities	103-1, 2, 3
EM-EP-160A.3	Percentage of (1) proved and (2) probable reserves in or near sites with protected conservation status or endangered species habitat	Appendix III. Further information on Sustainability - Environment - Biodiversity	304-1 (Partial)
	Security, Human Rights & Rights of Indigenous Peoples		
EM-EP-210a.1	Percentage of (1) proved and (2) probable reserves in or near areas of conflict	Appendix III. Further information on Sustainability - Ethics and compliance	
EM-EP-210a.2	Percentage of (1) proved and (2) probable reserves in or near indigenous land	Appendix III. Further information on Sustainability - Human Rights and Comunity Relations - Human rights	OG9 (Partial)
EM-EP-210a.3	Discussion of engagement processes and due diligence practices with respect to human rights, indigenous rights, and operation in areas of conflict	Appendix III. Further information on Sustainability - Human Rights and Comunity Relations - Risks, opportunities and due diligence	103-1,2,3 (Partial)
	Comunity Relations		
EM-EP-210b.1 RT-CH-210a.1	Discussion of process to manage risks and opportunities associated with community rights and interests	Appendix III. Further information on Sustainability - Human Rights and Comunity Relations - Risks, opportunities and due diligence	203-1 (Partial) 413-1 (Partial)
EM-EP-210b.2.	Number and duration of non-technical delays	Appendix III. Further information on Sustainability - Human Rights and Comunity Relations - Local communities	
	Workforce Health & Safety		
EM-EP-320a.1 EM-RM-320a.1 RT-CH-320a.1	(1) Total recordable incident rate (TRIR) (2) fatality rate (3) nearmiss frequency rate (NMFR) (EP, RM) (4) average hours of health, safety, and emergency response training for (a) full-time employees, (b) contract employees, and (c) short-service employees (EP)	Section 8.5.4. Occupational safety Appendix III. Further information on Sustainability - People -Training and development	403-5 (Parcial) 403-9 (Parcial)
EM-EP-320a.2 EM-RM-320a.2	Discussion of management systems used to integrate a culture of safety	Section 8.5.5. Development of a safety culture	403-1
EM-EP-540a.1 EM-RM-540a.1	Process Safety Event (PSE) rates for Loss of Primary Containment (LOPC) of greater consequence (Tier 1) and lesser consequence (Tier 2)	Section 8.5.2. Process safety	OG13
EM-RM-540a.2	Challenges to Safety Systems indicator rate (Tier 3)		
RT-CH-540a.1	Process Safety Incidents Count (PSIC), Process Safety Total Incident Rate (PSTIR), and Process Safety Incident Severity Rate (PSISR)	Section 8.5.2. Process safety	OG13 (Partial)
	Bussiness Ethics and Transparency		
EM-EP-510a.1	Percentage of (1) proved and (2) probable reserves in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	Appendix III. Further information on Sustainability - Ethics and compliance - Anti-corruption	
EM-EP-510a.2	Description of the management system for prevention of corruption and bribery throughout the value chain	Section 8.7. Ethics and compliance - Fight against corruption and bribery	103-1,2,3 (Partial)
	Management of the Legal & Regulatory Environment		
EM-EP-530a.1 EM-RM-530a.1 RT-CH-530a.1	Discussion of corporate positions related to government regulations and/or policy proposals that address environmental and social factors affecting the industry	Section 3. New Strategic Plan Section 8.1. Climate Change Section 10. Risks Appendix II: Risk	102-15

Appendix VII.
Table of conversions and abbreviations

			Oil				Gas		Electricity
			Liters	Barrels	Cubic meters	tep	Cubic meters	Cubic feet	kWh
Oil	1 barrel(1)	bbl	158.99	1	0.16	0.14	162.60	5,615	1,7X10^3
	1 cubic meter(1)	m3	1,000	6.29	1	0.86	1,033	36,481	10,691.5
	1 ton of oil equivalent(1)	tep	1,160.49	7.30	1.16	1	1,187	41,911	12,407.4
Gas	1 cubic meter	m3	0.98	0.01	0.001	0.001	1	35.32	10.35
	1,000 cubic feet = 1.04x106 Btu	ft3	27.64	0.18	0.03	0.02	28.3	1,000	293.1
Electricity	1 megawatt hour	MWh	93.53	0.59	0.10	0.08	96.62	3,412.14	1,000

(1) Measurement of reference: 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 meters	**kboe**	Thousand barrels of oil equivalent	**kscf/d**	Thousand standard cubic feet per day
Bep	Barrel of oil equivalent	**kboe/d**	Thousand barrels of oil equivalent per day	**MW**	Megawatt (million watts)
Btu/MBtu	*British thermal unit/ Btu/million Btu*	**km²**	Square kilometer	**MWh**	Megawatts per hour
LPG	Liquefied Petroleum Gas	**Kt/Mt**	Thousand tons/million tons	**TCF**	Trillion cubic feet
LNG	Liquefied Natural Gas	**Mbbl**	Million barrels	**tep**	Ton of oil equivalent
Gwh	Gigawatts per hour	**Mboe**	Million barrels of oil equivalent	**USD / Dollar / $**	US dollar

Appendix VIII.
Annual Corporate Governance Report

The 2020 Corporate Governance Report is included as an Appendix and forms an integral part of this report, as required by Article 538 of the Spanish Companies Act.

Management Report
Information on the performance of the Group's businesses, results, financial position and Sustainability, as well as the main risks and uncertainties that it is facings

Financial Statements
Information on equity and financial position at December 31, and income, changes in equity and cash flows for the period

Information on oil and gas exploration and production
Information on acreage, exploration and development activities, proven net reserves, future cash flows, production, results and investment

Report on payments to government bodies for oil and gas exploration and production activities
Information on payments to government bodies as a result of Extraction operations, by country, by project and by government body

Annual Corporate Governance Report
Information on the Company's corporate governance structure and practices

Annual Board Remuneration Report
Detailed information on the application of the Board remuneration policy

Audit and Control Committee activity report[1]
Membership and main activities of the Audit and Control Committee

Audit and Control Committee Report on the independence of the external auditor
Opinion of the Audit and Control Committee on the independence of the auditor and assessment on the provision of non-audit services

1. Published alongside the notice convening the Annual General Meeting.

Repsol, S.A. and investees comprising the Repsol Group

Independent verification report
Non-Financial Information Statement
31 December 2020

This version of our report is a free translation of the original, which was prepared in Spanish. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of our report takes precedence over this translation.

Independent Verification Report

To the shareholders Repsol, S.A.:

Pursuant to Article 49 of the Code of Commerce, we have verified, under a limited assurance scope, the Consolidated Non-financial Information Statement (hereinafter "CNFIS") for the year ended 31 December 2020 of Repsol, S.A. (the Parent company) and investees comprising the Repsol Group (hereinafter "Repsol" or "the Group") which forms part of Group's consolidated management's report attached.

The content of the consolidated management report includes additional information to that required by current commercial legislation on non-financial reporting which has not been covered by our verification work. In this respect, our work has been restricted solely to verifying the information identified in Appendix V "Statement of Non-Financial Information" and Appendix IV "GRI Index" of the accompanying consolidated management report.

Responsibility of the directors of the Parent company

The preparation of the CNFIS included in Group's consolidated management report, and the content thereof, are responsibility of directors of Repsol, S.A. The CNFIS has been drawn up according to the provisions of current commercial legislation and with the Sustainability Reporting Standards of the Global Reporting Initiative (hereinafter "GRI Standards") in accordance with the Comprehensive option and the Oil and Gas Sector Disclosures of the GRI G4 Guidelines (hereinafter "Oil and Gas Sector Disclosures"), in line with the details provided for each topic in the tables included in Appendix V "Statement of Non-Financial Information" and Appendix IV "GRI Index" of the aforementioned consolidated management report.

This responsibility also includes the design, implementation and maintenance of the internal control that is considered necessary to ensure that the CNFIS is free from material misstatement, due to fraud or error.

The directors of Repsol, S.A. are also responsible for defining, implementing, adapting and maintaining the management systems from which the information required to prepare the CNFIS is obtained.

Our independence and quality control

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

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Inscrita en el R.O.A.C. con el número S0242 - CIF: B-79 031290

Our firm applies the International Standard on Quality Control 1 (ISQC 1) and therefore has in place a global quality control system which includes documented policies and procedures related to compliance with ethical requirements, professional standards and applicable legal and regulatory provisions.

The engagement team has been formed by professionals specialising in Non-Financial Information reviews and specifically in information on economic, social and environmental performance.

Our responsibility

Our responsibility is to express our conclusions in an independent limited assurance verification report based on the work carried out. Our work has been aligned with the requirements set by the current International Standard on Assurance Engagements (ISAE) 3000 Revised, Assurance Engagements Other than Audits or Reviews of Historical Financial Information (ISAE 3000 Revised) issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC) and with the Guidelines for verification engagements on non-financial statements issued by the Spanish Institute of Auditors ("Instituto de Censores Jurados de Cuentas de España").

In a limited assurance engagement, the procedures performed vary in terms of their nature and timing of execution and are more restricted than those carried out in a reasonable assurance engagement. Accordingly, the assurance obtained is substantially lower.

Our work has consisted of posing questions to management and several Group units that were involved in the preparation of the CNFIS, in the review of the processes for compiling and validating the information presented in the CNFIS and in the application of certain analytical procedures and review sampling tests, as described below:

- Meetings with Group's personnel to ascertain the business model, policies and management approaches applied and the main risks related to these matters, and to obtain the information required for the external review.

- Analysis of the scope, relevance and integrity of the content included in the CNFIS for 2020 based on the materiality analysis performed by the Group and described in section "Materiality and Stakeholder Engagement" of Appendix III , considering the content required under current commercial legislation.

- Analysis of the procedures used to compile and validate the information presented in the CNFIS for 2020.

- Review of information concerning risks, policies and management approaches applied in relation to material issues presented in the CNFIS for 2020.

- Verification, through sample testing, of the information relating to the content of the CNFIS for 2020 and its adequate compilation using data supplied by the sources information.

- Obtainment of a management representation letter from the directors and the management of the Parent company.

Conclusions

Based on the procedures performed in our verification and the evidence we have obtained, no matters have come to our attention which may lead us to believe that CNFIS of Repsol, S.A. and investees comprising the Repsol Group for the year ended 31 December 2020 has not been prepared, in all of their significant matters, according to the provisions of current commercial legislation and with the GRI Standards, in accordance with the Comprehensive Option and the Oil and Gas Sector Disclosures, in line with the details provided for each topic in the tables included in Appendix V “Statement of Non-Financial Information” and Appendix IV “GRI Index” of the aforementioned consolidated management report.

Use and distribution

This report has been drawn up in response to the requirement laid down in current Spanish commercial legislation and therefore might not be suitable for other purposes or jurisdictions.

PricewaterhouseCoopers Auditores, S.L.

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Pablo Bascones Ilundain

18 February 2021