



Low Carbon Day

Repsol decarbonization
pathway: metrics & targets

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The Repsol Commitment
Net Zero Emissions
by 2050



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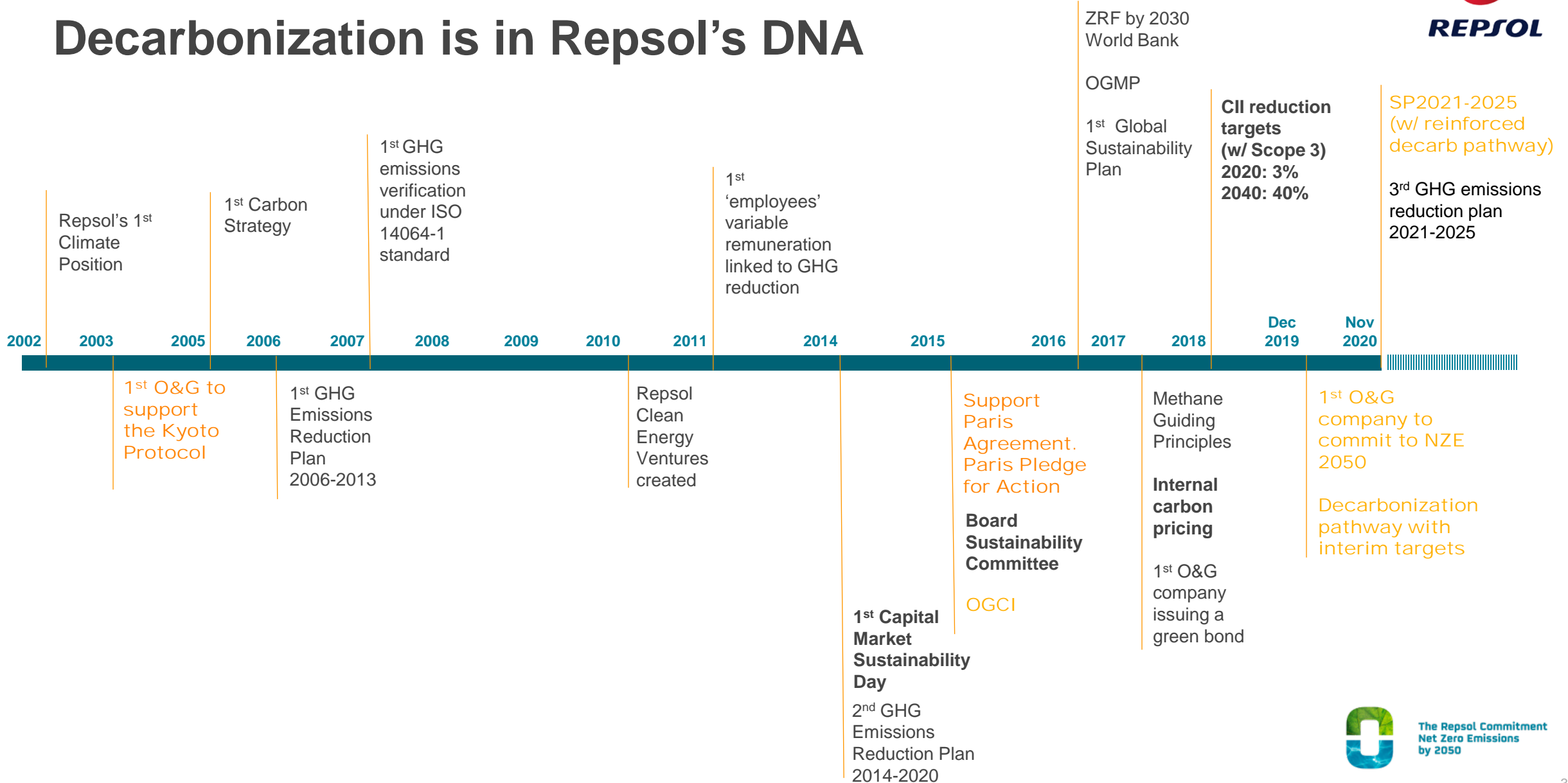
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Decarbonization is in Repsol's DNA



Credibility and engagement with ESG Stakeholders



Leading ESG company

Top grade (2020)
 2/47- ESG Risk Rating Ranking (Integrated O&G 2021)
 ESG rating - 1st quintile (2021)
 Top grade (2020)

36.2%
 Repsol's institutional shares managed by
ESG investors...

VS
16%
 Global Oil and Gas average ⁽¹⁾

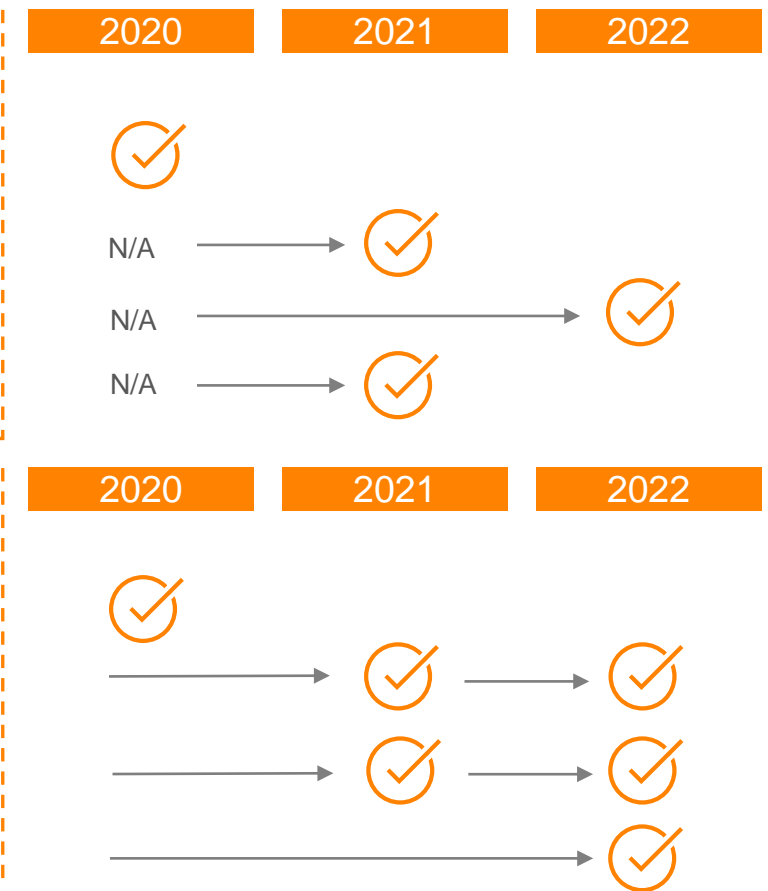
ESG Reporting Roadmap ⁽²⁾

Legal requirements

- Spanish Law 11/2018
- EU Taxonomy on Sustainable Finance ⁽³⁾
- Regulatory Technical Standards ⁽⁴⁾
- Spanish Climate Change Law

Reporting frameworks

- GRI
- SASB
- TCFD
- SCM (WEF-IBC-Big4)



(1) More than 400 companies included in the average
 (2) Non-financial information in annual Integrated Management Report to Repsol's AGM
 (3) Mandatory reporting in IMR 2021 for taxonomy eligible activities, in IMR 2022 for taxonomy aligned activities
 (4) Mandatory reporting in 2022 for financial entities



A science-based decarbonization pathway and methodology: a package of KPI's with CII and more...



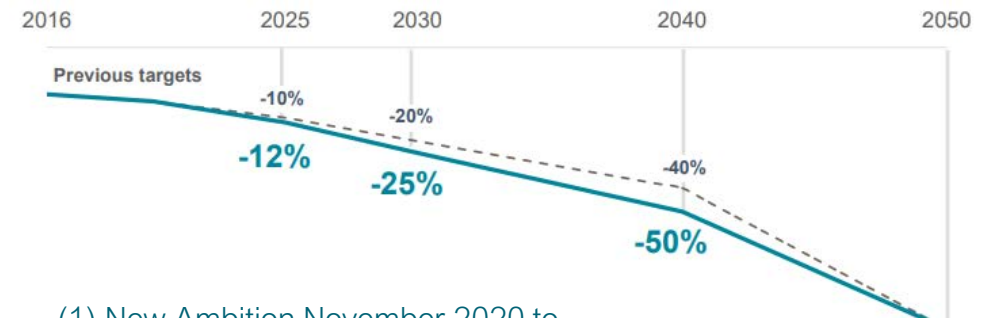
Carbon Intensity Indicator (CII) as key KPI

- Scope 3 based on primary energy
- In-house “substitution method” for renewables to account just for actual emissions avoided
- Interim CII targets, including short term (2020-2025-2030-2040)



- Other specific KPIs and targets: CO₂/barrel E&P, hydrogen & bio volumes, renewable GW, ...
- Transparent additional reporting as requested to allow homogeneous benchmarking vs. peers

Carbon Intensity indicator reduction target [gCO₂/MJ]



(1) New Ambition November 2020 to accelerate the path to Net zero emissions



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What more do our
ESG stakeholders
request?

Push (profitable) decarbonization to the limits

Metrics and targets

- Absolute emissions
- More detailed long-term scenario analysis
- Scope 3 methodology
- “Avoided” emissions

Capital allocation to low-carbon

Reinforced climate governance

What may our ESG stakeholders expect from us? (I)

Metrics & Targets

A further reinforced decarbonisation pathway (CII), supported by business ambition

- Renewable H₂
- Renewable power generation

New absolute emissions targets 2030 and methane

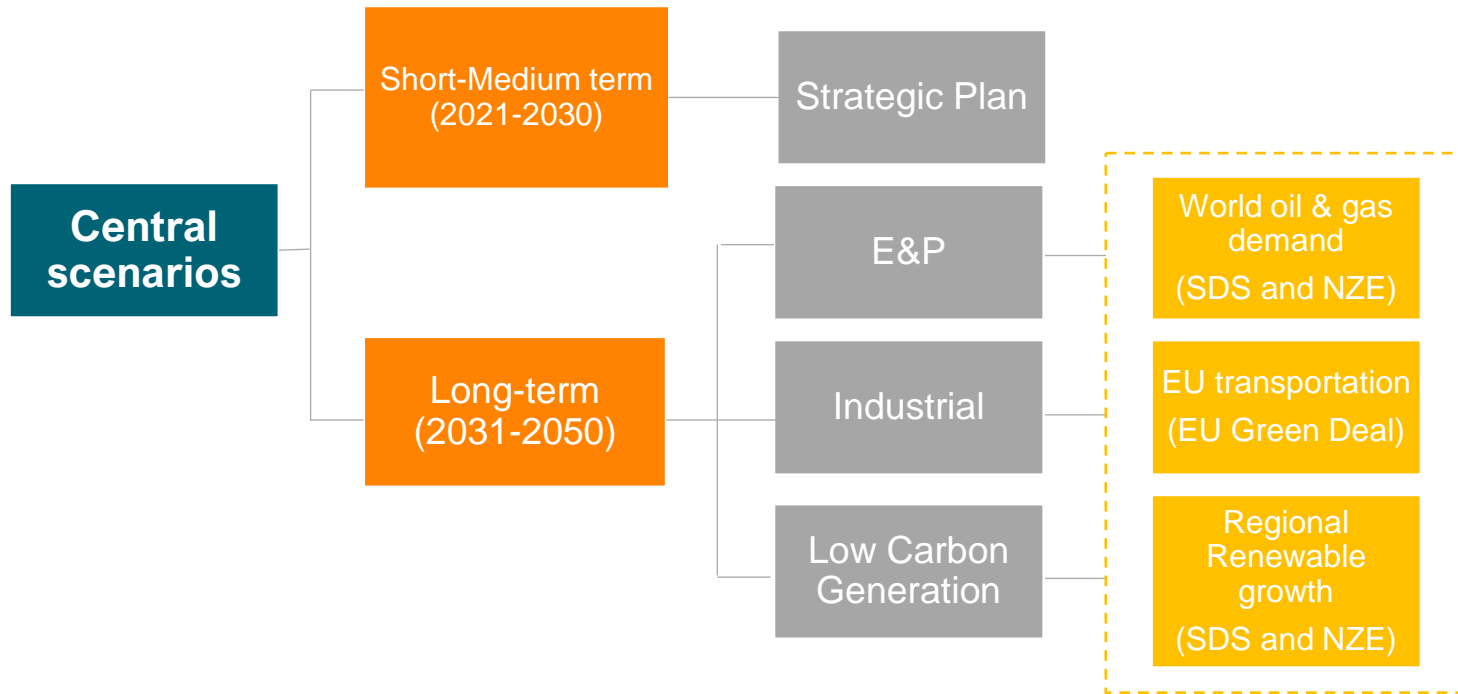
- Scope 1+2 operated
- Scope 1+2+3 (net, equity)
- Methane emissions intensity E&P

More, better reporting

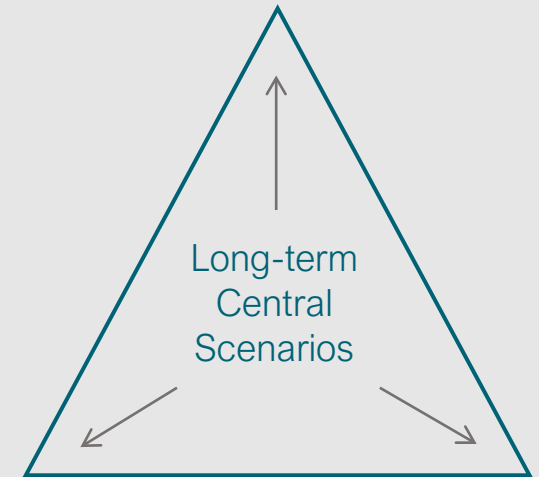
- Scenario analysis details
- Continue delivering on our reporting roadmap milestones
- Proactive participation: SBTi, Net Zero Standard for O&G (IIGCC), benchmarks (CA100+, ...)
- CII based on sales

What may our ESG stakeholders expect from us? (II)

Metrics & targets: scenario analysis



Deep Oil Decarbonization Scenario
(Low Carbon Fuels)



Electrification Scenario

Hydrogen Scenario

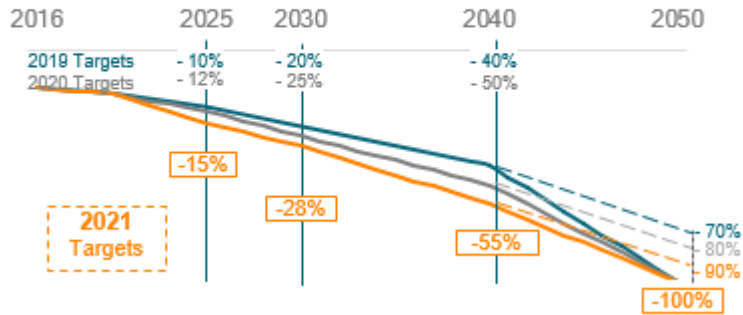


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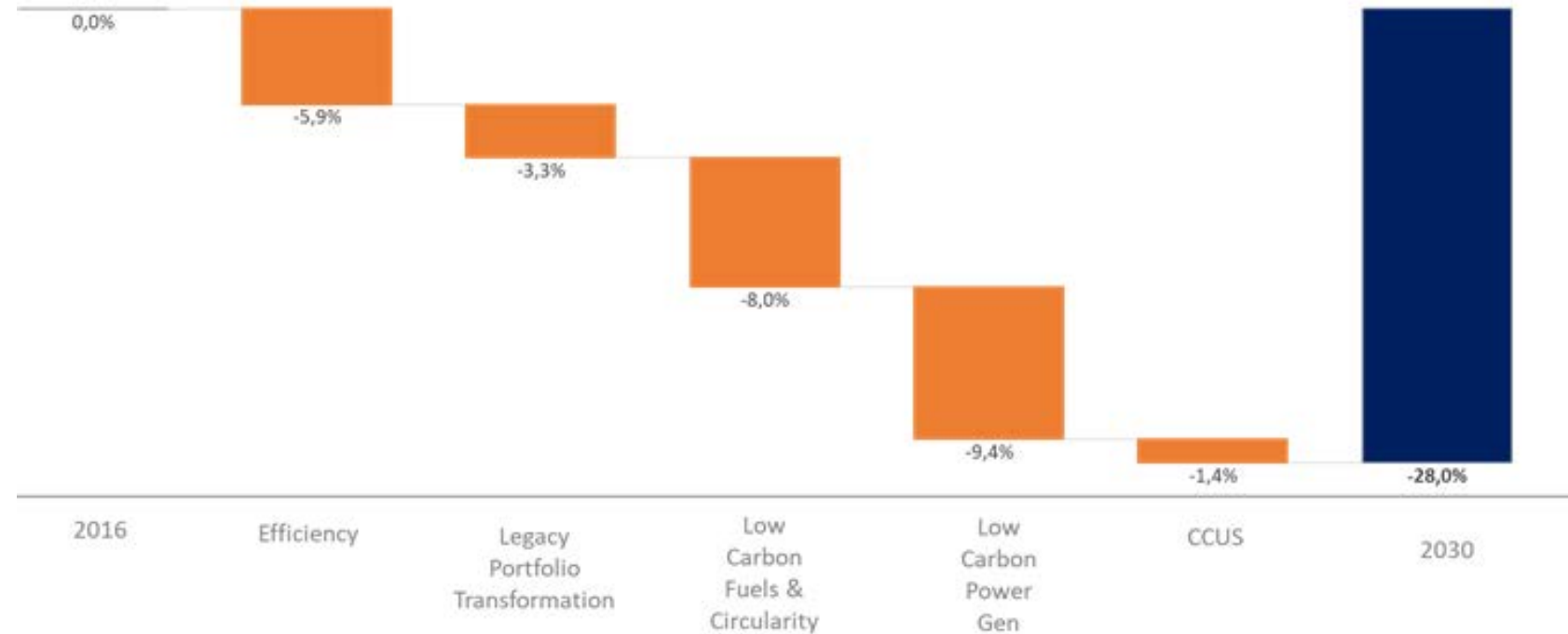
What may our ESG stakeholders expect from us? (III)

Metrics & targets: further reinforced decarbonization path (CII)

Carbon Intensity Indicator reduction targets [gCO₂/MJ]



CII reduction breakdown by lever 2030 vs. 2016 (%)

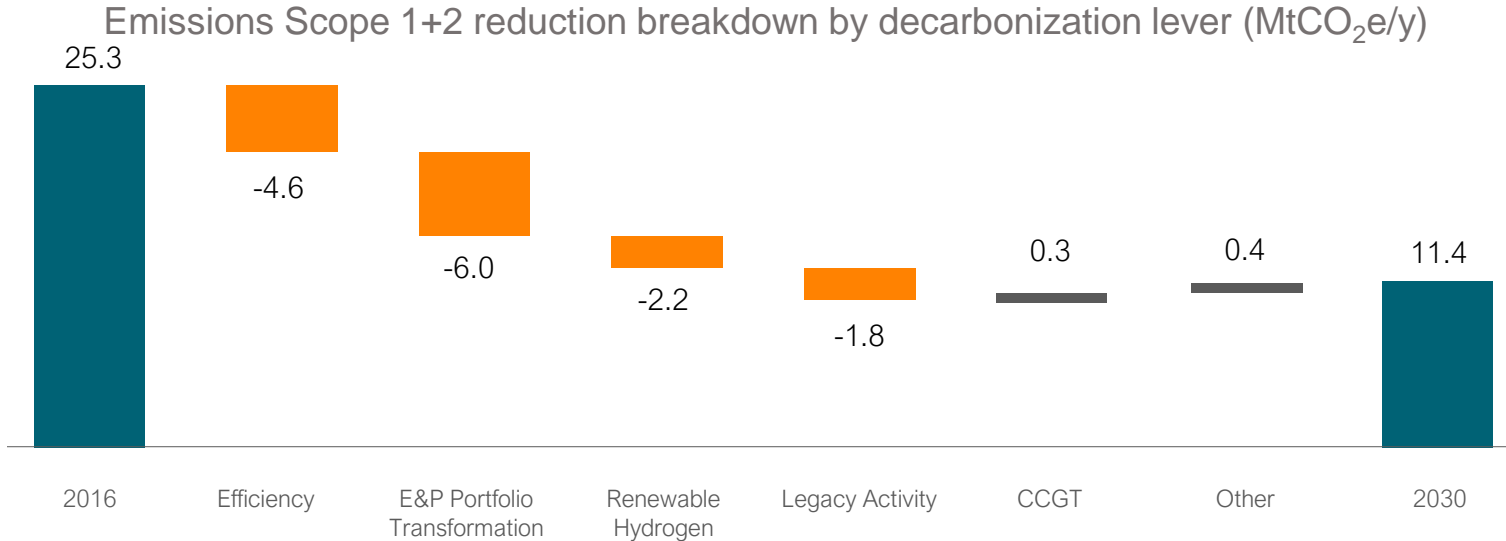


What may our ESG stakeholders expect from us? (IV)

New metrics & targets: absolute emissions

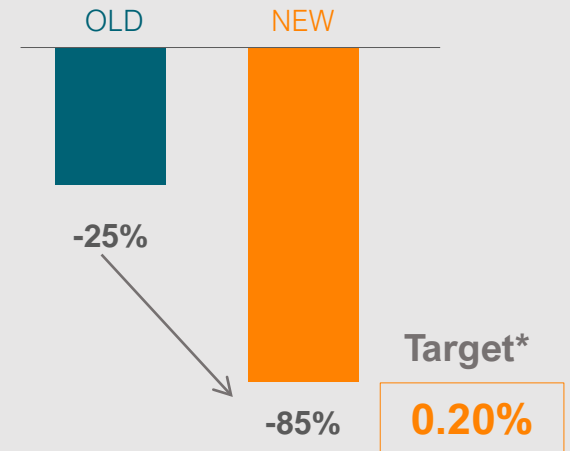
New target: 55% reduction operated emissions (scope 1+2) by 2030

New target: 30% reduction net emissions (scope 1+2+3) by 2030



New metrics & targets: methane intensity*

Reduction 2025 vs 2017 (%)



* Operated methane emissions / marketed gas (% v/v)



What may our ESG stakeholders expect from us? (V)

Climate governance & Capital allocation

Further reinforced climate governance

- The Board to submit climate strategy and targets to an **advisory vote** in the 2022 AGM
- Updated Association evaluation and report (July 2021)

Capital allocation

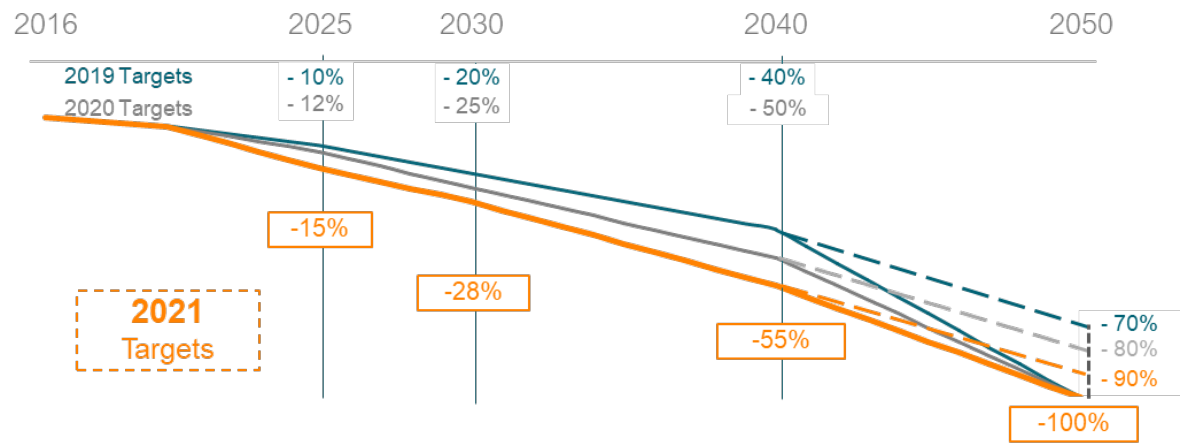
- In-house methodology for capex alignment guidance
 - In place since 2021 (as committed Dec.2019)
- **Internal carbon price** (Carbon incentive for new investments)

Baseline Worldwide			European Union*		
2025	2030		2025	2030	2040
60	60	New (\$/t)	70	100	
40	40	Current (\$/t)	40		70

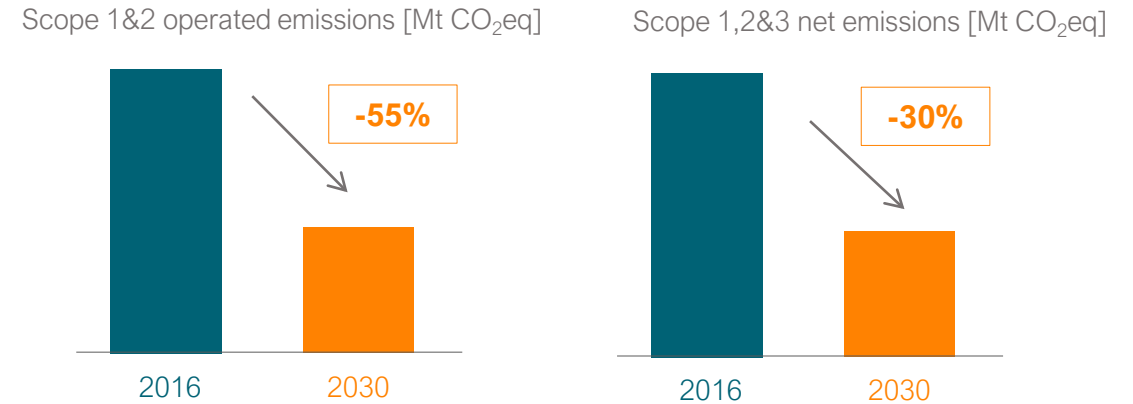
* Based on EU ETS projections. For other regulated markets that may evolve, a similar methodology would be applied

Summary: Renewed decarbonization ambition

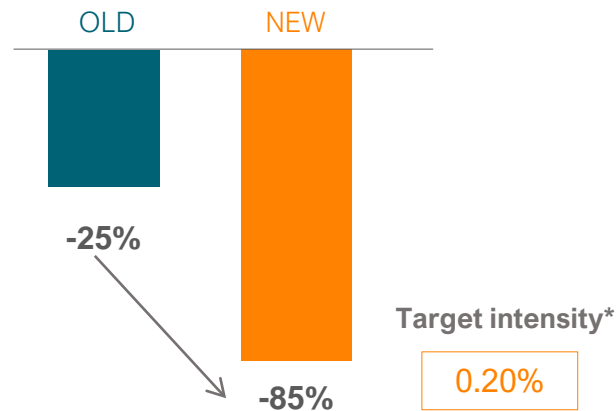
Carbon Intensity Indicator reduction targets [gCO₂/MJ]



Absolute emissions reduction (%)



Methane intensity reduction 2025 vs 2017 (%)



* Operated methane emissions / marketed gas (% v/v)

Reporting, Governance, Capital allocation

- Scenario analysis, benchmarkable metrics
- Advisory vote on climate strategy in the 2022 AGM
- Higher internal carbon price for new investments



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